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PROJECT OUTLINE

CRYPTONYM AEACRE
AREA DIVISION SR
STATION Domestic Operations Base

HEADQUARTERS CASE OFFICER:
[]
MICHAEL RAE
Chief, SR/DOB

Room No. 2607 J Building

Extension: 8331

Date: 1 September 1957

The attached project outline is presented for renewal/amendment.

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Chief, SR/7

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Chief, SR Division, FI Staff

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

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Chief, SR Division

1 October 1957
DATE

CONCUR: Chief, FI/OPS

DATE

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MEMORANDUM FOR: Chief, FI/OPS/Project Branch
FROM : FI Staff, SR Division
SUBJECT : Request for Renewal of Project AEACRE for the Fiscal Year 1958
REFERENCES : Renewal Request, Project AEACRE for FY 1957

1. Introduction

a. This memorandum represents the renewal request for Project AEACRE for the Fiscal Year period 1 July 1957 through 30 June 1958.

b. This request contains the proposal for a reconstituted AEACRE Project and bears similarity to previous renewal requests only with regard to contract employees, their activities, and certain operational expenditures, for the following reasons:

(1) The SR Domestic Operations Base has previously been successively funded as a domestic field base and as a project. The operational scope and other considered factors have demonstrated the need for a domestic field base in name as well as in operation, thus requiring that a smaller Project AEACRE be processed to include the contract personnel and their varied activities as well as certain operational expenses which fall under Object Classification 17.9.

(2) Memorandum dated 13 February 1957, approved by all required Agency levels, recommended dissolution of the AEACRE Administrative Plan (a project requirement) and designation of SR/DOB as a domestic field base in fact. Although these changes were effective 15 February 1957, it was deemed advisable to actually apply them effective 1 July 1957, the start of the Fiscal Year 1958. Thus all activities with the exception of the contract personnel and the aforementioned operational expenses will be funded through the base mechanism.

2. Background

a. Throughout the course of SR/DOB's existence the contract personnel have contributed in a large measure toward the success of this component. A thorough study of the background of these individuals would demonstrate the tremendous cross-section of knowledge and experience which we have been able to draw on. These employees are instructors, translators, consultants, and analysts, and compose the backbone of our instructor staff. In addition to the instructor assignments with SR/DOB this group supports TSS, OTR, and SR/Division in general, in such matters as document analysis, language instruction, legend document preparation, and interrogation. They participated in the interrogation, assessment and evaluation of potential REDSOX agents. The

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contract employees also assist in the final briefing and preparation for dispatch of agents. Their services are often requested for TDY to the field. These periods are sometimes from 2 to 4 months duration, depending on the need.

b. During the several years since the inception of SR/DOB, some of these employees have occasionally moved on to other assignments, but in the main, DOB has enjoyed the continuity of their talented services. With the AEREADY Project preparing for the second class consisting of 12 trainees (the first class had nine) much of the contract employees' activity will be in support of that program. We find therefore that the spotting network which has been developed must reach out for fresh recruits to increase our facilities for the operational spotting and assessment of agents, both in the U.S. and abroad, with emphasis on AEREADY candidates. It is intended that future emphasis will be placed on securing candidates through a spotting and recruiting network rather than relying mostly on emigre group organizations.

c. Following is a list of contract personnel assigned primarily to projects, regular and special, who are presently under contract to SR/DOB:

JOHN H. REINGEWIRTZ: Russian born, U.S. Citizen. Duties: Agent trainer, translator and language instructor. FY 1957 Accomplishments: Instructor AEREADY, translator activity, supported A & R activities and performed excellent TDY services in Oslo in interrogation work. Salary: \$5,400 per annum. *\$5,440*

JOHN P. GOADUNSTON: Lithuanian born, U.S. Citizen. Duties: Agent trainer, research analyst, translator, general consultant and language instructor. FY 1957 Accomplishments: Full time instructor and trainer on AEAMBER Project for 8 months, assisted on AEREADY program, research activity for SR/6, recently dispatched to Germany for 3 months duty in support of SR/6 requirements. Salary: \$5,915 per annum.

ROBERT J. FLUDE: Lithuanian born, U. S. Citizen, Duties: General consultant, Agent trainer and translator. FY 1957 Accomplishments: Full time instructor and trainer on AEAMBER Project for 10 months, research activity and language instruction. Salary: \$5,915 per annum.

