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MACSOG DOCUMENTATION STUDY (U)

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APPENDIX J

LOGISTICS

PART I. BACKGROUND

A. GENERAL

1. Initial Support. Logistic support for COMUSMACV OPLAN 34A, as initially conceived in December 1963, was to have been basically derived from in-country resources with the anticipated duration of the program limited to a 12-month period. Resources available in-country or programmed were estimated, in the initial plan, as adequate to satisfy most requirements under the category of planned actions. The following augmentations, however, were proposed to provide for an optimum program of actions:*

a. Provision in-country of a minimum of two PTFs.

b. Provision of six additional C-123 aircraft modified to include ECM configuration.

c. Assignment of qualified personnel to organize and activate the implementing agency - MACSOG.

d. DATA

e. DATA

DATA

* MACV OPLAN 34A-64/CAS Saigon OPLAN TIGER, dtd 15 Dec 1963.

** (DATA

2. History, MACSOG, "Annex A to MACV 1964 Command History".

Operations program, by direct allotment from the Office of the Chief of Naval Operations, and (2) MAAGV had been financed by the Department of the Navy, using MAP funds, by direct allotment from the Department of the Navy to CINCPAC to MAAGV. In addition, MAAGV has received assistance-in-kind under ... the host government's military budget primarily in the form of facilities and labor.

"In consonance with the reorganization ... the financing thereof will be as follows:

"1. For the remainder of FY 1964 the financing ... will remain unchanged except that COMUSMACV would assume the responsibilities and authorities for the use of MAP funds made available to MAAGV.

"2. Beginning with FY 1965 COMUSMACV would be financed by direct allotments from the Department of the Navy to CINCPAC to COMUSMACV of (1) Operations and Maintenance, Navy appropriation, Budget Program-Service Wide Operations, for those costs of COMUSMACV not allocable to MAP, and (2) MAP appropriation for those costs are to be based on criteria promulgated by CINCPAC.

"For FY 1965 and subsequent years COMUSMACV would submit to CINCPAC, who in turn would submit to the Chief of Naval Operations, the financial requirements for COMUSMACV separately identified as to those to be financed under the Operation and Maintenance, Navy appropriation and those to be financed under MAP, after allowing for such assistance-in-kind to be furnished by Vietnam.

"Representatives of the Office of the Assistant Secretary of Defense (ISA), the Department of the Navy, and CINCPAC have concurred in the foregoing financial arrangements.

"Signed, CHARLES J. HITCH, Asst SECDEF"

B. OVERVIEW OF LOGISTICS

1. Budget Growth. Extension of the program beyond the anticipated 12-month time frame, combined with several changes and expansions to the original mission and purpose, radically influenced changes in size, scope, equipage and funding requirements of MACSOG. It is significant that much of the basic outfitting of MACSOG, including provision of qualified logistic and supply personnel and essential equipments and their support, was not accomplished during the initial year following program implementation. The annual operating budget in FY 1965 (excluding support provided by individual military Services and DATA) was authorized by DOD at $5,102,000; by FY 1970, due to broadening of program scope, it had increased by annual increments to a programmed

budget of $25,778,400 (confidential funds) and approximately $450,000 (appropriated funds). Equipage, facility construction, security and personnel costs fluctuated with each change of mission and additional task, evidencing consistent expansion until 1969. The progression of annual operating budgets 1965-70 in total cost per program is included as Figure J-2.

2. Total Cost. An estimate of total cost requirement for MACSOG programs must, in addition to the authorized operating budget, include the initial outfitting with DATA and Service provided assets, and their continuing supports: e.g., aircraft, their special configuration, maintenance and replacements; PTF procurement, basing, fuel, ammunition, maintenance and special support ; radio transmitting facilities; printing and psychological warfare (PSYWAR) support ; research and development and special equipments. This support have been estimated to approximate an additional $103,000,000 (Figure J-3). In addition, personnel costs, travel, pay, per diem, etc., were funded by individual Services.

3. Assets Inadequate. Inadequate initial provision of qualified US personnel, essential equipments and their support, combined with emergency and unpredictable factors such as weather, operational/training combat induced attritions and indigenous personnel limitations, served to further impede attainment of the original 12-month operations goal. DOD emphasized security precautions restricted much of the assistance routinely available within the Services and caused delays in construction and base developments: e.g., fuel storage, piers, berthing, and support facilities for PTFs; communications equipment compatible to all participating forces; non-attributable US weaponry; command and control facilities; recruitment, training and outfitting of personnel. To expedite and improve operational readiness of the MACSOG program, major effort and priority was afforded by all Services

FIGURE J-2

MACSOG ANNUAL BUDGET

CONFIDENTIAL FUNDS

PROGRAM	PROGRAM/PROJECT	Revised Estimates FY 71	Revised Estimates FY 70	A.P.F. Approved & Authorized ($000) FY 69	FY 68	FY 67	FY 66	FY 65
X	FOOTBOY (C)/OPLAN 34A/PRACTICE NINE (FY 67 only)	9,367.4	9,478.7	7,752.0	13,633.0	12,960.9	9,624.0	4,950.5
X	PRAIRIE FIRE/SHINING BRASS	9,409.3	9,874.2	8,520.4	6,653.0	5,122.4	2,728.0	--
X	SALEM HOUSE/DANIEL BOONE	5,255.5	5,520.3	4,806.0	--	--	--	--
	TOTAL PROGRAM X AUTH.	24,032.2	24,873.2	21,078.4	20,286.0	18,083.3	12,352.0	4,950.5
II	IGLOO WHITE/DYE MARKER/MUSCLE SHOALS/ DUMP TRUCK	869.0	905.2	659.5	1,800.0	--	--	--
	GRAND TOTAL	24,901.2[a]	25,778.4[a]	21,737.9[b]	22,086.0[b]	18,083.3[b]	12,352.0[b]	4,950.5[b]

MACSOG APPROPRIATED FUNDS
(Unclassified funds supporting administrative needs, travel and supply)

	FY 68	FY 67	FY 66
FOOTBOY	383,918.04	323,952.74	188,326.49
PRAIRIE FIRE	108,195.61	99,997.88	349.68
TOTALS	492,113.65	423,950.62	188,676.17

PROVIDED FUNDS

	FY 68	FY 67	FY 66	FY 65	FY 64	Total
HUMIDOR (Radio PSYOPS)	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	$6,000,0

Source of information: FY 71 Budget and FY 70 Apportionment Submission
Source of information: CNO Authorization and/or MACV message Status Reports.

