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DP/5 4-3-5519

20 DEC 1963

DD / S R E G I S T R Y

FILE Approp Budget (FY 64)

MEMORANDUM FOR: Office of Budget, Program Analysis, and Manpower

THROUGH : Deputy Director for Support /s/ HKW 24 DEC 1963

SUBJECT : Revision of FY-1964 Budget Estimates

1. In accordance with the directions contained in Action Memorandum No. A-329, the FY-1964 budget of the Office of Communications has been reviewed to determine the dollar reductions resulting from the establishment of the lower ceiling level and other decisions related to the reduced personnel ceiling. The following are the reductions:

a. Communications Support Activity

(1) Reduction in Personnel Services and Costs Related to Personnel.

The reduction in the personnel ceiling is expected to result in a decrease of about [] man-years from the original estimates []. (The average cost of a man-year with its associated items is about [] in the FY-1964 estimates.)

(2) Reduction in Construction/Renovation Costs.

[]
reduction in the field station renovations which, because of the slow down in the consolidation program will not be required.

(3) Reduction in Equipment Costs as a result of the deferral of the [] station.

(4) Reduction in Leased Lines due to (a) slow down of the consolidation program in Europe (b) actual costs of leases in Latin America being lower than the estimates.

Total Reduction for Communications Support Activity

b. SIGINT.....

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GROUP 1
Excluded from automatic
downgrading and
declassification

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b. SIGINT

(1) Reduction in Personal Services.

This amount is based on the reduction of positions and (The dollar figure is the same as that used in the 15 July 1963 "Review of FY-1964 Financial Plan" which was compiled by your office.)

(2) Reduction in Construction and Equipment.

The ceiling reduction defers the establishment of new Close Support teams and, therefore, defers the need for renovation of new field station locations and for some equipment augmentation.

Total Reduction for SIGINT

c. Research and Development

The amount shown was deferred by the 15 July 1963 "Review of FY-1964 Financial Plan." The R&D program has not reached a point where firm estimates of the total SIGINT and Regular requirements can be determined. Preliminary estimates at this time indicate that the program will not require the funds that were deferred. Therefore, the is being considered as a reduction.

2. Summary

FY-1964 Financial Plan

(as shown in

FY-1965 Office Estimates)

FY-1964

Financial Plan Revised

Commo Support
SIGINT
R&D

On the basis of the revised financial plan, there is a reduction of positions,

Director of Communications

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