MARIO K. GIORDANO: Estonian born, Eligible U.S. Citizenship in 1962. Duties: General Consultant, Agent trainer and language instructor. FY 1957 Accomplishments: AEREADY instructor, extensive activity in translation and research for SR/6. Salary: \$5,600 per annum.

THEODORE Z. OSTRUM: (Formerly Alexander Rouzitski) Russian Born, eligible for U.S. Citizenship in 1958. Duties: Agent trainer, research analyst and interrogator. FY 1957 Accomplishments: Former NKVD Officer whose senior background and experience have proved invaluable in research analysis and interrogation activity throughout Fiscal 1957. Salary: \$6,390 per annum.

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GERALD H. BESDINS: Russian born, U.S. Citizen. Duties: Agent trainer, field assistant and translator. FY 1957 Accomplishments: Relatively new employee with SR/DOB. On board since May 1956. Has supported AEREADY Program as well as AESCOUTER project, done translation work and received specialized training from this Agency to enhance capabilities for future assignments. Salary: \$5,475 per annum.

MARTIN L. HANSROTE: Latvian Russian, U.S. Citizen. Duties: Agent trainer, field assistant and translator. FY 1957 Accomplishments: Another relatively new DOB employee, joined our staff at the same time as BESDINS. Has done excellent training job with AEREADY, supported A & R activity, AESCOUTER instruction, and received specialized training from this Agency. Salary: \$5,365 per annum.

EDMUND B. GOTTHOLD: Russian Born, eligible for U.S. Citizenship in 1961. Duties: Agent trainer, interrogator and general consultant. FY 1957 Accomplishments: Actively joined DOB Staff in January 1957, has performed as trainer, instructor on AEREADY Program, conducting orientation course for staff employees on behalf of SR/6. Salary: \$6,345 per annum.

ROGER N. WITTHOF: (Formerly Hans Zuayter): Russian born. Duties: Trainer, Consultant, Interrogator, Translator. FY 1957 Accomplishments: Active as consultant with OSI - relatively heavy translating activity, and TDY assignment in Pakistan in interrogation work, to be used extensively in TDY interrogator assignments in Fiscal 1958 with excellent possibilities of being assigned overseas for a tour either late in 1958 Fiscal or early 1959 Fiscal. Salary: \$8,000 per annum.

MARY Z. SCARVILLE: Typist, analyst, translator. FY 1957 Accomplishments: Supports in office and desk matters the foregoing instructors, translators, etc., typing material in four languages. Salary: \$4,080 per annum.

d. Increased activity on the AEREADY Program (including an increase in the number of Trainees) plus REDSOX Training Projects for the ensuing Fiscal Year, justifies the acquisition of an individual heretofore known as:

Warren G. Milewski
ROVER 1: Whose peculiar talents will vitally augment those of our present staff. He was recently brought from Iran for assessment purposes and has shaped up as a most desirable individual not only for his linguistic ability but more specifically for his knowledge of Near East affairs and trainer ability. He is presently a citizen of Iran. Acceptance of him as an agent instructor and consultant is being requested effective 1 September 1957 at an annual salary of \$6000.00.

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e. Assigned and used constantly as safehouse keepers in support of REDSOX projects as well as assessment activities are the following Contract Personnel, all U.S. Citizens:

[redacted] Receiving a combined salary of \$4,200 per annum.
[redacted] Receiving a combined salary of \$4,200 per annum.
[redacted] Receiving a combined salary of \$3,900 per annum.

It is contemplated that one additional housekeeper couple will be hired during Fiscal Year 1958. During Fiscal 1957 it was necessary to terminate the services of [redacted], thus depriving the base of the maximum necessary to maintain the expected 1958 load. Action must be taken shortly for procurement of these individuals because of the three to six month lag between recruitment and actual hiring.

f. In the field of Assessment and Recruitment the following contract employees and contract agents are either presently assigned, being processed for assignment, or contemplated.

LEWIS N. UNDERBORN: This recent full-time employee of SR/DOB, performing Principal Agent duties in the United States, has worked with this Agency in varying capacities for about 8 years. He is expected to be instrumental in the composition of a network of spotters and recruiters, particularly in the eastern portion of the United States. He is an extremely able individual with a splendid language facility and other abilities so important to this type of operation. Salary: \$5,900 per annum.

PATRICK B. NEWENS: Estonian Born, U.S. Citizen. Duties: General Consultant and Agent trainer. FY 1957 Accomplishments: Instructor and trainer on AENICKLE Project, assisted in A & R activity and language instruction, prime interrogator. Dispatched under supervision of SR/DOB for assessment and recruitment activity in Western Europe in May for estimated 2 year tour. Salary: \$6,390 per annum.

