

Outgoing Cipher Message

1955 OCT 22 19:59

TO: S

EYES O N L Y

MUN 98 22 OCT 65

TO: RICHARDSON COPY AUGUSTINE KINWON
FM: SMITH

221834: EYES O N L Y

FURTHER IN REPLY TO NYC 108, AS A RESULT OF ANALYZING YOUR MESSAGE FURTHER, WE NEED SOME CLARIFICATION.

1) THE IDENTIFICATION OF THE SUB-ACCOUNTS CAN BE FURNISHED YOU BY A SIMPLE LISTING WHICH WE CAN BIND WITH THE ADDITIONAL COPIES OF THE BUDGET. TWO COPIES OF THIS LIST ARE BEING ENCLOSED IN TOMORROW'S POUCH. THERE ARE ONLY VERY MINOR CHANGES FROM THE TITLES HABITUALLY USED IN PREVIOUS BUDGETS. IT IS NOT PRACTICABLE TO INCORPORATE THESE IN IBM RUN. WILL THESE TYPED LISTS SUFFICE?

IT IS NOT CLEAR TO US JUST WHAT IS MEANT BY STATEMENT THAT YOU NEED "IN SOME CASES AN EXPLANATION OF THE PURPOSE OF THE EXPENDITURES." WE BELIEVE THAT THE SUB-TITLES THEMSELVES WHICH IDENTIFY THE SUB-ACCOUNTS CONSTITUTE FAIRLY SELF EVIDENT EXPLANATIONS OF THE PURPOSE OF THE ACCOUNTS (EXPENDITURES). DO YOU NEED FURTHER EXPLANATION OF THE PURPOSE BEYOND THAT GIVEN IN THE SUB-ACCOUNT TITLES? FOR EXAMPLE, 080 - PENSION AND HOTELS RENT; 081 - RENTAL ALLOWANCE; 082 - TAXES ON HOUSING; ETC. ARE THESE TITLES IN THEMSELVES SUFFICIENT EXPLANATION OF THE PURPOSE?

2) WITH RESPECT TO YOUR REQUEST THAT YOU REQUIRE "EXPLANATIONS OF SUBSTANTIAL CHANGES IN EXPENDITURES FROM FY 1965." FIRST, WE ARE NOT SURE ABOUT YOUR USE OF THE WORD "EXPENDITURES" AS APPLICABLE TO FY 66. WE ASSUME WHAT IS MEANT IS CHANGES IN CURRENT FY 66 BUDGET ALLOCATIONS AS COMPARED TO FY 65 EXPENDITURES. SINCE ONLY A FEW MONTHS OF FY 66 ACTUAL EXPENDITURES ARE AVAILABLE, COMPARISONS OF THESE EXPENDITURES WOULD HAVE LITTLE MEANING. HENCE WE ASSUME THAT USE OF THE WORD EXPENDITURES APPLIES ONLY TO FY 1965.

3) WE BELIEVE THAT THE MATERIAL WE HAVE GIVEN YOU PROVIDES IN ONE FORM OR ANOTHER EXPLANATIONS OF ALL MAJOR OR ESSENTIAL DIFFERENCES

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BETWEEN FY 65 AND FY 66 FIGURES. WE ARE NOT SURE OF THE EXTENT TO WHICH YOU NEED FURTHER DETAIL, OR MORE COMPLETE DATA, OR DIFFERENT FORM OR COMBINATION OF DATA. THE REVISED FY 66 BUDGET ESTIMATE SUBMITTED IN JANUARY 1965 CONTAINED EXPLANATIONS OF ALL MAJOR DIFFERENCES FROM THE FY 65 BUDGET. THEN OUR SEPTEMBER SUBMISSION OF THE CUT-BACK 66 BUDGET ALLOCATIONS SHOWED ALL MAJOR CHANGES AND ADJUSTMENTS FROM THE JANUARY SUBMISSION AND ALSO MADE COMPARISONS WITH FY 65 ACTUAL EXPENDITURES. THE JANUARY 65 SUBMISSION OF THE FY 66 BUDGET DISCUSSED ALL ITEMS FOR WHICH THERE WAS AN INCREASE OF \$2500 OR MORE, AND ALL SUBSEQUENT MAJOR CUTS AND ADJUSTMENTS INCORPORATED IN THE FY 66 CUT-BACK ALLOCATIONS BUDGET WERE FURNISHED WITH OUR LETTER OF 8 SEPTEMBER 1965 AND AGAIN INCLUDED IN THE MATERIAL FURNISHED ON 12 OCTOBER WITH THE IBM RUNS.

