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*Ernie. You must
want to keep that
of it, clearing.*

10 July 1964

MEMORANDUM FOR: Chief, DO Division

SUBJECT: SOD Comments on WUDEPOT Project Renewal

1. As mentioned to you, I spent some time with [] on Wednesday, 8 July, in regard to the status of his project and his reaction to the SOD comments. Attached is some information which his finance officer drew up concerning some aspects of the difference between FY 1964 expenditures and the amount requested in the FY 1965 project renewal. While I am afraid that this will not help you too much in understanding exactly "why the additional \$64,000", these factors plus the programmed increase to 30 graduates during FY 65 certainly will support the amount of money requested if we should be called upon to do so.

2. As I understand SOD's comments, however, they are really challenging "... the validity of the concepts employed by this project to satisfy JCS wartime UW requirements...". SOD apparently feels that a reduction in the scope of the project will ensue from the Agency's forthcoming review of the new USCINCEUR requirements at the time they are received. I believe that our position in this matter should be that the funds requested are to support the program at the level which is consistent with current plans. A change in our plans 3, 6, or 9 months hence could, conceivably, reduce the scope of the project or may, in fact, increase it. Such changes naturally would be reflected in the amount of funds required to carry out the DOB mission. DOB personnel must, however, be able to work now on current plans in view of the rather substantial lead time involved in the spotting, assessment and recruitment of candidates for the program and for the development of curricula, designation of instructors, the reservation of training sites, etc. I feel that we are correct in requesting that the project be approved now at the level specified in our renewal.

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3. As a matter of interest, representatives of SR, EE and NE Divisions who met with DOB representatives on 8 July obviously were more interested in the extent to which this project would be able to support current CS operations and maintain a continuing capability to support contingent cold war espionage and other covert action activities than they were in the extent to which the project satisfies JCS wartime UW requirements. In fact, if I understood them correctly, they seem to be uniformly of the opinion that the reserve force we maintain through this program never would be utilized in a general war situation. With this sort of thinking, I rather expect that FY 1965 will see rather marked changes in the concept of this project.


Chief, DO/Support

Attachments:

a/s para 1 (Tab A)
Reference

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FY 1964 was an AEDEPOT training year significant for its frequent changes in requirements by participating divisions and the consequent problems encountered in meeting such changes.

Significantly, FY 1963's budget requested \$145,825. of which \$144,849 was obligated. This was but one year of many in which this station lived up to its projection. For FY 1964, \$135,650. was originally requested for a six-month extension period, then revised for the above reasons to cover the full fiscal year. Had FY 1964 originally been projected for the entire 12 months the requirements as reflected in the Spring of 1963 might well have exceeded \$175,000., a figure in excess of that currently proposed for WUDEPOT exclusive of AEACRE requirements which have now been consolidated with this project renewal.

It might be well to note that \$24,000. of the \$64,000. difference indicated, is actually an increase in that portion of the project (contract employee salaries) formerly attributable to AEACRE and although these people actually support WUDEPOT, as do other DOB personnel, they and any additional proposed personnel are technically attributable to staff overhead and the increase is a result of overall personnel adjustments between staff and contract authorizations.

Although provisions are made for such exigency items, i. e., emergency travel, resettlement, military aircraft billings, totaling some \$4,000., these funds are rarely required.

The graduates of each prior fiscal year increase the subsequent budget as in '64 - '65 in quarterly payments (reservists) by approximately \$4,000.

Each year not only the two basic classes but the three or more reserve groups present a problem inherent in the spiraling nationwide salary picture, that is, an ever increasing average weekly salary. As little as a \$10.00 average increase per week while not unusual alone could affect salaries on 23 trainees by as much as \$4,000.

In the event a cut is inevitable it would be well to point up an upward revision since Project submission time, that is, an increase in reservist training from 45 to 65 for FY 1965 which would add approximately \$6,500. to our needs.

Reference is made to the comments by SOD/GB attached to Chief, SOD's recommendations wherein it is stated that NE requirements are budgeted for independently and separately. While the existence of the Project is factual its application insofar as support of DOB training activity is nil. At no time during the training of some 13 NE selectees has there been financial support given or asked for by DOB. Knowledgeably the only funds expended on graduates by ARLEAP has been the sum of \$50.00 per quarter for a dozen maintained in their reserve cadre. Funds have been professed but not accepted by Division agreement.