FIGURE J-3

USN AND USAF UNPROGRAMMED SUPPORTS PROVIDED MACSOG PROGRAMS - FY 1964 to 1970
(in part, though specifically identified by Service records)

US Navy	
Procurement 18 PTFs ($1.8M each)	$32,500,000
SRF Subic Bay - Support, Overhaul & Maintenance	5,103,353
PTF outfitting, supply, equipage & spare parts	5,500,000
Napier Deltic Facility, SRF Subic Bay	383,047
Fuel	2,590,000
Navy peculiar items, incl ammunition	7,900,000
CNM sponsored special equipment support	2,219,280
Ships System Command sponsored special equipment (less PTFs)	700,000
Special Warfare Lab; procurements (BACKDROP)	800,000
Naval Ordnance Center, China Lake (BACKDROP)	3,536,888
SDV and Swimmer Support	850,000
TOTAL	$62,072,568
US Air Force	
C-123 Aircraft (8)	$ 5,384,000
C-123 modifications ($1.8M from SECDEF contingency fund)	2,284,950
C-123 maintenance costs ($250K per yr)	1,500,000
C-123 operating costs (4 a/c avg 90 hrs per month, 10 mo x 5 yrs at cost of $211 per flying hr - less maintenance factor of $157 per hr)	972,000
C-130 aircraft (6)	12,792,000
C-130 operating costs and maintenance (3 a/c avg 75 hrs per mo, 10 mo x 3 yrs at cost of $265 per hr)	2,412,000
TOTAL	$28,749,950
Average helo support derived from USAF and VNAF (US supported) assets includes cost of craft only. Allocation of maintenance/operating costs are not documented and would be divided between many customer commands.	
PRAIRIE FIRE: 21 - H-34 ($120K each)	2,520,000
17 - UH-1 ($300K each)	5,100,000
17 - UH-1 ($300K each)	5,100,000
TOTAL	$12,720,000
GRAND TOTAL	$103,536,950

FIGURE J-3 (CONT'D)

US Army

According to US Army Material Command, Washington, D. C. and Counterinsurgency Support Organization (CISO), Okinawa, all provided supports, operational and Research and Development were funded from MACSOG's operating budget. Procedure involved processing of requisitions through CISO with funding citation included for procurement and/or Research and Development through military/open market sources.

NOTE: The above expenditures do not include direct support expenses of personnel assigned, e.g., pay, travel, per diem. These costs are absorbed by individual Services and records are not available to this study.

DATA

Counterinsurgency Support Office (CISO) and the Advanced Research Projects Agency (ARPA-DOD).

4. Budgetary and Funding Support for MACSOG. The evolution of funding procedures as they developed year-by-year DATA DATA is covered in Part II of this Appendix. A summary of the procedures as they were at the end of the period covered by this report was prepared by SACSA in May 1968:*

"a. Responsibility for programming, budgeting and financing of MACSOG and its operations with respect to North Vietnam (FOOTBOY) and crossborder operations in Laos (PRAIRIE FIRE) and Cambodia (DANIEL BOONE) for FY 69 has been assigned as indicated in the following sub-paragraphs.

DATA

" Survivor benefits costs that may fall due for agent-team personnel launched into NVN prior to 1 Feb 64.

"(2) Each Individual Military Department - Travel, per diem, and any direct support expenses of their own personnel (other than those on MACSOG JTD allowance) under TDY orders, in connection with FOOTBOY , PRAIRIE FIRE and DANIEL BOONE, and PCS costs of their own personnel for MACSOG JTD.

"(3) Air Force - Operation and maintenance of C-123s in HEAVY HOOK except costs of non-US crews.

"(4) Navy

"(a) Through Fleet Channels

* JCS, SACSA M-329-68S, 1 May 1968.

FIGURE J-4

US NAVY PROVIDED SPECIAL SUPPORT
1964-1965

Equipment	Cost
Mk 4 Containers (8 per qtr, $2,300 ea)	$ 400,000
Spare Parts	3,000
TB-4D UHF Beacon Strobe Lights ($700 for 10)	7,000
ARA 25 Direction Finder (AIRSYSCOM)	2,500
Boston Whalers	7,500
RB - 12 (Rubber Boats)	250,000
Limpet Mine attachment for wooden hulls - 100 (NOTS). PTF Searchlights	2,500
AN/URC-55	2,500
Action Team Radios - TR-PP-11 (Motorola) - 15	30,000
Wrist Depth Guages	9,200
Closed Circuit Scuba	51,980
Radar Detection Device (requirement belatedly cancelled)	300,000
Decca Radars	115,000
Installations	21,000
PTF Bridge Radar Repeaters ($7,200 ea) - 20	199,000
Agent Radios	40,000
Buoyant Ballistic Small Arms Protective Vests - 202 ($1,100 ea)	420,000
AN/PRC 77 - 85 (Passed to CISO - Army controlled)	
MK-15 Ordnance Locators - 12 ($800 ea)	96,000
DFD WOX-10A - 4 ($14,000 ea)	48,000

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FIGURE J-4 (CONT'D)

Equipment	Cost
Waterproofing Material (Vinyl bags for 81mm ammo)	
30 Little Shot/60 Big Shot Rocket Launchers/and timing devices (NOTS)	
Boat Kit - 25 (NOTS)	
Radar Target Simulators, SM-44/AL -- 182 units ($350 ea)	63,700
Drone Boat Control System (MDL/NOTS/PT Mugu)	130,000
28 Volt Power Supply for AN/ARC 27 Infra-red Lens and Boot - 96 filters Two man RB - 75 units (NOTS). Starlight scopes 9 ($2,500) Metascopes - 34 with light sources and waterproof $8,600 each containers -	20,400
TOTAL CNM sponsored support	$2,219,280
Ship Sys Com sponsored support	700,000
Special Warfare Lab	800,000
SDV and Swimmer Support	850,000
NOTS China Lake	3,500,000
TOTAL	$8,069,280

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26
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"1. Operation and maintenance of assigned PTFs and SWIFT craft except cost of non-US crews.

"2. Specialized Navy-type ammunition (i.e., 81 mm leaflet rounds) not available as PEMA.

"3. SEAL team demolition materials.

"(b) CNO Through CINCPAC O&MN Funding Channels - Travel of personnel on MACSOG JTD and certain supplies, materials and contractual services not requiring classified channel funding.

"(

DATA - All expenses of carrying out FOOTBOY , PRAIRIE FIRE, that portion of DUMP TRUCK which involves PRAIRIE FIRE support, and DANIEL BOONE operations not specifically assigned elsewhere in this message, including:

"1. Payment of indigenous, indirect-hire personnel costs in accordance with agreements with the GVN including crew costs of PTFs and SWIFTs and salary costs of agents launched prior to 1 Feb 64.

"2. Travel of non-US personnel within the designated programs.

"3. Procurement of supplies, equipment, and contractual services, including PEMA items, and costs of resupply of agents launched prior to 1 Feb 64.

"4. Lease of facilities, minor construction, alteration, maintenance, repair, and associated utilities.

"5. Payment of contractual costs of flight and boat crews.

" b. Require MACSOG to report on CINCPAC, INFO JCS and CNO, prior to 10th following month, through military channels, monthly status of funds for area covered by sub-paragraph /a(4)(c)/ above as follows:

"(1) Cumulative obligations and expenditures by each category of expense as established in[CNO Msg 2821337 Sept 1966]. Obligations will be in accordance with DOD definitions and include all orders placed through CISO.

DATA

"(2) Current annual program budget plan by same category of expense as in subparagraph [4b] above. In order to provide for effective planning and programming, each annual program budget plan must be based on thorough MACSOG planning and must, insofar as possible, reflect all funding requirements for the fiscal year to which it pertains.

