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ANNEX II

Contract Personnel

<u>Pseudonym</u>	<u>Citizenship</u>	<u>Duties</u>	<u>Salary per year</u>
1. John H. REINGEWIRTZ	Naturalized citizen	Agent trainer, translator, and language instructor.	\$5,000
2. John T. GOADUNSTON	Naturalized citizen	General consultant, agent trainer, research analyst, translator, and language instructor.	\$5,600
3. Robert J. FLUDE	Naturalized citizen	General consultant, agent trainer, and translator	\$5,600
4. Mario K. GIORDANO	Estonian Eligible for citizenship 1963	General consultant, agent trainer, and language instructor.	\$5,600
5. Patrick B. NEWENS	Estonian Eligible for citizenship 1956	General consultant and agent trainer.	\$5,400
6. Alexander ROUZITSKI	Stateless - Russian	Agent trainer, research analyst, and interrogator	\$6,000
7. Mary Z. SCARVILLE	Naturalized citizen	Typist and translator.	\$3,700
8. Curtis A. LENOIRD	Stateless - Latvian Eligible for citizenship 1957	General consultant and agent trainer	\$5,600
9. ██████████ Alopecia	Stateless Ukrainian	Spotter in Brazil	\$1,020

DECLASSIFIED AND RELEASED BY  
CENTRAL INTELLIGENCE AGENCY  
SOURCES METHOD EXEMPTION 3B2B  
NAZI WAR CRIMES DISCLOSURE ACT  
DATE 2007

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<u>True Names</u>	<u>Citizenship</u>	<u>Duties</u>	<u>Salary per year</u>
10. [REDACTED]	U.S. Citizens	Safehouse keepers	\$3,600
11. [REDACTED]	U.S. Citizens	Safehouse keepers	\$1,800
12. [REDACTED]	U.S. Citizens	Safehouse Keepers	\$3,900
13. [REDACTED]	U.S. Citizens	Safehouse Keepers	\$3,600

Neil G. HOGGREN (p) is no longer carried under this Project.

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20 JAN 1956

DD/P a. 2. 191

MEMORANDUM FOR: Deputy Director of Central Intelligence

SUBJECT : Project AEACRE (Renewal)

1. The attached project, originating in SR Division is herewith presented for approval of renewal for the period 1 January 1956 through 30 June 1956.
2. Authority is requested to obligate [ ] from the DD/P - SR Division budget for the 1956 fiscal year.
3. There is attached a memorandum, prepared by Plans Staff, summarizing the important factors involved.
4. I recommend renewal of Project AEACRE, including the recommendation in paragraph 6 of the attached memorandum dated 12 January 1956.

[ ]  
 Chief  
 Foreign Intelligence

Concur: [ ]  
 COP-RR/P

20 Jan. '56  
 Date

Concur. [ ]  
 DD-3  
 1/31/56

Approved: [ ]  
 DDCI

17 Feb 56  
 Date

[ ] Additional information can be obtained on Project AEACRE from C/SR/7 - Extension 3808.

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### ROUTING AND RECORD SHEET

**INSTRUCTIONS:** Officer designations should be used in the "TO" column. Under each comment a line should be drawn across sheet and each comment numbered to correspond with the number in the "TO" column. Each officer should initial (check mark insufficient) before further routing. This Routing and Record Sheet should be returned to Registry.

FROM:

*Chief, Plans*

*Red*

TELEPHONE NO.

DATE

TO	ROOM NO.	DATE		OFFICER'S INITIALS	TELEPHONE	COMMENTS
		REC'D	FWD'D			
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*AEACRE*

**BY HAND**

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19 January 1956

MEMORANDUM FOR: Chief of Foreign Intelligence

SUBJECT : Project AEACRE (Renewal). Additional Functions  
Performed Within Subject Project

Although the primary activities of Project AEACRE are spelled out in the project outline, there are additional functions performed by this unit which are not described. Following is a list of these functions, which, together with those set forth in the project outline, more completely describes and justifies the activities of DOB:

- (1) Holding center for Soviet agent consultants.
- (2) Common service mechanism wherein are maintained sources of basic operational intelligence on the USSR.
- (3) Center for special studies and research on operational matters and area knowledge on the USSR.
- (4) Cadre unit, wherein self-generated training in black techniques is available to CIA personnel and agents.
- (5) Language training platform for CIA personnel and agents.
- (6) Center of information for collection development, and planning in respect to the utilization of technical devices in black operations.

