

THE WHITE HOUSE

WASHINGTON

June 11, 1970

MEMORANDUM FOR JOHN EHRLICHMAN

FROM: Ed Harper 

SUBJECT: Organization of Domestic Council Staff

Attached are to memoranda which represent some of my general thoughts about how the Domestic Council staff might be organized.

The first memorandum suggests one overview approach to the problem of establishing the organizational and operational characteristics of the Domestic Council Staff, and includes some general recommendations which are consistent with the evolutionary developmental approach which you suggested last week.

The second memorandum is a detailed section by section analysis of the memorandum by Tom Whitehead on which you asked me to comment. I agree with some of Tom's conclusions, but feel that the memorandum is misleading in some respects.

Attachments


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MEMORANDUM FOR JOHN EHRLICHMAN

FROM:

Ed Harper 

SUBJECT: The Organization of Domestic Council Staff Functions

This memorandum is not meant to be definitive. It is meant to supply you with one overview approach to the problem of establishing the organizational and operational characteristics of the Domestic Council staff. The approach is (1) identify the D. C. functional and operational directives, (2) from these, identify functional and operational requirements of the D. C. staff, (3) then look at the Domestic Staffs present organization and capabilities, and (4) finally identify a set of recommendations consistent with the evolutionary approach to the development of the D. C. which you suggested last week.

D. C. FUNCTIONS AND OPERATIONS

The President has assigned the Domestic Council several areas of responsibility and has outlined how he expects the D. C. to operate. He expects the D. C. to both meet as a group and work through project sub-groups and take the lead in the following areas:

- assessing national needs for the purpose of defining national goals.
- identifying alternative methods of achieving those objectives and recommending integrated sets of policy choices.

domestic

- coordinating the establishment of national priorities for the purposes of resource allocation. <sup>1</sup>
- providing rapid response policy advice to the President.
- OMB -- providing a continuing evaluation of on-going programs and proposals for reform as needed.

The President's directives to the D. C. have clear implications for the functions and mode of operation of the D. C. Staff.

The following staff functions flow from the description of the Domestic Council's functions:

1. Collection of data providing overviews of national need and data on specific projects.
2. Identifying all of the feasible approaches to achieving a goal and then culling through those for the Domestic Council.
3. Putting together integrated sets of options which might cross organization and substantive boundaries.
4. Assist in applying the President's priorities within and across substantive and organizational boundaries in resource allocation decisions during and between budget seasons.
- ? 5. Have immediately available past, current and projected fiscal and program data.
- OMB 6. Continually monitor federal programs and provide continuous Domestic Council-White House-Agency liaison.
- OMB 7. Conduct or lead both "quick and dirty" and in-depth program evaluations leading to program reforms and fiscal savings.

These Domestic Council staff functions in addition to the mode of operation outlined for the D. C. suggest the types of people required for the Domestic Council. One type of person is the functional policy area specialist who takes the lead staff responsibility in an area.

A second type should be a generalist professionally skilled in the areas of program analysis and evaluation who can work with both substantive area staff lead men and project groups, and who can maintain an overview of our fiscal and programmatic situation.

A third type should be a generalist staff man with perhaps two or three areas of expertise to work with the project groups and to back up the other staff.

In addition, the Executive Director of the Domestic Council Staff needs an alter ego who can follow through for him, relieve him of some detail work, and who can assist in fighting fires. The heavy fire fighting responsibilities of this post suggest that the person holding this position cannot be expected to have regularized responsibilities.

#### PRESENT ORGANIZATION AND CAPABILITIES

Having laid this conceptual ground work, one can assess the present staff capabilities and organization and build on this alternative D. C. staff organizations.

We have staff members taking the lead responsibility for various substantive areas already. They clearly can fulfill the functions of continually monitoring federal programs and maintaining liaison - policy coordination. They could also insure that in their substantive areas, the President's priorities are applied in recourse allocations, that options are identified and culled and that integrated sets of options are developed.