" c. CINCPAC is expected to monitor progress under the approved program budget plan utilizing status reports submitted in accordance with paragraph [4b] above; and to submit to JCS a reevaluation of the annual budget plan consonant with operational authority and requirements 10 days prior to beginning of each quarter. Transfers of not more than 5 percent of a category may be made to another category without CINCPAC approval. Variations in annual amount of 5 percent or more between categories of any annual budget will require prior approval by CINCPAC as will accomplishment of any facilities, minor construction/alteration projects or new facilities leases not included in the approved budget. JCS and CNO will be INFO adees on such requests and approval actions. Additionally, DCPG will be an INFO adee on any such requests and approval action which pertains to PRAIRIE FIRE support of DUMP TRUCK. All variations between budget categories made locally or approved by CINCPAC must net to zero and remain within the program totals specified." *

5. Salaries, Bonuses and Gratuities for Vietnamese Operator and Agent Personnel. A problem area significant to both operational effectiveness and functional administration of the MACSOG programs from their inception was the pay, allowance and bonus system devised to recruit and support Vietnamese volunteer personnel. The basic procedure was introduced by CAS during the period prior to 1964. The precedent of bonus pay incentives has been frequently challenged but represented inducements that could not be withdrawn without the expectancy of desertion by trained on-board personnel, as well as political repercussions from RVN Government Joint General Staff (JGS) representatives supporting the program. The desirability of patriotic vice mercenary motivation was consistently expressed by MACSOG assigned US personnel, but such philosophy was not effective in producing volunteer recruits or operators.

a. Vietnamese volunteer recruits were initially signed to personal contracts with the Commander, Strategic Technical Directorate (STD) or the designated representative, e.g.

* Ibid.

Commander, Coastal Security Service (CSS), as the RVN contractor. Basic pay, gratituities, bonuses and periodic increases were included in the contract.*

b. Complexity of the pay system was manifested in the MACSOG finance Standard Operating Procedures (SOPs) regulating salary scales, bonus inducements, disability/death gratuities, etc., with variations existing between the scales established for maritime operations (MAROPS - 34A), SHINING BRASS and other programs.**

c. All payment vouchers were approved by the VN STD Commander, then submitted to the MACSOG finance officer for audit prior to transfer of funds to the STD finance officer.

d. Requests for payment of mission bonuses were directed to and required the approval of Chief, MACSOG. They were then reviewed and signed by an appropriate MACSOG officer and the STD Commander prior to transfer of funds to the STD finance officer for payment. All transfers were included in the financial returns of both STD and the MACSOG operational units and were audited by the MACSOG comptroller.

6. Tables of Operating Equipment

a. Because of the continuous increase in the scope of MACSOG's activities, a realistic Table of Organization and Equipment (TOE) or material allowance was not developed or authorized. Inventories of stock, equipment, spare parts and vehicles were initiated on an annual basis commencing in 1965*** but were never completed. This has been attributed, in part, to a lack of supply trained personnel and to the restrictive influence of one year tours of duty for assigned personnel unable to complete the inventory task.

* Contract Form for Vietnamese Infantry Personnel in the Service of the CSS.

** Pay, Allowance and Bonus for Personnel on Operational Status, 16 Sep 67.

*** MACSOG Command Histories - 1965-69.

b. The MACSOG logistic officer in October 1969, coordinated the most complete compilation to date,* including inventories, accomplished in part, and photographic descriptions of headquarters, forward operating bases (FOBs) and support facilities. This document, too bulky for reproduction, is held with the MACSOG files at JCS (SACSA) and includes representative requirements for the establishment, manning and outfitting of such bases.

* Inventory, MACSOG-40, ltr Transmittal, Ser 0003249-69, 7 Oct 1969.

PART II. CHRONOLOGICAL SUMMARY (U)

A.) GENERAL

The following chronology describes the evolution of MACSOG logistic support commencing in January 1964. The year-by-year progression is pursued in order to portray initial requirements and problems to be anticipated upon establishment of a small-scale unconventional activity, and the later changes caused by expansion and consolidation of several diversified though related programs. Presentation will be by calendar year except for those paragraphs concerned with the development of fiscal year budgets.

B. CALENDAR YEAR 1964

1. (TS) Initial Support. In accordance with the joint agreement between DOD and CIA at the Washington, D. C. level,

DATA

Initial Vietnam Special Programs Funding responsibilities assigned were as follows:

Operational	- COMUSMACV
Support	- Individual Services for Service component operations. Headquarters Support Activity, Saigon for COMUSMACV housekeeping.
Budget	- Individual Services for Service component operations.

The following equipment was purchased or provided from individual Services monies as the result of Secretary McNamara's decision in December 1963.

a. (N/DOD) Purchase four NASTYs.

b. (AF) Configure six C-123s with special ECM equipment.

c. (N) Furnish aircraft aerial mining training crew (MTT).

d. (AF) Two portable navigation beacons.

e. (A) PSYWAR detachment 20 persons plus 17" x 20" high-speed off-set press, less photographic gear.

f. (A) Two Black radio studios (M6271 and M6278) plus power unit.

g. (A) Three White radio recording studios.

h. (N/AF) Flare dispenser for AlH aircraft.*

2. First Budget. A major problem encountered in FY 1964 logistic support was that of obtaining adequate planning factors and financial guidance for developing operational support and budget plans for FY 1965. An initial costed out budget for FY 1965 was estimated by MACSOG for DOD responsible items totaling $6,516,850. This figure was ultimately recomputed, eliminating items determined at individual Service areas of responsibility (non-reimbursable),** and was approved by the Joint Chiefs of Staff for a total $5,102,000 ($380,000 through MACV for standard military and administrative items, DATA for requirements not appropriate to regular military funding, i.e., third country crews, agent teams, non-standard and/or non-attributable supplies and equipment).***

3. Washington Impatience. Washington level impatience was in evidence by April 1964, concerning "lack of success in the OPLAN 34A program to date" and an evaluation was requested by CINCPAC and COMUSMACV to determine "what is needed to put it on a successful basis." Analysis of the reports by JCS (SACSA),**** inter alia, acknowledged among the principal obstacles limiting operational success, the non-availability of major equipment items.

* Msg, Saigon 3237, DTG 201457Z Dec 63.
** Msg, JCS 7577, DTG 261723Z Jul 64.
*** Msg, JCS 8807 (no DTG) 18 Sept 64.
**** SACSA-M 227-64 of 3 Apr 64.

"While these items are programmed and expected to be delivered on schedule, operations will necessarily be limited until such time as they arrive and become operational. Readiness date for the NASTY craft remains 1 June. The specially configured C-123 aircraft are due to arrive during the period 15 April to 21 June, but the time required for selection and training of DATA air crews will delay the readiness date until 1 September. That date is also considered to be the best estimated readiness date for VNAF crews. COMUSMACV points out also that White Radio operations cannot begin until the equipment, which has arrived in Saigon, is installed in an existing structure - an operation which will require two to three months, or a new structure is built (which would require from 10 months to a year). Delays in Black Radio operations have stemmed from lack of a full time radio project engineer, change in engineering judgment on power of transmitters required, continuing search for transmitter sites by the Vietnamese and the failure of the Vietnamese to assign a counterpart Chief of Operations until /the/ week of 3 April."*

COMUSMACV stated that support from Washington would be required in the following categories:

a. Action to assign personnel to man a Special Operations Group (SOG). (The Joint Chiefs of Staff, on 1 April, approved a Joint Table of Distribution (JTD) of 100 military spaces.)

b. Contiuing action to ensure the timely arrival of programmed materiel.

c. Understanding of the limitations under which implementation of OPLAN 34A must proceed until personnel, materiel and equipment are in place and operationally ready.

d. Decision concerning budget and funding procedures.*

4. MAROPS Problems. Notwithstanding advance planning, which included detailed material and support estimates, accomplished DATA the military more than a year in advance of the implementation of OPLAN 34A**, operational readiness was not achieved as rapidly as desired or expected.

DATA

* Ibid.

