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Exhibit 3-A cont'd

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WAR DEPARTMENT GENERAL STAFF

CSGID 904.3

Cost Estimated for Discharging Certain Intelligence Functions

Chief, Unification Control Office, Office, DC/S

CSGID

23 Jul 1948
Lt.Col. Hughes/73225/aot

1. Reference is made to Memorandum for the DC/S, USA and the VC/S, USAF, subject: "Transfer of Certain Communication Intelligence and Communication Security Functions, dated 2 June 1948 and verbal request of Colonel James E. Bowen, Jr. of Lt. Col. James F. Hughes, Jr. for supplemental information with reference to the additional cost of discharging certain cryptographic security functions (Items 1, 6, 7, 8, 9 and 10 of referenced memo).

2. The Intelligence Division estimates that it would cost approximately $889,202 for a separate agency to initially establish, procure equipment for, and discharge certain communications security, signal intelligence, and special intelligence functions to be transferred from the Army to the Air Force. It is assumed that any contemplated organization would closely parallel the sub-sections of ASA and ID designed to discharge crypto-security and special intelligence functions. The following breakdown of the total estimates does not include projected maintenance costs or miscellaneous supplies.

a. Equipment, Initial Outlay

(1)	Printing and binding, accounting, tape producing, distribution	$258,100
(2)	IBM pental equipment	9,009

b. Personnel, Salaries per year

(1)	Forty-nine (49) officers, all grades	228,636
(2)	Forty (40) enlisted, all grades	64,812
(3)	One hundred-one (101) civilians, all grades	328,645
		$889,202

FOR THE DIRECTOR OF INTELLIGENCE:

/s/ Laurin L. Williams

Laurin L. Williams
Colonel, GSC
Executive

Declassified and approved for release by NSA on 07-03-2012 pursuant to E.O. 13526

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