The following three potential contract agents have been assessed and deemed satisfactory. Submission of request for employment awaits only the approval of this project:

CONRAD G. VACONTE: U.S. Citizen, Would work as part-time contract agent, operating out of the New York Area and specializing in the recruitment of Ukrainians and Byelorussians without emigre connection.

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MARTIN K. SANABRIA: U.S. Citizen. Would work as part-time Contract Agent operating in the West Coast area under the general supervision of a DOB Staff employee presently assigned in that area. He would specialize in the recruitment of Caucasians and Great Russian types without emigre connections.

PHILLIPS E. LAUNAIS: Stateless. Would act as contact with an Emigre Organization on package program and in addition supply intelligence for FI activities.

g. In addition, the A & R structure of contract employees is expected to include the following as yet unfilled positions:

✓ 3 U.S. Part-Time Spotters: Would supplement Sanabria and Vaconte, performing essentially the same duties in different areas of the United States.

✓ 2 Field Part-Time Spotters: It is expected that Principal Agent Type NEWENS will supply candidates for these positions to enhance our scope in Western Europe.

3. Operational Expenses:

[] These expenses are definable as those which must be divorced from normal support responsibilities. They are reasonably divided as follows:

a. Purchase of information and REDSOX Developmental: Although normally categorized individually it is felt that funds for these activities should be interchangeable, mainly because it is not practical to attempt to foretell where emphasis will be placed during the operational year. These funds must be available for procurement of information and for such developmental facts as, for example, a mechanism to secure information from individuals for relatively short periods without benefit of contract, individuals who might very well be contracted at a later date. This would be essentially a testing mechanism, so to speak, of source and ability pending development of our overall or specialized use of these individuals.

b. Special Functions: Holding, dispatch, disposal, processing. Of these, holding and processing are usually not provided for in individual projects, and likewise would not be considered a normal function () at least insofar as use of [] funds is concerned. Such expenditures would be made during periods of holding prior to and upon completion of a training period and while undergoing assessment and pre-training testing. Dispatch and Disposal are generally provided for in individual projects. Expenses of this nature would involve that additional support which a staff employee might have to render. Holding, dispatch, and disposal presently apply to REDSOX projects

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rather than to the AEREADY Program, but this same AEREADY Program incure a good deal of expense in the processing category, primarily due to the number of candidates who must be put through assessment procedures in order to insure a full class for each course.

c. Recreation and entertainment of agents: An expense necessary for the morale of trainees or potential agent candidates, not generally covered under individual projects. These expenses may be paid for by either staff or contract personnel or on a reimbussable basis to certain trainees under specific conditions.

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AEACRE -- Budget for Fiscal Year 1958

17.1 Category -- SALARIES OF CONTRACT EMPLOYEES AND CONTRACT AGENTS

\$ [] } 9 trainers/translators/consultants/at approx. average of [] per annum (Present T.O.) See Reference 2 c

[] } 1 additional trainer/translator/consultant at approx. [] per annum (Proposed) See Reference 2 d

4,080.00 - 1 Typist - per annum - now on duty. See Reference 2 c

8,400.00 - 2 Housekeeping Couples @ 4200.00 per annum - on duty. See Reference 2 e

3,900.00 - 1 Housekeeping Couple - per annum - on duty. See Reference 2 e

2,700.00 - 1 Housekeeping Couple - for 9 months - proposed. See Reference 2 e

6,390.00 - 1 Full-Time U.S. Principal Agent type - per annum - on duty. See Reference 2 f

6,390.00 - 1 Full-Time Field Principal Agent type - per annum - on duty. See Reference 2 f

1,800.00 - 2 U.S. part-time spotters - \$75.00 per month - proposed - ready for hiring. See Reference 2 f

1,800.00 - 1 U.S. part-time contract agent - \$150.00 per month - proposed - ready for hiring. See Reference 2 f

1,800.00 - 3 U.S. part-time spotters - \$ 100.00 per month for 6 months - proposed. See Reference 2 g

1,000.00 - 2 field part-time spotters - \$50.00 per month - for 10 months - proposed. See Reference 2g

17.9 Category - MISCELLANEOUS - OPS EXPENSES

3,000.00 - Recreation and entertainment of agents

5,000.00 - Special Functions - holding, dispatch, disposal, processing

8,000.00 - Redsox Development and Purchase of Information

17.1 ----- []
17.9 ----- []
\$ 16,000.00

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