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SAPC-14123 ✓  
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22 March 1957

MEMORANDUM FOR: Project Director

THROUGH : Deputy Project Director

SUBJECT : Amalgamation with [redacted] Division 25X1A

1. With the apparent certainty of a forthcoming amalgamation of Project AQUATONE with the [redacted] wherein the latter is absorbed within the framework of our activities, [redacted] and I have been led to make a few observations on the mechanics of the transaction.

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2. From you I have gathered that it would be Project AQUATONE which would be the senior partner in this combination, and that we would furnish the guidance, if not actual control, in both operational and administrative matters, beginning perhaps with [redacted]

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3. If this be the case, you should be aware that normally [redacted] works within the framework of the rules and regulations of the Clandestine Services in the administration of its affairs, and that these rules are much more restrictive and well-defined than those under which we have been operating. In many ways, the comparison is almost as dramatic as that between ourselves and the [redacted] in the procurement of materiel.

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4. For example, [redacted] goes by the DD/P book in the conduct of their fiscal affairs, both in the formulation of their budgets and the expending of their funds. Not only that, [redacted] does not have its own budget or finance shop, but relies wholly on the Administrative Branch of the PP Staff in such matters.

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5. As a further complication, [redacted] Table of Organization is so set up that a request for their T/O, made recently by us of [redacted] produced only [redacted] positions here in Headquarters. The balance of their positions is buried within several area divisions, i.e., EE Division, where we have been able to find [redacted] staff positions, and [redacted] unvouchered jobs under the aegis of [redacted] but carried on [redacted] EE's rolls. Thus, if a vacancy occurs in [redacted] shop in [redacted] [redacted] makes the nomination of the replacement, but he actually is carried under the administration of the EE Division. We have not yet been able to track down all of those positions attributable to [redacted] but we hope to be able to do so if you will authorize us to discuss the matter with [redacted]

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6. The same general administrative procedural restrictions exist in [redacted] for travel, where all arrangements are normally made through Central Processing Branch rather than by the [redacted] people themselves, as we do for our own travelers. Travel orders are subject to full coordination through affected areas of the DD/P. Personnel ceilings for [redacted] come under DD/P control, which means that Management Staff must approve adding slots, upgrading of existing jobs and the classification of new positions subject to the review of the Position Evaluation Division of the Office of Personnel. In AQUATONE we have not been obliged to have our T/Os reviewed by anyone other than the Deputy Director, Support.

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7. There is the matter of communications, where [redacted] is handled precisely as any other DD/P division activity; i.e., their cables go through the regular Agency channels abroad and usually are subject to a great deal of time-consuming inter-divisional coordination, in addition to which they are not held as closely as AQUATONE messages on receipt overseas.

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8. I do not argue that we should remove [redacted] from any and all controls now being exercised over their affairs by DD/P, if only because such coordination and exchange of plans is vitally necessary in the conduct of normal [redacted] air support missions. I do feel, however, that for projects and special program activity; i.e., [redacted] you may wish to consider obtaining guarantees from [redacted] that these efforts not be hampered by administrative or operational restrictions that may slow the pace of these activities down to what you have described as "something glacial".

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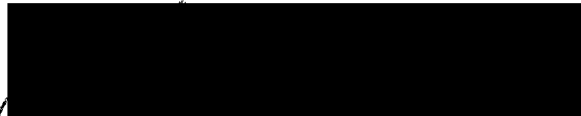
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9. Whether Mr. Wisner would agree to an arrangement where [redacted] would be run under the "double standard", with one set of rules for normal air support and another for projects and programs, I do not know. But unless there is some latitude in the matters I have enumerated, I foresee stumbling blocks in the road of close coordination of our several activities, and in implementing some of your plans as rapidly as you may wish.

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JAMES A. CUNNINGHAM, JR.  
Project Director of Administration  
PCS/DCI

JAC/slh

Distribution:

- 1 - Addressee
- 2 - D/Project Director
- 3 - Personnel Officer
- 4 - Finance Officer
- 5 - Security Officer
- 6 - Travel Officer
- 7 - Materiel
- 8 - Administration
- 9 - Administration
- 10 - RI (Chrono)

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