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DD/S 71-4505

DD/P 5563

19 November 1971

MEMORANDUM FOR: Deputy Director for Support

SUBJECT: Retention of Finance Records in Archives

1. This has been a long and difficult problem to deal with. As you know, the CI Staff has very properly, considering its general responsibilities, highlighted the fact that the types of finance records under discussion here (particularly travel vouchers) have at sometimes in the past been useful in contributing to counter-intelligence analyses of difficult cases. I therefore had to take into most serious account the position of the CI Staff.

2. After the most careful consideration, and noting your statement that the Office of Security does not consider that such records need be retained beyond twelve years, and noting further the ruling of the Office of General Counsel that twelve year retention satisfies all legal requirements, I have decided to concur in your proposal. I am doing this because of the severe space limitations which I understand are operative in this matter and also because I do not believe that the expenditures which would be incurred year after year in a continuing sizable accumulation of finance records would justify the occasional help such records might provide in a given case. I know that this position has the concurrence of the Director.

3. I would ask that, in going about the elimination of the older records, an effort be made to take advantage of whatever space flexibility there may be to keep such records beyond the twelve year limit. In any event, I concur in the destruction of such records older than twelve years if space limitations so dictate.

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[redacted]

Thomas H. Karamessines
Deputy Director for Plans

cc: C/CI

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Next 6 Page(s) In Document Denied

CHRONOLOGY OF ACTION ON EFFORTS TO REDUCE RETENTION PERIOD ON FINANCE RECORDS

1. October 1966 - Approximately 12 months of detailed staff work by OF, OGC, and SSS resulted in: DCI memo (2 below).

2. 3 October 1967 - DCI formally requested Comptroller General approval of a records retirement program for CIA financial records.

3. 2 November 1967 - Comptroller General of the U.S. approved records retirement program for CIA financial records (12 years).

4. 29 March 1968 - Director of Finance memo to DDS requesting application of 12 year retention period to vouchers (copies sent to OS and DDP).

5. 22 April 1968 - On routing sheet. Director of Security (Osborne) concurred in a maximum retention period of twelve years, in response to OF memo of 29 March 1968.

6. 8 May 1968 - Chief, CI memo to DDP urging retention of specified Finance records for thirty years. STAT

7. 10 May 1968 - On routing sheet DDP noted "concur with CI Staff memo."

8. 4 October 1968 - OF [redacted] in memo for record, discusses his meeting with Chief [redacted] CI Staff [redacted] in another effort to obtain CI Staff's concurrence on 12 year retention. Unsuccessful. STAT STAT

9. 24 June 1970 - At urging of C/SSS and CIA RMO [redacted] DDP/RMO, again asked CI Staff RMO [redacted] to reconsider the need to retain these records. [redacted] reaffirmed CI's desire to retain these records, stating that provisions of Angelton memo of 8 May 1968 still apply. STAT STAT STAT

10. 25 August 1971 - DDS memo to DDP urging another review of issue in view of new [redacted] space allocation policy. STAT

11. 17 September 1971 - Coffey, [redacted] meeting. CI requests more time to prepare DDP response to DDS memo.

12. 14 October 1971 - DDP memo to DDS requesting more time (2 years) for CI to "conduct a thorough investigation... and give me definitive recommendation." STAT

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DD/S 71-4061

22 OCT 1971

MEMORANDUM FOR: Assistant Deputy Director for Support

SUBJECT : Response to the DD/P Memorandum on Finance Records Retention Controversy

1. An analysis of the DDP's memorandum on the Finance records problem leads me to conclude:

A. They have completely "begged" the questions and issues listed in our memorandum of 25 August. We never suggested or implied that the DDP be charged with storage costs.

B. We said that if the DDP insists on retaining these records they would be charged to the DDP space allocation [redacted] and that to remain within their allocation they might find it necessary to convert these records to microfilm. If that indeed was their only alternative, they would have to provide manpower and funds to film these records. 25X1

C. The DDP's offer to pay to keep these records another two years and to ask CI Staff to conduct a "thorough investigation" infers that CI Staff needs another two years to complete their study; this is ridiculous and is an obvious attempt to "wear us down".

D. A two year "breathing" spell might give CI an opportunity to build a record of extensive references to the collection. As you know, they are now hard-pressed to demonstrate that they have used these old records. Finance says there has been no references within the past two years, and claim there was very little if any reference prior to that (OF can't confirm this because they destroyed their schedules of reference activity over two years old).

2. I am confident you share my concern that the outcome of this case will be a significant indicator on our capability to manage the new policy of allocating space [redacted] We will never find a better case to present to the Executive Director (if it should go that far). 25X1

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3. Per your suggestion, I discussed the attached response informally (and off the record) with [redacted] Dick's candid comments are:

A. We might cite more references to show that this subject has been brewing for the past four years (attached is a chronology for your information).

B. An alternative solution for DDP not mentioned in our memo is for DDP to question the validity of the 1,000 foot allocation to DDP and seek Executive Director's approval to release some of our contingency space to accommodate the collection. Dick feels its just a question of when, not if, the matter will be bucked to the Executive Director.

C. He said the manpower needed to microfilm this collection would clearly preclude that avenue as a solution and he was equally confident that the DDP could not identify offsetting reductions.

In sum, Dick agreed that the attached is an appropriate response and indicated that paragraph 3 was particularly important to bring to the DD/P's attention.

4. There is obviously much more that could be said in our reply, but I suggest the attached response be sent for openers. You will note we have not asked for a response, nor have we suggested the two year study by CI is a bit too long. This memo does put the ball back in DDP's court for the time being. The real crunch will come when we actually transfer space allocated to this collection to DDP in March 1972 and as the traffic cop for [redacted] storage policy, decide when and how to notify the Executive Director that DDP is way over their allocation.

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[redacted]

Chief, Support Services Staff

Attachment

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