** Memorandum to AsstSecDef (Special Operations) (copy JCS) of 10 May 63

mobile afloat base for the launching and support of PTF operations against North Vietnam. At the same time, shore-based support requirements and equipments were investigated as a basis for comparison between the two concepts relating to effectiveness and security of operations. DATA influenced by the limited availability of a suitable support ship at a reasonable cost, (an AKL had been recommended by the Navy but would have required considerable modification and had limited sea capabilities) concluded in favor of a shore base facility. The PTF base support requirements and equipments were documented but remained unprogrammed when OPLAN-34A was hastily activated and operational control transferred to the military in January 1964. Logistic problems were compounded by CINCPAC's immediate decision to increase the number of allocated PTFs to eight, with related increases in operator personnel, outfitting, maintenance and support requirements. Although emergency funding was provided by extension of DATA the logistic system was not geared to the quick reaction required and many facets of training and readiness slipped as much as six months.

5. Request for Funds. By mid-March 1964, DATA

* in view of the intensification of the program, expansion of existing training base facilities was immediately warranted and that construction of additional isolated training sites and physical security posts would be required during the next four months.** This action revealed that Washington-level decisions concerning budget and funding procedures required early action to insure continuance and progress of the program at the expanded level directed.*** CINCPAC endorsed immediate construction requirements and urged that a source of funds and funding channels be

---

* Ibid.

** Msg, Saigon, 17 March 1964.

*** Msg, COMUSMACV MACSOG 2491, DTG 010736Z Apr 64.

designated as soon as possible with the reservation that PACOM MAP be excluded due to critical shortages of funds. CINCPAC project descriptions and cost estimates to support the plan follow.*

"a. Expansion of Danang Naval Facility

"(1) Intensive NVN MAROPS program necessitates expansion SWIFT/NASTY and My Khe training bases. Physical security considerations require construction of security posts to protect existing and proposed facilities. Operational security factors require activation of isolated base as final holding, launching and debriefing site.

"(2) The following MAROPS construction, requested and envisioned over next three months; construction to be cement floors, wood beams, cement block siding and tin roof unless otherwise specified. All estimated costs are in US dollars at the rate 72.77 to one.

"(a) SWIFT/NASTY Base. Initial construction for offices, crew billets and messing was approved for crews of three SWIFTs and two NASTYs. Due to increase of two PTFs and four NASTYs with increase of additional 120 GVN Navy personnel, it is now necessary to expand this facility. Estimated cost is $23,900.

"(b) Initial construction warehouses, maintenance shops, adjacent to craft docking area was approved for three SWIFTs and two NASTYs. Since then, additional craft have been programmed. PTFs require different parts and tools; therefore, additional spare parts, storage and maintenance space is required. Estimated cost is $43,000.

"(c) My Khe Training Site. Due to increase of SEALs from 12 to 18, USMC reconnaissance teams of four persons and planned increase in GVN personnel, it is now necessary to renovate some buildings and construct additional units. Estimated cost is $17,500.

"(d) Isolated Training Sites. Due to augmented GVN naval training personnel and programmed increase in agent team personnel, together with increase in scope of training, it is necessary to construct three additional isolated training sites. Two sites would be the same as existing ones and would be of the size to handle twice the number of agents as regular sites. Estimated cost is $5,200.

"(e) Permanent Guard Billet/Outposts. Due to increasing physical security hazards, this area and impact of high-speed craft in Danang (resulting in enhanced target for VC), now need three permanent guard billet/outposts to protect various operations sites. Estimated cost is $3,900.

* Msg, CINCPAC, DTG 100156Z Apr 64.

"(f) Buildings for GVN Navy. When the United States acquired site for upper base, GVN gave us two buildings on this site with provisions that we construct two similar buildings at GVN Navy Base. GVN Navy has taken an active role in the MAROPS program. Consider it political expedient and will enhance good will if we construct these buildings as soon as possible. Estimated cost is $2,500.

"(g) Laundry House at USN Personnel Billet. This facility needed due to the lack of adequate local laundries in the Danang area. This will service 150 persons plus BOQ laundry. Total cost will be $1,000.

"(h) Construction of Fuel Farm. Fuel farm mandatory to provide rapid, secure and integral fuel supply at the SWIFT/NASTY base at Danang. Fuel assets and facilities must be adequate to meet the operational/training demands of three SWIFTs and two PTFs presently based at Danang and additional six PTFs scheduled to arrive prior to 1 July. All craft require high-grade Marine diesel fuel with exception of two PTFs scheduled to arrive in April; latter require 115/145 AVGAS. Esso low bidder on construction and fuel contract and contract was ready for signing 25 March. Cost of construction is $15,000.

"(i) Fuel and oil for operation of SWIFTs/NASTYs is estimated at $25,000.

"b. PSYOPS

"(1) White Radio Station Complex has arrived in Saigon. Major problem is locating, leasing and renovating existing structure to install studio in two to three months period or to build new structure from ground up which will take between 10 months and one year, and cost approximately $350,000. Installation in existing building will undoubtedly require modification, but can be accomplished with much less time and money. Several buildings have been located, but final arrangements have not been made to date. Estimated cost cannot be determined until the building is procured.

"(2) Operational expenses to cover cost of printing supplies for production of leaflets, posters and newspapers; purchase of small items to be included in gift kits and delivery. Estimated cost is $9,000.

"c. Funds for Standard Items of Equipment. When SOG was organized, it was assumed that standard items of equipment would be supplied by military DATA Fund cite is required to back up requisitions for standard items of equipment to equip increased guard requirement, Danang and Long Thanh, items of equipment for training and vehicles; estimated cost is $90,000.

"d. Indigenous salaries and subsistence for guards, students, agents at Saigon, Danang, Long Thanh and families of committed agents; estimated cost is $260,000.

"e. Air Operations. To cover operating costs for aircraft programmed. This estimate covers costs of fuel, oil and spare parts. Estimated cost is $35,000.

"f. Recapitulation

"(1) Danang	$157,000
Plus 10 percent contingency	$ 16,000
"(2) PSYOPS	
"(a) Balance by separate action when cost of construction or conversion known	
"(b) Leaflets, Posters, etc.	$ 9,000
"(3) Military Equipment	$ 90,000
"(4) Salaries, Indigenous	$260,000
"(5) Air Operations	$ 35,000
"TOTAL	$567,000"

6. (TS) FY 1965 Budget. Resolution of budget and funding sources and procedures at the Washington level was a matter of urgent concern to COMUSMACV and MACSOG in preparation for FY 1965 and the complete transition of program control DATA to the military.* The Joint Chiefs of Staff tasked COMUSMACV/MACSOG with preparation of a proposed budget including description of MACSOG functions and expense categories.** MACSOG's submittal initiated the format and procedures for annual budget requests with a total cost estimate for FY 1965 amounting to $4,977,160. The budget was broken down into categories as follows:

Category 1--Personnel costs. Includes salaries, subsistence in kind. Allowances and benefits for agents. Crews, administrative and Service personnel.
Category 2--Travel cost. Covers all personnel except SEAL and MST personnel per diem.
Category 3--Operation and Maintenance. Covers vehicle, aircraft and equipment operations and maintenance, expendable supplies and expendable operational equipment, minor construction, modifications and utilities.

* Msg, COMUSMACV MACSOG 1291, DTG 010730Z Apr 64.
** Msg, JCS, DTG 251949Z Apr 64.

Category 4--Equipment. Covers procurement and replacement of major equipment items, non-expendable office equipment and furniture.

Category 5--Rentals. Covers rentals of safehouses, quarters for air and surface crews and agents, and operational sites.