Chief, Plans

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12 January 1956

MEMORANDUM FOR THE RECORD

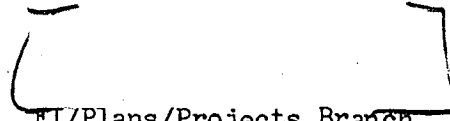
SUBJECT: Project AEACRE (Renewal) *act*

1. Project AEACRE was presented for renewal in July 1955. Subsequently, the Project was withdrawn at the request of FI/OPS because much of the information presented was out of date and DOB was being expanded and undergoing reorganization. Two extensions have been approved while this reorganization was underway--the first through 30 September 1955 [redacted] the second through 31 December 1955 [redacted]. In addition, authority was granted by C/FI, 18 November 1955, for a new DOB headquarters building to be leased for a one year period.
2. A number of factors should be pointed out concerning this project action:
  - a. The purpose of DOB has been expanded from that of a training and support installation to an installation charged with planning, supporting, and conducting REDSOX operations.
  - b. 31 staff employees are paid from FI operational funds under Project AEACRE. C/DOB (C/SR/7) could see no reason for this situation to continue to exist. DC/SR/ADMIN stated that the subject had been discussed and that SR Division's position on the matter was flexible. In addition, SR Division would appreciate any recommendations on the subject but would prefer to hold up a decision until after Management Staff attacks the SR Division T/O problem. (Although unconfirmed, discussions with SR Division personnel indicate that the payment of DOB staff employees from operational funds may have been part of an effort to show these employees as being in the Field rather than in the Washington area. In addition, certain security factors seem to have been involved.)
  - c. In the course of preparing this project action for approval, the funds requested have been changed from [redacted] to [redacted] and the number of contract personnel expected to be recruited has been reduced from 27 to 16.
  - d. A request for authority to reimburse potential agents for wages lost while at CIA's disposal, which was received in Projects Branch while the project action was being prepared for approval, has been written into this action.
  - e. It was explained to C/DOB that the inclusion of the estimated costs of

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Project AEACRE for fiscal years 1957 and 1958 in the present project action in no way implies approval of these figures.

  
FI/Plans/Projects Branch

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12 January 1956

MEMORANDUM FOR: Chief of Foreign Intelligence

SUBJECT : Project AEACRE (Renewal)

1. PURPOSE: To provide for the Domestic Operations Base (DOB), located within the United States, which is charged with planning, supporting, and conducting REDSOX operations.
2. PERSONNEL:
  - a. A T/O, approved 4 February 1955, provides for 60 staff employee positions under Project AEACRE. As of 1 January 1956, 34 of these positions will be occupied. During the renewal period it is envisaged that the latter figure will be increased to 44 staff employees (Annex 1 to this memorandum is a list of the staff employees carried under this Project.). The staff employees carried within the Project include the Chief, DOB; an administrative staff; a training staff; and numerous case officers.
  - b. Six enlisted military personnel who serve as guards are carried under this Project. The Army is reimbursed for the services of these men.
  - c. Nine contract personnel are currently carried under Project AEACRE. They include seven agent trainers, a typist/translator, and a part-time spotter in Brazil. All of these personnel are multi-lingual and have wide experience in intelligence work. All except the aforementioned spotter are presently in the United States (Annex 2 to this memorandum is a list of contract personnel.). It is contemplated that the number of contract personnel under the Project will be increased by 16 during the renewal period. This would include the addition of four consultants, instructors, or translators and a typist; four full-time spotters--three of them in the United States; and eight part-time spotters--four of them in the United States.
  - d. Four safehouse keepers (married couples) and several maintenance personnel are provided for under this Project. During the renewal period one additional safehouse keeper may be recruited (Annex 2 includes a list of safehouse keepers.).
3. PAST APPROVALS:

Action	Date	Office	Period	Authorization
Approval	22/1/52	AD/SO	1 Jan. 52-30 June 52	[ ]
Renewal	5/8/52	DD/P	1 July 52-30 June 53	

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Renewal	18/6/54	DDCI	1 July 53-30 June 54	[ ]
Renewal	18/6/54	DDCI	1 July 54-31 June 55	
Extension	2/9/55	COP-DD/P	1 July 55-30 Sept. 55	
Extension	29/10/55	DCI	1 Oct. 55-31 Dec. 55	

Approximately [ ] was expended under Project AEACRE during fiscal year 1955.

An Administrative Plan covering Project AEACRE was approved 21 January 1954. A T/O was authorized for DOB on 4 February 1955.

