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64-4700 E.O.

OFFICE OF THE DIRECTOR

Action Memorandum No. 399

Date 30 JUN 1964

TO : Deputy Director (Support)

SUBJECT : Policy Guidance for Preparation and Review of  
Fiscal Year 1966 Budget

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1. During FY 1964 the Agency has taken a number of important steps in complying with the President's admonitions for economy and efficiency. No vital operations have been impaired, productivity has been improved, and the over-all on-duty strength reduced. In FY 1964 there has also been considerable reprogramming in the Agency, both within and among Directorates, and some elimination of marginal programs in order to accommodate new higher priority efforts. With the requirement to submit the Agency's FY 1966 budget, there is provided a further opportunity to take the kind of hard program look requested by the President.

2. Within the next few days the Offices of your Directorate will be called upon to prepare their FY 1966 budget estimates. It is the Director's wish that each Deputy Director and Office Head personally review these submissions with the utmost care to insure that they represent a sound allocation of resources against highest priority objectives.

3. The Director has instructed that the budget reflect a decline in over-all Agency personnel strength to [ ] by June 1965. Within the Agency total, the personnel ceiling for the DD/S will be [ ] in FY 1965 and [ ] in FY 1966. The personnel ceilings include [ ] positions for the Career Officer Training Program and propose no change in communications support levels. These two ceilings are not to be reduced in

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adjusting the position allocations within your Directorate's new ceilings. Requirements for additional ceiling to meet an expanded role in the National Communications System will be provided for if pending proposals are approved. Dollar target ceilings to accommodate your programs for FY 1966 are  Dollar ceilings for the FY 1965 Financial Plan are now under review in the Office of Budget, Program Analysis and Manpower. However, prior to the issuance of allocations it will be necessary to provide BPAM by 15 July with the new office break-out of your Directorate's FY 1965 manpower ceiling.

4. The achievement of these goals will require all of us to demonstrate our management ingenuity in reshaping and reassigning current assets to meet future demands as we see them. New priority programs must go forward and other less important ones dropped. Deputy Directors and Office Heads, in concert with my office, will be expected to reprogram and effect reorganizations as necessary to accomplish the FY 1965 and FY 1966 objectives.

(signed) Lyman B. Kirkpatrick

Lyman B. Kirkpatrick  
Executive Director-Comptroller

O/BPAM/JMClarke: vgd 28 June 1964

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