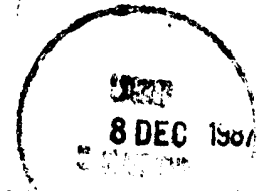


~~SECRET~~

ER 3923-87

CIA-3-SK

7 December 1987



MEMORANDUM FOR: Director, Intelligence Community Staff  
FROM: Deputy Director of Central Intelligence  
SUBJECT: Support to SAFE

1. I've reviewed the compromise proposal put forward by the Intelligence Community Staff and would like for you to prepare correspondence to the Director, DIA and the Executive Director, CIA. I want the correspondence prepared as reflecting a decision.

25X1

2. The only change in your "compromise" proposal will be in paragraph 4. I want the correspondence to show that CIA will provide \$7.1 million in FY-88 and \$3.2 million in FY-89 toward completion of remaining SAFE deliveries -- 3.2 through 3.8, Delivery 4, Set 1 and MRP rewrite. I am not prepared to contemplate any significant fund program slippages or software changes that would drive costs of the program in FY-89 to a shortfall that would require a commitment of resources above the \$3.2 million for CIA. This is more than twice the shortfall identified by CSPO.

25X1

3. Correspondence should be prepared directing CIA and DIA to organize themselves in such a way to support CSPO to ensure that shortfalls beyond this extent do not occur. To the degree shortfalls are anticipated, measures should be taken to keep the program within the bounds identified. I want the correspondence to reflect that this financial sinkhole must be closed as we move into an extremely constrained budgetary environment. Neither agency will be in a position to contribute the kind of money identified as a maximum shortfall by the Intelligence Community Staff. It is also imperative to put a freeze on software developments to the degree necessary to prevent expenditures from increasing beyond program levels. It will be the responsibility of CIA, DIA and CSPO working together to ensure that the program is closed out at the budgetary levels identified.

25X1

25X1

Robert M. Gates



~~SECRET~~

Cl By Signer  
DECL OADR