Category 6--New Construction. Construction and rehabilitation of facilities for increased agent pool, storage and repair facilities for special aircraft equipment, briefing and debriefing site at airfield.

Category 7--POL Costs. Covers POL for vehicles, generators and surface craft only. Aircraft fuel is included in operating costs (Category 3).

Following recomputation and furtner delineation of DOD responsibilities, the budget was ultimately approved by the Joint Chiefs of Staff.*

7. Funding Procedures. DATA

MACSOG financial funding provisions were different from purely military procedures. The Chief of Naval Operations was tasked by the Joint Chiefs of Staff as the executive agent for providing MACSOG confidential funds.** Funding procedures, satisfactory for security requirements and supporting non-attributability to the United States without prohibitive operating and procurement restrictions, were developed.*** DOD funding channels were through the Chief of Naval Operations (CNO), the designated DOD executive agent, DATA, and then to MACV. Annual budget requirements as estimated by MACSOG, were forwarded to the Joint Chiefs of Staff (SACSA) via MACV and CINCPAC. Upon approval by the Joint Chiefs of Staff, CNO, as executive agent, programmed the funding and negotiated Congressional approval on an appropriately classified disclosure basis. Funds were then passed quarterly by the CNO Comptroller (OP-345 sponsor) DATA to MACSOG DATA, by the following channels.

* Msg, JCS 8807, dtd 18 Sep 64 (no DTG).
** Msg, JCS 6773, DTG 102151Z Jun 64.
*** Msg, DTG 192135Z Jun 64.

a. US Dollars. DATA

b. DRV Dong and Silver Piasters. DATA

c. US Dollars DATA

DATA

d. Piasters. DATA

DATA

DATA

DATA

Piaster funds were withdrawn, as required, by issuing a check co-signed by the Chief, MACSOG and his Comptroller.

e. Internal Transfer. Transfer of DATA funds between internal programs under MACSOG control was permissible, with CINCPAC authorization, and was effected in several instances to insure immediate support or emergency requirements for programs of immediate importance.

8. Quick Reaction Supply. Agreement was developed among DOD, DATA and CISO, Okinawa, to provide quick reaction supply and procurement support for MACSOG commencing June 1964. CISO facilities provided standard US Army items of supply and equipment, and unique items available through channels DATA including open purchase capability from Japan. Funding and accounting procedures with CISO were established and identified separately and reimbursed from the MACSOG budget.* A summary of expenditures processed through CISO for FY 1964 and subsequent years indicates the scope of procurement activity (see Figure J-5).

9. Subic Bay Support. US Navy Ship Repair Facility, Subic Bay provided technical support and extensive modifications to the newly procured PTF craft in readying them for special OPLAN 34A requirements. Facilities were established at Subic to provide for continuing major repair and engine overhaul support.

* Msg, , 20145Z July 64.

FIGURE J-5

SUMMARY OF SOG COSTS PROCESSED THRU USACISO (U)

	FY 1965	FY 1966	FY 1967	FY 1968	FY 1969
MA Costs					
Supplies & Equipment	$1,064,115.42	$1,035,751.84	$1,342,837.18	$3,402,091.31	$2,331,862.02
Issues from USACISO, 5th SFGA & overhead costs	278,015.42	149,154.40	212,752.41	227,313.82	165,170.33
Special Deposit Account Purchases	181,962.75	464,467.75	604,212.67	366,470.09	35,978.37
Unbilled Orders	0	0	2,420.80	11,871.31	179,361.36
TOTAL	$1,524,093.59 Final 6/30/67	$1,649,373.54 Final 6/30/68	$2,162,223.06 Incomplete [a] 7/31/69	$4,007,746.53 Incomplete [a] 7/31/69	$2,712,372.08 Incomplete [a] 7/31/69
EMA Costs					
Supplies & Equipment		$1,325,827.45	$2,138,729.29	$1,177,299.80	$ 181,930.21
Ammunition		1,103,725.16	938,202.77	2,202,491.97	2,888,849.08
Issues from CISO & LSC		120,077.14	59,238.88	155,438.20	67,126.96
Unbilled Orders		0	1,308.00	233,617.80	1,229,249.93
TOTAL	0 (Free Issue in 1965)	$2,549,629.75 Final 7/31/69	$3,137,478.94 Incomplete [a] 7/31/69	$3,768,847.77 Incomplete [a] 7/31/69	$4,367,156.18 Incomplete [a] 7/31/69

Unbilled orders are outstanding, including charges for items shipped, but not billed, and items still due out.

10. Air Force Support. Original modifications to C-123 aircraft were accomplished during 1964, in CONUS under USAF supervision at a cost of $1,864,000 provided from Secretary of Defense (SECDEF) contingency funds, with continuing maintenance programmed in-country by USAF at $250,000 per year. Follow-on modifications to replacement aircraft, C-123s and C-130s, totaling an additional $4,000,000 plus maintenance, was supported by USAF programmed funds. Modifications to the C-123 and C-130 aircraft principally included the addition of ECM and ELINT equipment necessary for their mission and, for the C-130s, the addition of FULTON SKYHOOK emergency rescue gear.

a. USAF support of MACSOG was in the form of partially and totally committed air assets. The former consisted of in-theater Special Operations Forces (SOF) aircraft and helicopters. The latter consisted of specially configured C-123 and C-130 aircraft. There was no special modifications or maintenance costs associated with the in-theater USAF SOF air support of MACSOG. That support was measurable only in flying hours expended in support of MACSOG missions.*

b. Air Force assets totally committed to MACSOG consisted of four C-123 and four C-130 aircraft, specially configured to meet MACSOG requirements. Maintenance and modification costs were greater than originally expected because of operational losses as outlined below:*

(1) Two of the original four C-130s deployed were lost and were replaced. Hence, the modification costs were for a total of six aircraft. The C-130s were maintained by the Air Force in the usual manner, so there were no specific maintenance costs peculiar to MACSOG operations.

* Memorandum, AFXPPS, "Summary MACSOG Support Provided," 29 May 69.

(2) Four of the original six C-123s deployed were lost. In addition to the two remaining, two aircraft similarly configured for another project were on loan from the GRC in return for the loan of two airlift-configured USAF C-123s. Hence, the original modification costs were for six aircraft, and later modification costs were for a lesser number. The C-I23s had special maintenance costs, since a contract for depot-level maintenance was let to OATA The maintenance costs listed below were budgeted costs - actual costs are not available since they included drop-in and organizational maintenance as well as the CAL contract costs.

(3) Modification and maintenance costs are summarized in the following chart:

	C-123		C-130
	Mod	Maint	Mod
1964	$1,864,000[a/]	$250,000	-
1965	213,000	250,000	-
1966	110,000	250,000	3,400,000
1967	93,750	250,00	-
1968	0	250,000	-
1969	3,400	250,000	-

a/ Original C-123 modification funding came from SECDEF Contingency Fund; all others are Air Force funds.

