

Support Annex

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Form 319 and supporting
breakdown.

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DATE 2007

AUTHORIZATION OF FUNDS FOR CONTINUING PROJECTS--FY 1953

<u>Project Cryptonym</u>	<u>Allotment Account No.</u>	<u>Sub-project Cryptonym</u>	<u>Allotment Account No.</u>
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Case Officer

Branch Chief

A. PERSONNEL REQUIREMENTS

(Indicate number and type of personnel required and estimated total compensation for salary, allowances, travel and related employee benefits. Additional information necessary for complete understanding must be attached.)

<u>Type</u>	<u>Number</u>	<u>Compensation</u>	
Staff Employees	<u>60</u>	\$ <u> </u>	} see attachment 1
Staff Agents	_____	_____	
Career Agents	_____	_____	
Agents	_____	_____	
Consultants	<u>12</u>	<u>72,000</u>	
Detailed Personnel (Commo) <u>6</u>	<u>6</u>	<u>32,340</u>	
Miscellaneous (safe house keeper) <u>12</u>	<u>12</u>	<u>42,000</u>	
TOTAL:	<u>90</u>	TOTAL COMPENSATION: \$ <u> </u>	}

B. SUPPLIES, MATERIEL, AND EQUIPMENT

(Indicate amounts in applicable spaces below. A complete supporting list of each category must be attached.)

Commo	\$ _____	Quartermaster supplies	\$ _____
Medical	_____	Special devices	_____
Chemical	_____	Other supplies	_____
Ordnance	_____	Other equipment	_____
		TOTAL:	\$ <u>50,000</u>

C. OTHER OPERATIONAL EXPENSES

(A complete explanation and breakdown of all such expenses must be attached.)

TOTAL: \$ 168,000

D. SUBSIDY OR PROPRIETARY PAYMENTS

(A complete explanation and breakdown of all such payments must be attached.)

TOTAL: \$ _____

TOTAL FUNDS REQUIRED FOR FY 1953: \$

(APPROVED) (DISAPPROVED)

(APPROVED) (DISAPPROVED)

Division Chief

ADPC

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1. Problem: To provide authorization and funds for continuation and expansion of a Domestic Operations Base in the United States in support of SR Division operations against the USSR.

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2. Facts Bearing on the Problem

a. Project AE-ACRE, which established an agent training base in the United States was approved by ADSO on 22 January 1952, and by the PRC for the remainder of fiscal year 1952 on 4 April 1952.

b. On 9 May 1952 the PRC approved Amendment #1 to the basic project. At this time the PRC also approved a budget of [] for the first six months of ^{FY} 1953. A sum of [] was earmarked for the remainder of the fiscal year subject to a review of experience and re-examination of the program.

c. It is now proposed to continue and expand the facilities of the project in accordance with increased operational requirements that have been placed on the Domestic Operations Base by the phasing out of the Munich Agent Training Area in Germany. The total budget is estimated at [] per year. Of this sum [] will be expended on salaries of staff employees (based on 75% of T/O being on board for the full year). The

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salaries of indigenous instructors and safe housekeepers will come to [] Personnel detailed from the Office of Communications will be paid \$32,340. An estimate of \$50,000 has been made for supplies, material and equipment. Other operational expenses have been estimated at \$168,000. A complete break-down of the budget is attached.

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3. Discussion

a. During the post World War II period almost all SR Division operations against the USSR were implemented from an operations base established in the U.S. Zone of Germany. At the present time, however, most of the SR Division missions are being formulated and implemented in the United States. Three factors have brought about this change: (1) The ruthless energy of the Soviet Intelligence Service has penetrated and unmasked our principle training areas in Germany; (2) The vast manpower pool of displaced persons who might be recruited for SR missions has largely dissipated due to emigration abroad; (3) Long range planning in the face of an imminent war dictates the transfer of valuable assets to a more secure location.

X b. In the course of the past six months the Domestic Operations Base of the SR Division has functioned as an interim solution to the agent training requirement of the SR Division.

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The following concrete and tangible results have been achieved:

(1) A cadre of exceptionally well qualified operations officers has been recruited and is presently functioning as a nucleus of experience for the large scale training program which will be conducted in the latter part of FY 1953.

(2) A suitable ^{temporary} headquarters building has been procured to house staff employees assigned to the Domestic Operations Base.

(3) A network of ^{SIX} safe houses and two ^{apartments} ~~safe~~ ^{covert} offices has been established to handle current agent training requirements.

(4) A total of ¹⁶ ~~12~~ agents has been trained by the Domestic Operations Base. Of this number ⁷ ~~four~~ have been dispatched to the USSR, ^{3 are still in training,} ^{off and two} ~~and one~~ ^{are still awaiting disposal} ~~is still awaiting dispatch.~~

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(5) An assessment team has been created by the Chief of the Domestic Operations in order to screen ~~prospective~~ prospective agent candidates. In view of increased recruitment of agents in the United States, this assessment team will continue to gain in stature and scope. Proper assessment of prospective agent candidates will greatly reduce aborted missions.

