

12 April 1961

SUBJECT: Funding of AMIRON and AMBUD Organizations

1. With the launching of the AMBUD organization we are faced with the immediate need of re-appraising our funding relationship with AMIRON. If one considers that AMBUD is, for all practical purposes, an outgrowth of AMIRON, it would appear completely logical to expect AMBUD to take over certain functions which were previously the responsibility of AMIRON as our chosen instrument. For all practical purposes, AMIRON has served its purpose and, now that we have AMBUD, no longer needs to exist.

2. When AMBUD-1 returned from his visit to the camps, Peter N. LICARI informed him of the urgent need for deciding what functions of the AMIRON organization he wanted to take over. To date, we have had no word from AMBUD-1 on this subject.

3. Since we will probably not be successful in getting the desired information from AMBUD-1 within the next few days it is believed that the following would be the most practical approach to the problem of interim financing of the AMBUD organization and the gradual curtailment of funds for AMIRON.

A. That LICARI inform AMBUD-1 that the sum of \$15,000 is being deposited to a separate account to be managed by AMTIKI-1 separate from regular AMIRON funds. This fund can be utilized by AMBUD-1 for:

- (1) Salaries of a small public relations staff;
- (2) Salaries of a small planning staff;
- (3) Travel and related expenses of AMBUD members;
- (4) Any miscellaneous expenses deemed necessary by AMBUD-1.

SECRET

-2-

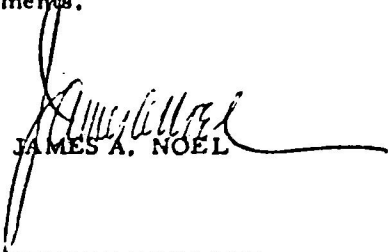
B. The military section of the AMIRON organization and the financial and auditing staff of AMTIKI-1 will be transferred to AMBUD organization at the earliest practical moment.

C. Funds will be available to cover the expenses of a small "caretaker" force to represent AMIRON, preserve records, answer inquiries.

D. All AMIRON personnel will be kept on the payroll through May 31st. They will be so advised on or about 1 May.

E. The \$58,000 now budgeted for the operational expenses of the "Committees" is being deleted immediately since there is no longer any need for AMIRON propaganda as such.

F. LICARI should continue to urge AMBUD-1 to give early thought to his budgetary and personnel needs but should not confront him with a deadline as we can rock along for the next two weeks under present arrangements.


JAMES A. NOEL

GERARD DROLLER

APPROVED:


J. D. ESTERLINE
C/WH/4