11. PTF Leasing Procedure. Arrival of the NASTY PTF craft in Vietnam required a "cover story" ensuring non-attributability to the United States for craft ownership and operational sponsorship. Five-year leases* were negotiated between authorized representatives of the Government of the United States (lessor) and the Government of Vietnam (lessee) effecting transfer of each PTF upon delivery in-country. The leasing procedure had the effect of building confidence and stimulating cooperation of

* Msg, CNO, DTG 0715172 May 1964.

the RVN to conduct MAROPS against NVN under US control and support. The leases could be terminated by mutual agreement of the parties, by the lessee government on 30 days written notices or by the lessor government on 30 days written notices or by the lessor government immediately upon the declaration of a national emergency by the President or Congress.*

12. 1964 Audit. By the end of 1964, procedures were initiated to improve property control and an inventory of the rapidly acquired MACSOG property and equipment was commenced.** Property records were established for each hand receipt account holder. In the course of the year, the supply activity grew to encompass about 700 line items of equipment ranging from office supplies to a complete radio station; a PTF base, maintenance, fuel and support facility; and including such diverse items as a grand piano, SCUBA diving gear, parachutes, sampans, camouflage uniforms, aircrew survival kits, special weaponry non-attributable to the United States, and a complete range of medical supplies. A financial audit of MACSOG was conducted by DOD representatives during October 1964 to assist the new organization in establishing effective logistic procurement procedures, accountability and material/property control.***

13. The volume of material handled in 1964 averaged approximately 50 tons per month, received from various supply sources and distributed to the subordinate accounts. The initial authorized JTD did not provide adequate skilled support personnel and, in spite of quick reaction procurement priorities authorized, a backlog of several hundred requisitions periodically occurred.**

* Msg, CNO 152123Z Jan 1965
** History, MACSOG, "Annex A to MACV Command History, 1964"
*** Report, DOD, "Report of Audit," 1 July-31 Oct 1964

C. CALENDAR YEAR 1965

1. Logistic support for MACSOG in 1965 was handicapped by a surge of military programs afforded equally high priority and an in-country supply distribution system inadequate to the urgency.

2. Facilities and Construction*

a. Major projects completed during the year included:

(1) Jackson Hall - BOQ for 1st Flight Detachment, Nha Trang.

(2) Camp Fay - Consolidation of administrative facilities and living facilities for Naval Advisory Detachment, Danang.

(3) Miscellaneous barracks and administrative facilities at Camp Long Thanh.

(4) Voice of Freedom (VOF) facility in Saigon.

b. Additional construction to consolidate NAD beach camps in Danang East was accomplished to provide Camp Black Rock. This project was under the auspicies of MACV J-4 and the III MAF to make way for the Marine airstrip on Danang East. The basic camp was completed on 1 October. Inasmuch as provisions were not made for utilities, the camp was not occupied during 1965.

c. SOG property rentals were reduced by approximately 75 percent during the year due primarily to completion of Danang and Nha Trang consolidated facilities and the VOF building in Saigon. While the number of individual houses under lease was reduced, the rent was increased with each lease renewal. Rental increases averaged approximately 35 percent per individual lease.*

d. SOG Resupply Facility, #10 Nguyen Minh Chien (House #10) a rental property came up for renewal. The owner did not desire to renew the lease and requested that the property be vacated.

* History, MACSOG, "Annex N to 1965 MACV Command History," Section VI.

The extreme scarcity of rentals and government facilities in Saigon dictated the necessity to request condemnation proceedings for this property from the Government of South Vietnam.*

e. The PSYWAR Printing Plant, formerly located at House #10, was relocated in the VCF compound in a facility built for that purpose. The new printing plant was contracted for locally and erected within 45 days. Some difficulty was encountered in the finished product due to lack of integrity on the part of the contractor. The contract called for payments at intervals during construction with a final payment at time of completion. Serious defects were uncovered after final payment was made. Corrective actions were accomplished after considerable effort. Had the final payment been withheld for a period to allow for complete settling of the facility, corrective action by the contractor would have been expedited.*

f. SHINING BRASS construction at Kham Duc was accomplished to provide facilities for the operation.*

g. The relocation of SHINING BRASS Command and Control Center Danang to Camp Fay, Danang East was in progress. The new facilities included an administrative building as well as additions to existing NAD BOQs and BEQs.*

h. Receipt of a second Harris Press in October 1965 increased the printing capability to 40,000 impressions or 660,000 leaflets daily (by working two 8 hour shifts -- maximum capacity). During the year (1965) 1,155 plates were processed, 72,597,000 leaflets were printed, 1,200 radios and 31,500 gift kits were packed.*

i. A new printing facility at Number 7, Hong Thap Tu, Saigon was designed and construction commenced in December 1965.*

j. Construction was commenced in late 1965 of a shortwave transmitter site at Thu Duc, near Saigon.*

* Ibid.

k. Projects underway during the year but not complete included:

(1) Additional facilities at Camp Long Thanh.

(2) Replacement of electrical generators at Camp Pay.

(3) Rehabilitation at Nha Trang.*

3. ---, SHINING BRASS. Expansion of OPLAN 34A operations and the transfer to MACSOG of operational control of cross-border ground operations into Laos (code name SHINING BRASS, later changed to PRAIRIE FIRE) greatly increased logistic responsibilities by mid-1965. SHINING BRASS was conceived in March; training commenced in April for operations in October. This was promptly followed by phased expansions to include a Phase II addition of 10 reconnaissance teams and three battalion-size exploitation teams to be in readiness by January 1966. The outfitting created initial supply demands of considerable scope although commitments were met on schedule. DATA funds had been programmed, in part by US Army 5th Special Forces, to support the Laos cross-border program. Though insufficient to fulfill all requirements, this support was transferred to MACSOG, with a funding channel from CNO via DATA, exercising the same procedures previously established for OPLAN 34A, although administered through separate accounts.

a. Efforts to obtain additional equipment and supplies required to support the expanded program were hampered by the overall buildup of US military forces in Vietnam. Prior to the buildup, SOG obtained supplies from CISO in Okinawa with a relatively high priority on a non-competitive basis with other organizations. Competition with other units for supplies and equipment, and transportation from CONUS, Okinawa and within the theater during this influx of forces contributed to delays

* Ibid.

in rapid reaction to SOG requests. In addition, many standard items requiring sanitization were not as available from supply sources as they had been prior to the buildup.*

b. Continual priority actions were required to provide the necessary support. Additional stocks were procured to reduce the effects of lengthened pipeline time. Premium funds were expended for air shipment where formerly low-cost sealift had been utilized. SOG aircraft were employed for intra-theater airlift support when 8th Aerial Port and sealift delivery times became unacceptable. Local manufactured items, although often of inferior quality, satisfied immediate requirements.*

c. The requirement to equip SHINING BRASS teams for initial training and operations partially affected other MACSOG programs. Insufficient funding delayed normal requisitioning of equipment and supplies, and the rapidity with which SHINING BRASS was implemented caused hardships by reducing shelf stocks and incoming supplies required for 34A operations. Inexperience during the initial phases of SHINING BRASS activation resulted in the obtaining of many items which required later replacement. In addition, certain communications equipment was not readily available. Priority support was rendered to SHINING BRASS at some expense to OPLAN 34A operations.* Supplies were rerouted and a number of items were obtained on loan basis from other organizations, with replacements made upon receipt of requisitioned supplies. Substitute items were provided until

* History, MACSOG, "Annex N to MACV 1965 Command History"

basic essentials were available and an additional budget was submitted and subsequently approved, providing adequate funding for support of the program.*

4. Supply and Services

a. With expansion of SHINING BRASS and the planned addition of 10 reconnaissance teams and three battalion-size exploitation forces, it became apparent that a basic change in the concept of logistic support for SOG was required. In prior years, when the US commitment in RVN was small, it was necessary for SOG to obtain the greatest portion of its supplies through CISO 2nd Logistical Command, Okinawa. With the buildup and the establishment of the service logistics sources in Vietnam, all classes of supply of common items used by SOG became more readily available through in-country sources. Accordingly, the decision was made to use US in-country resources wherever possible to meet SOG requirements. Inter-Service Support Agreements (ISSA) were concluded with Army and Navy components to facilitate service as well as supply support for widely scattered SOG elements.*

b. SOG supplies from off-shore sources previously had utilized the shipping designator of the 5th Special Forces in Nha Trang. This required, in most cases, double or triple handling of supply items. To counter this, shipping designators were obtained for SOG units at Saigon, Nha Trang, and Danang, which enabled shipments to be made directly to the unit, reducing shipping time, lost shipments, and transportation requirements.*

c. In prior years, SOG had procured many items of supply from the local Vietnamese economy. With the build-up and accompanying inflation, this practice had an adverse effect on the

* Ibid.

