



DEPARTMENT OF THE NAVY,
NAVAL INTELLIGENCE COMMAND
2461 EISENHOWER AVENUE
ALEXANDRIA, VA. 22314

IN REPLY REFER TO

NIC-008/ag
Ser U17-72

27 NOV 1972

MEMORANDUM FOR THE DISTRIBUTION LIST

Subj: Fiscal constraints and Naval Intelligence Organization; study of

1. As you know, Naval Intelligence has been subject to heavy fiscal constraints during the past three years, and our currently approved levels in military and civilian manpower and in total dollars fall far short of meeting our requirements. Moreover, we are facing the loss of 133 additional military billets (39 officers and 94 enlisted in Program 3, offset by one additional enlisted in Program 9), with the enlisted positions scheduled to go this year and the officers to follow in FY74. We have already been required to identify the actual billets involved, although severe shortages in PCS money make it unlikely that personnel will move before the end of normal tours. Our situation is further aggravated by the anticipation of overall Navy cuts in dollar outlays this year which will have an inevitable impact upon civilian manpower.
2. In recent years we have established what I believe to be a viable and efficient headquarters and field activities organization. Notwithstanding, in view of anticipated fiscal reductions we must take a new look at our organization in order to meet the challenges posed by the need to keep on doing our essential work within the means available. I am directing Captain John J. CRYAN, USN, to review the entire Naval Intelligence Command structure and to identify specific consolidations, realignments, elimination of functions, organizational changes, physical movements, and any other means which we might employ in working toward a possible new design to save funds and personnel. In this context CAPT CRYAN will be examining and developing recommendations for both short and long term changes. You are requested to give full assistance and cooperation to Captain CRYAN in this important task.
3. Captain CRYAN has been requested to provide final recommendations to me by 1 January 1973.

E. F. RECTANUS

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ORIG: CAPT EVERHART, NIC-00B, 50590
TYPED: YNI GIBSON, 11/27/72, 50590