We also already have staff members to back-up the substantive area leaders and to serve on project groups.

An area that has been less clearly defined on the staff up to this point involves collecting data for overviews of national needs and specific projects, identifying and culling alternatives to achieve goals which cut across substantive areas, putting together integrated sets of options which cut across substantive areas, assisting in applying the President's priorities across substantive and organizational boundaries in the allocation of resources having immediately

available past, current and projected fiscal and program data and conducting or leading program evaluations which might produce major program reforms or program reductions.

Due first, to the desire not to unduely ruffle the BOB, ~~and~~ then to the desire to try to work the National Goals Research Staff into the system, <sup>and</sup> then to the desire to avoid any actions precedent to the passage of Reorganization Plan #2, Ken Cole asked that Martin and I not implement or further develop the plans which we laid out in our joint memorandum to you dated January 26. A copy of that memorandum is attached.

However, between our regular assignments, Martin Anderson and I have:

1. Produced and presented to you and Peter Flanigan a monthly up-date of the FY 71 budget picture.
2. Produced and presented to you and Peter Flanigan two five year budget projections.
3. Developed an experimental monthly fiscal reporting system for problem programs which we would like to present to you.
4. Initiated a program evaluation experiment with public works projects in an attempt to make significant savings.
5. Assisted in identifying and culling out options within substantive areas - - FAP, postal reform, economic development.
6. Presented - in the case of school desegregation - an integrated set of options which cut across organizational and substantive boundaries which were backed up with information about savings, impact on program effectiveness and political implications.

Because we were asked to restrict our activities and because of the cyclical nature of the budgetary process, some of the items mentioned in the recent Whitehead memorandum which we agree should be done, were not done. Specifically, the development of an integrated set of options for making cuts to salvage the FY 72 budget must, as was proposed in my memorandum of last week, be developed and implemented within the next nineteen days. The obvious practical time to

develop a set of integrated options is when the entire budget is reviewed, an event which occurs twice a year under our present system - in June and in October and November.

#### EVOLUTIONARY APPROACH RECOMMENDATIONS

One set of recommendations consistent with the evolutionary approach to the development of the Domestic Council follow. (Also see the attached matrix for greater detail.)

1. That the position of staff member with lead responsibility in a substantive area be retained with the functions identified above.
2. That the planning, analysis, and budgeting unit (or units) whose functions are described above, and in the attached memo be established in the Domestic Council.
3. That the position of staff assistant on the Domestic Council staff be retained to back up senior staff members and to work with project groups.

Attachment

MATRIX OF POSSIBLE STAFF GROUP FUNCTIONAL  
ASSIGNMENTS

<u>FUNCTIONAL RESPONSIBILITIES</u>	<u>STAFF GROUPS</u>		
	Lead Substantive Staff Men	Planning Analysis & Budgeting Unit	Staff Assistants
Collect Data on National Need Overview	A	L	A
Collect Data for Substantive Area Needs	L	A	A
Identify and Cull Feasible Options in A Substantive Area	L	A	A
Identify and Cull Feasible Options Across Organizational and Substantive Boundaries	A	L	A
Put Together Integrated Sets of Options in a Substantive Area	L	A	A
Put Together Integrated Sets of Options Across Organizational and Substantive Areas' Boundaries	A	L	A
Apply to Priorities to Resource Allocation within a Substantive Area	L	A	A
Apply to Priorities to Resource Allocations Across Substantive and Organizational Boundaries	A	L	A
Have Immediately Available Past, Current and Projected Fiscal and Program Data.	A	L	A
Continual Agency Liaison and Program Monitoring	L		A
Conduct Program Evaluations	A (L in identi- fying issue)	L (A in identi- fying issue)	A
Back-Up For Senior Staff			
Project Group Staff	L or A	L or A	A

L= Lead Responsibility

A= Assistance Expected