SOG budget. The quality of goods so obtained became poorer. To reduce piaster expenditures, SOG shifted procurement of items such as indigenous uniforms and equipment to CISO. The lower cost and better quality of material obtained compensated for the increase in stockage requirements.*

d. Following this trial and error formative period, and influenced by prolongation of an operation originally conceived to run for a short period of time, the supply system required reorganization. Initial lack of supply qualified personnel combined with rapid expansion of MACSOG force assets, expedited outfitting, base construction, etc., influenced an unacceptable condition of non-accountability for material and property. Inventory of assets on hand was again undertaken with simultaneous establishment of a military record system, custody receipt and SOP. An excess of more than $4,000,000 in unidentified construction materials illustrates a typical problem which could be traced to the lack of supply logistic/supply control at time of activation of MACSOG, and attributable, in part, to loss of control continuity by one-year rotation of responsible personnel.**

e. Utilization of CISO, Okinawa for provision of standard items continued and increased, as did special requirements and research and development tasks directed to the individual Services.

(1) ISSA procedures were initially formulated by joint agreement between MACSOG, CISO DATA on 15 February 1965.***

* Ibid.
** Interview, LCDR Lingle, USN, May 1969.
*** Ltr, MACSOG, "Supply and Accounting Procedures for Studies and Observation Group," 13 Feb 1965.

(2) A memorandum of understanding to provide uniform guidance for controlling processing and billing of SOG requests for supplies and equipment was promulgated by CISO on 4 March 1965.*

f. As an outgrowth of US Navy support provided the MAROPS program in making available the assets of US Naval Ship Repair Facility and Naval Supply Depot, Subic Bay, P.I., to outfit and expedite readiness of PTF craft and facilities, additional Navy support was requested for provision of other required material. In addition, a quick reaction material support system known as BACKDROP was implemented in 1964. More than $8,000,000 of special equipment (Figure J-4, Part I)** was provided MACSOG during 1965 through research and development sources, as required, and from off-shelf procurement when available. Material provided included ordnance, communications/electronics/navigation equipment, ammunition, and small items ranging from water proofing to protective items. Funding was non-reimbursable and managed by Navy reprogramming. Purchasing of certain items was effected through the US Navy Procurement Branch, Hong Kong. Many indigenous items as well as administrative support equipments were located and procured with savings in time and overall cost.

5. Budget and Fiscal. DATA funds initially authorized MACSOG for FY 1966, with congressional approval, totaled $8,272,000 for 34A operations and $1,111,000 for SHINING BRASS. Expanded scope of operations and forces during FY 1966 substantiated the requirement for authorization of augmented funding allowances totaling $9,624,000 for OPLAN 34A and $2,728,000 for SHINING BRASS***

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* Memo, RISCO, "Memo of Understanding," 4 March 1965.

** ( ) Records derive from COMNAVSPECWARGRPPAC, USNAB Coronado - July 1969. (CNWSGP tasked as coordinator, US Navy Project BACKDROP) and Naval Weapon Center, China Lake (lead Navy laboratory Project BACKDROP).

*** | History, MACSOG, "Annex M to 1966 MACV Command History"

6. Personnel

a. Logistic billets authorized under changes to the JTD in October 1965, with immediate manning action, included those of a comptroller, budget analyst, transportation officer, civil engineer, an assistant supply officer and additional supply specialists. One additional space was authorized and filled during the year, that of Research and Development Officer.*

b. Logistic personnel support obtained through contract with DATA Company increased from 11 to 22 during the year. Working in the capacity of construction foremen, vehicle maintenance, supply and warehouse supervisors, these DATA personnel provided technical knowledge and capability ideally suited to the SOG operation. The DATA provided continuity to the program and taught Vietnamese basic skills.

c. In addition, logistics and administrative support of the operations was provided by indigenous Vietnamese. They provided a variety of support to include clerical services, supply operations, vehicles operations, construction, finance, aerial delivery and parachute repacking. Not only were essential functions performed but well trained technicians were being trained for the future.

7. Task Force Proposal. There was strong support at this time for separating MACSOG from MACV staff and converting it into a Joint Task Force. In March, CINCPAC outlined some of the advantages of the task force concept:

> "expansion of MACSOG responsibilities to include cross border operations in Laos might warrant realignment of MACSOG...separately from Headquarters, COMUSMACV as a Joint Task Force Headquarters subordinate to COMUSMACV ... that such action could be a basis for assignment of component (service) forces to perform specific tasks, which might preclude expansion of MACSOG JTD and offset the problem of assigning specific equipment to MACSOG on a permanent basis."**

* History, MACSOG, "Annex N to 1965 MACV Command History"
** Msg, CINCPAC, DTG 111954Z March 1965.

The proposal was under discussion throughout the year and contributed to delays in authorizing a new JTD with provisions for specialized supply personnel.

8. 1965 Resources*

a. MACSOG personnel assigned in 1965 were as follows:

(1) Authorized US military personnel strength of 340; on board 336 (of which 109 were TDY to assist in training and PSYOPS plus 15 DATA at Long Thanh).

(2) Vietnamese strength of 148 supporting MAROPS and 175 (average) SHINING BRASS.

(3) DATA crewmen supporting air operations totaled 36 with an additional VNAF crew of nine.

(4) One hundred and fifty ARVN personnel were in training; 120 for 34A and 30 for SHINING BRASS.

b. Major material assets of MACSOG in 1965 included:

MAROPS:	10 PTFs (2 in Subic for overhaul) and support support facilities
	3 PCF (SWIFTs)
	1 Junk (motorized
AIROPS:	4 C-123s (2 losses) and support facilities
PSYOPS:	Two White and two Black radio stations with access to a third Black station used by the PSYWAR Directorate.

* History, MACSOG, "Annex N to 1965 MACV Command History."

D. CALENDAR YEAR - 1966

1. Personnel Level. The continued expansion of MACSOG throughout 1966 in personnel strength, scope and area of operations, directly relates to increase logistic support requirements. The authorized JTD strength of SOG increased to 275 permanently assigned U.S. personnel by the end of the year. This number was augmented by an average of 135 U.S. in TAD support of SEAL and Mobile Support Team Detachments at Danang, and by Special Forces at Long Thanh and Forward Operating Bases. Vietnamese counterpart personnel numbered approximately 60 in Saigon, 275 at Danang, and 450 in combat readiness at Long Thanh. The total MACSOG strength was approximately 3500 personnel.*

2. Facilities and Construction**

a. The expansion of SHINING BRASS influenced the construction of additional camps at Kontum and Heu Phu Bai, and the expansion of facilities at Kham Duc.

b. A headquarters building, a BEQ and BOQ were completed for the Command and Control Detachment in Danang.

c. Camp Black Rock was programmed to provide facilities for the consolidation of Naval Advisory Detachment assets in Danang. Prisoner detention and interrogation facilities were built on Cu Lao Cham Island (Danang) to house and support US advisors and communications equipment.

d. Camp Long Thanh construction included new agent barracks and the rehabilitation of camp defenses and buildings.

e. At Nha Trang, alteration of the 1st Flight Detachment BOQ was completed; arrangements were made with 7th Air Force for construction of crew quarters to accomodate personnel assigned to the C-130 Detachment.