4. HISTORY AND PLANS: In the past five years SR Division has infiltrated approximately fifty REDSOX agents into the Soviet Union. For a number of reasons--Soviet countermeasures, international implications of agent capture, shift in prospective agent pools, inadequate spotting and recruiting system--the tempo of REDSOX operations has decreased to where only three agents were dispatched in 1954 and no agents were dispatched in 1955. In an effort to alter this trend and build and strengthen the REDSOX program, a reorganization of SR Division has placed the responsibility for all REDSOX operations in one Branch, SR/7. With this reorganization, the previous responsibilities of DOB--rendering training and operational support--have been expanded to those included under PURPOSE above. It is envisaged that DOB will have a status similar [ ]

Since February 1954, seven agents and a Norwegian Intelligence Service case officer have been trained under Project AEACRE. Nine additional agents were trained by the Office of Training with the participation of DOB. In addition, considerable support has been rendered to other operations by DOB. At the present time four agents are undergoing training.

GSA has just recently procured a new DOB headquarters building in the Washington area. Cover for this installation is being developed. Other DOB installations include: Guam Hall, for contract personnel, nominally [ ] two military storage areas at Ft. Meade, Md. and Ft. Bragg, N.C.; and a number of safehouses and apartments used for training and assessment purposes.

During the renewal period it is envisaged that a more selective, secure, and productive REDSOX operation will be developed. Additional personnel are to be utilized--probably transferred from other Branches within SR Division--to case officer REDSOX operations. A few experienced indigenous contract agents will be added temporarily, while senior case officers are being developed. Victor NORMAN (p), Bruno LENSKY (p), and Hans ZUAYTER (p), all of Project AEROPLANE, are under consideration for transfer to Project AEACRE, as are several other individuals. In addition, DOB proposes to develop a spotting organization located within the United States and abroad. Such a mechanism is presently non-existent.

It is anticipated that DOB will undertake the basic implementation of four REDSOX operations in the first six months of 1956. It is contemplated that

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four to six operations will be undertaken in fiscal years 1957 and 1958. In the light of this it is estimated that approximately [ ]er fiscal year will be necessary to carry forth this program through June 1958. (The inclusion of these estimates for fiscal years 1957 and 1958 in this memorandum does not imply approval or tentative approval of these funds for the respective fiscal years.)

5. ACTION REQUESTED: Renewal for the period 1 January 1956 through 30 June 1956 (6 months) at a total cost of [ ]

Breakdown:

Compensation

40 staff employees 31 of which [ ] [ ]  
are already paid under the  
Project. 7 military guards, 6 10,500  
of which are already carried  
under the Project.  
33 contract personnel, 17 of 51,000  
which are already paid under  
the Project, 3 are pending  
transfer from another project,  
and the rest are under develop-  
ment.

Travel and transportation of household goods, baggage, 18,000  
and material for staff and covert  
personnel inside the U.S. and  
abroad, including travel for  
trainees and personnel to be  
assessed.

Communications - telephones, cables, etc. 2,300

Facilities - rent, electricity, utilities, etc. 23,500

Maintenance 5,000

Expendable supplies - gasoline, oil, mess medical 48,700  
supplies, balloons, parachutes,  
etc.

Non-expendable equipment - furniture, office machines, 27,000  
recorders, and replacement of  
three vehicles. The vehicles to  
be replaced are under GSA cover  
and are utilized in the course of  
normal DOB functions. They are  
to be replaced due to normal wear  
and tear.

Operational expenses - including funds to be paid to 12,000

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prospective agents to reimburse them for wages lost while undergoing assessment away from their normal work and place of residence. No reimbursement for loss of wages is to be made to an individual whose weekly earnings exceed \$100. No reimbursement for loss of wages is to exceed \$200 or cover a period in excess of two weeks.

- 6. STAFF RECOMMENDATIONS: FI/Plans/Projects Branch recommends, in the light of SR/7's comment that no administrative, operational, or security reasons are foreseen for budgeting for staff employees under Project AEACRE, that all staff employees be eliminated from the Project at the next renewal. Funds for staff employees should be provided from normal administrative funds and not FI operational funds.

[ ]  
Chief, Plans

Staff Coordination:

C/FI/OPS/Training  
DC/CCB/NOC  
C/CCB/OCL  
For C/FI/OPS  
C/CI/OA  
For C/CI/OPS

[ ]  
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ANNEX I

Staff employees carried under Project AEACRE

Chief, DOB [ ] reimbursed military  
D/Chief, DOB [ ]  
Chief of Operations [ ]  
Chief, Training Section [ ]  
Chief, Support Section [ ]  
Chief, A & R Section [ ]  
Security Officer [ ]  
Supply Officer [ ]  
Finance Officer [ ]  
Motor & Transportation Officer [ ]  
Senior Case Officers [ ]  
Senior Case Officer [ ] reimbursed military  
Ordnance Tech. [ ]  
Training Assistants [ ]  
Administrative Assistant [ ]  
Supply Assistant [ ]  
Case Officers [ ]  
Case Officers [ ] military non-reimbursable  
Case Officer [ ] reimbursed military  
Clerical [ ]

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