WE THUS ASSUME THAT YOUR REQUIREMENT MUST BE FOR MORE DETAIL THAN HAS BEEN FURNISHED YOU BY THESE PREVIOUS SUBMISSIONS, OR IN DIFFERENT FORM, BUT HOW MUCH MORE DETAIL OR WHAT FORM DO YOU REQUIRE AND WHAT IS THE DEFINITION OF THE TERM "SUBSTANTIAL CHANGES"?

IT WOULD BE A MAJOR AND TIME CONSUMING JOB TO ATTEMPT TO INCORPORATE SUCH ADDITIONAL INFORMATION IN AN IBM RUN. BUT IF YOU CAN GIVE US MORE CLEARLY JUST WHAT YOU NEED THAT YOU DO NOT NOW HAVE, OR INDICATE THE FORM IN WHICH YOU NEED SUCH MATERIAL, WE CAN PROVIDE MORE DETAIL AND REARRANGE THE MATERIAL ALREADY FURNISHED IN ALMOST ANY KIND OF COMPARATIVE TABULATION WITH SUPPLEMENTAL NOTES AND EXPLANATIONS, RECOGNIZING OF COURSE THAT THE MORE DETAIL AND THE MORE ELABORATE SUCH TABULATIONS AND EXPLANATIONS ARE THE LONGER IT WILL TAKE TO PREPARE THEM.

WE FRANKLY AND HONESTLY BELIEVE THAT EXPERIENCED BUDGET PERSONNEL CAN MAKE ALMOST ANY KIND OF COMPARISONS WITH THE MATERIAL ALREADY FURNISHED, BUT OF COURSE WOULD

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HAVE TO WORK WITH SEVERAL DIFFERENT DOCUMENTS. JUST HOW FAR IT IS NECESSARY TO GO TO PUT THIS IN A MORE PREDIGESTED CAPSULE FORM IS A QUESTION ON WHICH WE REQUEST FURTHER ENLIGHTENMENT. THERE IS ALMOST NO LIMIT TO WHICH WE CAN PROVIDE COMPARISONS AND EXPLANATIONS, BUT WITH OUR EXTREMELY SMALL STAFF IT IS JUST A MATTER OF THE TIME IT WOULD TAKE TO PUT IT IN ANY PARTICULAR FORM. WE ARE WILLING TO TRY TO PUT TOGETHER WHATEVER ADDITIONAL DATA IS ACTUALLY NEEDED OR THAT WILL BE USEFUL, BUT WOULD LIKE TO HOLD THIS TO A PRACTICAL MINIMUM SIMPLY BECAUSE WE WOULD PREFER TO SPEND OUR LIMITED MANPOWER AND EFFORT ON ACTUAL OPERATING MANAGEMENT FOLLOW-UP OF THE REDUCED BUDGET ALLOCATIONS WE HAVE IMPOSED, AND IN OUR EFFORTS TO FIND FURTHER ECONOMIES.

THE MAIN THING IS FOR US TO KNOW JUST WHAT FORM AND DETAIL YOU REQUIRE SO THAT WE WILL NOT BE SPINNING WHEELS IN MAKING UP FURTHER COMPILATIONS WHICH EVEN THEN MIGHT NOT SATISFY THE OTHER END. I CAN EASILY UNDERSTAND WHY ANYONE PRESENTED WITH SO LARGE A MASS OF MATERIAL AS WE HAVE SUBMITTED WOULD LIKE TO SEE IT IN SOME VERY SIMPLE, CONDENSED, AND SELF-EXPLANATORY FORM. HOWEVER, THREADING THROUGH ALL OF THE CHANGES WHICH WE HAVE HAD TO MAKE IS NECESSARILY A COMPLICATED PROCESS. ANYONE SEEKING TO REVIEW IN GREAT DETAIL THE DIFFERENCES BETWEEN OUR FY 65 EXPENDITURES AND OUR CUT-BACK FY 66 BUDGET ALLOCATIONS IS GOING TO FIND IT INESCAPABLE TO DO A LOT OF WORK IN MAKING COMPARISONS FROM RESPECTIVE DOCUMENTS. IT WILL NOT BE EASY TO SERVE IT ALL UP IN ONE SIMPLE SINGLE TABULATION. NEVERTHELESS, IF THOSE CONCERNED CAN GIVE US A LITTLE MORE CLUE TO WHAT REARRANGEMENT AND RECOMBINATION OF THIS MATERIAL WOULD BEST MEET THEIR NEEDS, WE CAN THEN START TO WORK ON IT AND TELL YOU HOW MUCH TIME WILL BE REQUIRED TO ACCOMPLISH THE JOB.

END MSG