(6) A fleet of 12 covert vehicles has been procured for operational and training purposes.

(7) Qualified Officers of DOB have initiated ~~a~~ successful airborne and maritime training programs.

(8) ^{from the CIA Professional Trainee Corps} junior case officers have been assigned to DOB positions of apprenticeship nature. Through carefully established procedures, "on the job" training of these junior case officers has been conducted by a cadre of experienced ^{intelligence} officers who are presently members of the DOB staff. In effect, DOB is serving as a training ground of future senior intelligence officers of the United States government.

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c. Although the Domestic Operations Base in its interim form has accomplished a great deal in the way of agent training, it should be pointed out that the final solution to the problem is the selection of a large training site where all training requirements can be met within a secure area.

(1) At the present time utilization of TRS facilities by foreign covert agent trainees is complicated by security problems.

(2) A shortage of safe houses and suitable training sites in the Washington area limits airborne, maritime, survival and weapons training.

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d. In order to carry out successful operations against the USSR it is mandatory that every effort be made to create the finest agent training center in existence any place in the world. Every effort should be made to recruit the most able staff available and to give them all assistance possible in order to accomplish the arduous task before *them*.

(1) The operation of this training facility requires the assignment of various unvouchered personnel to extended periods of temporary duty, either abroad or in the United States, for training, briefing, and dispatching agents.

(2) In order to provide the necessary flexibility and maximum security, it is considered necessary that the Domestic Operations Base be accorded a status of almost complete autonomy - comparable to that of an overseas field station.

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4. Conclusions

a. The continuation and expansion of an agent training center in the United States is required in order to provide proper support for SR Division operations against the USSR.

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5. Recommendation

a. That the sum of [] earmarked by the PRC at its meeting on 9 May 1952 be made available to the Domestic Operations Base for the balance of FY 1953.

b. That the sum of [] be approved as the basis of the sum necessary to continue and expand the Domestic Operations Base.

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A few comments by the Chief of the Domestic Operations Base with regard to a cost analysis of the support program.

It is essential that the support program be considered from two points of view. The first and most important viewpoint is that of operational effectiveness. The second viewpoint is that of maximum economy.

At this time, the Domestic Operations Base is capable of producing 60 trained agents per year - a number sufficient to meet present operational requirements of the SR Division. In view of the attached budget estimate of [] this means that the Domestic Operations Base is recruiting and training agents at a cost of less than \$10,500 each. When it is noted that ^{this} ~~the~~ training is the most comprehensive ever devised for agent operations it may be considered quite reasonable. Further, it is to be noted that the Domestic Operations Base has been planned with a view toward an increase in tempo of agent operations against the USSR. By

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~~reducing the present training cycle from six months to three~~
~~months, the cost of producing a trained agent can be cut to less~~
~~than \$5,250.~~ In short, the Domestic Operations Base is now function-
ing with maximum operational effectiveness with moderate economy.

Despite the good results already achieved, the undersigned
feels that a greater *security and* economy of operation can be achieved without
sacrificing operational effectiveness by transferring the Domestic
Operations Base from the present safe house complex to a large area
operating on a monastic basis. Accordingly, it is strongly recom-
mended that a large tract of land be procured where diversified
training may be conducted. In order to cut *cost of construction,* ~~construction costs~~ it
is suggested that some agents be housed in house trailers which will
have the added feature of mobility. In this manner a number of
serious problems can be solved concurrently.

1. Present rental costs of safe houses (up to \$400 per
month) are considered excessive. One year's rental of ^a/safe
house would more than pay for the finest house trailer.

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2. A serious problem is security of safe houses. A

mobile safe house solves the problem of a "blown" training site. Preliminary inquiry has revealed that the trailers could operate under secure cover as [] mobile experimental stations.

3. At the present time a lack of suitable sites for

survival, airborne and maritime training presents a serious problem. A large tract of land will provide sufficient room for this specialized training with maximum security.

A salient feature of the Domestic Operations Base (which must not be overlooked) is the long range development of professional intelligence officers. This is being accomplished by utilizing an exceptionally able cadre of experienced officers as a nucleus of experience. Junior case officers from the CIA Professional Trainee Corps have been assigned to DOB positions of an apprenticeship nature. A definite procedure has been established to promote capable junior officers to positions of greater responsibility as soon as they gain

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sufficient operational experience. By virtue of this far sighted policy it is visualized that the Domestic Operations Base will serve as the training ground of future senior intelligence officers of the United States Government, and that this desirable goal will be achieved with no additional expense to the government.

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In conclusion, it is the earnest desire of the undersigned to provide the best results possible with a minimum expenditure. In order to achieve this objective, a continuing and aggressive study of agent handling will be pursued by the Domestic Operations Base. No efforts will be spared to improve the operational support rendered to SR Division missions while simultaneously reducing operating costs.

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