* History, MACSOG, "Annex M to MACV 1966 C.H."
** Ibid.

f. A staging area was under construction at Nakhon Phanom in support of air operations. A Vehicle repair shed and a warehouse for SOG supply was contracted for in Saigon

g. A total of 10 leased properties were in use by MACSOG at the end of CY 1966: two in Saigon, two in Nha Trang, five in Danang and one in Hue.

3. Logistics Airlift Support*

a. During CY 1966, Air Operations Logistics Section fragged 442 missions in support of SOG activities in South Vietnam and elsewhere in Southeast Asia, using SOG C-123 and C-130E aircraft. As operations increased in CY 1966, DATA Air Lines was tasked to provide a C-45 and a C-47 to transport passengers.

b. A total of 4,891.228 pounds of cargo and 13,893 passengers were airlifted during CY 1966, a considerable increase over the previous year.

4. MAROPS Conference. A MAROPS equipment conference was convened at Okinawa, 19 September 1966 with the CINCPACFLT senior representative as chairman. The purpose was to ensure maximum U.S. Navy support of the PTF program and to review the status of all research and development and procurement items previously requested from the Navy by MACSOG. Clarification and updating of MAROPS requirements was achieved with deletion of many unfilled items by substituting replacement items. The Navy support program now included Project BACKDROP with Commander Naval Operations Support group Pacific (now Naval Special Warfare group Pacific) tasked as coordinator.**

5. Clothing and Equipment Review Panel (CERP).*** This panel, comprised of representatives from all MACSOG components, was instituted in July 1966 with the threefold purpose of (1) reviewing items of clothing and equipment

* History, MACSOG, Annex M to 1966 MACV C.H."
** Project BACKDROP files maintained at CONNAVSPECWAR GRP PACIFIC, USNAB Coponard.
*** (History, MACSOG, "Annex M to MACV 1966 C.H."

currently available for program suitability; (2) considering new items and equipment for operational application and potential; and (3) establishing requirements for new items for research and development. An initial meeting was held in July with subsequent meetings in September and December. As a result of these meetings numerous design changes to existing SOG clothing and equipment were proposed.

6. Personnel*

a. Logistic positions authorized under changes to the Joint Table of Distribution at the end of CY 1965 and filled during CY 1966 included those of the Comptroller, Budget Analyst, Transportation Officer, Civil Engineer and Assistant Supply Officer. One additional space was authorized and filled during the year, that of research and development officer.

b. The Comptroller Division, authorized by JCS in October 1965, became functional in July 1966. This added a Comptroller and Budget Analyst to the Finance Office previously authorized. The need for these additional personnel had become urgent due to increased scope of the programs.

7. PTF Support by U.S. Navy**

a. In addition to support provided PTF MAROPS through major maintenance and overhaul at Subic Bay, various forms of technical assistance was provided as required to ensure PTF/SWIFT maintenance and operational readiness.*** Contract technicians from DATA manufacturer of Napier Deltic deisel engines, were provided at Subic Bay and Danang.

b. Supplies and equipment for maintenance, repair and overhaul of boats were requisitioned and stocked at Navy expense, including all technical spares, replacements,

* Ibid.
** COMSERVPAC files, PTF Support, MACV
*** Report, COMSERVPAC, "Summary of support provided at SRF Subic Bay," 20 May 1967.

material and essential maintenance equipment.*

c. PTF fuel farm facilities were developed at Danang to provide approximately 44,000 gallons of diesel oil for 10 PTF and three SWIFT craft. Fuel was provided by contract delivery by ESSO Petroleum Company normally via tank truck from MACF Base Danang and related major storage areas.**

d. Four MST piers supported PTF basing at Danang, including three wood topped, locally constructed piers and one T6B pontoon type. The wooden piers were improvised from 4'x 4' trailers welded to configure a pontoon and linked together by spreader bars.

8. FY 1967 Proposed Budget. Based on estimated cost of expanded maritime, airborne, psychological and air support operations programmed for FY 1967, the following augmentation in Confidential fund requirements (excluding support provided by individual services/agencies) were requested by MACSOG:***

	FY 1967	FY 1966	INCREASE
34A	$14,945,200	$9,624,000	$5,321,000
SHINNING BRASS	4,797,400	2,728,000	2,069,400

a. This budget was further broken down functionally for 34A as follows: ****

(1) Operations and Maintenance. Of the total, $6,537,450, 43.7 percent was procurement of mission peculiar supplies and equipment; (6,000,000) the remainder for operations and maintenance to include vehicle support and utilities for bases at Long Thanh, Nha Trang and Danang.

(2) Personnel. Of the total, $4,242,050, 28.4 percent was for pay and allowances for more than 3,000 foreign nationals involved in 34A operations including trainees, agents, boat crews, action teams, guards,

* ( ) COMSGRUPAC Files - PTF Support-MACV.
** ( ) OIC, MST Danang Debrief at CINCPACFLT, June 1966.
*** ( ) History, MACSOG, "Annex M to 1966 NACV Command History"
**** ( ) Ibid.

PSYOPS personnel, and administrative/service personnel. Also included was $1,000,000 budgeted for costs of DATA crews, VNAF air crew allowances, and DATA technicians.

(3) Ammunition for PTFs. Of the total $1,975,000, 13.2 percent was for additional funds necessary for the OP-34 program to finance common ammunition requirements in support of PTFs during 4th quarter FY 1966 and for for FY 1967. (After submission of the estimate by SOG, CINCPAC decided that the Navy would continue to provide PTF ammunition support through FY 1967. SOG programmed the requirement into the FY 1968 budget).

(4) Two Hundred and fifty KW Transmitter (HUE). Of the total $1,715,000, 11.5 percent was for construction and operation of the 250 KW VOF transmitter at Hue.

(5) Miscellaneous. Of the total $475,000, 3.2 percent was for construction, rentals, vehicle and diesel fuels, travel costs and per diem for Vietnamese assigned personnel.

b. SHINNING BRASS Operations were broken down as follows:

Operation & Maintenance	$2,232,000	46.5
Personnel	2,004,600	41.8%
Miscellaneous	560,800	11.7%

E. CALENDAR YEAR - 1967

1. Expansion of Logistic Responsibilities. The expanded scope of MACSOG operations during 1967 included operations against North Vietnam (FOOTBOY , cross-border operations into Laos (PRAIRIE FIRE) and Cambodia (DANIEL BOONE), and electronic barrier support (MUSCLE SHOALS). MACSOG personnel numbered 1,000 US and 9,000 Vietnamese, including Service provided support and TAD personnel.* Although occasional requirements were generated involving special handling and quick reaction procurement for covert activity support, the logistic organization had generally developed procedures similar to conventional military requisitioning, procurement and distribution. The supply system supporting MACSOG attained more disciplined control of dispersed field units by the establishment of a centralized warehouse and supply distribution center in Saigon.

a. The bulk quantity of material processed through MACSOG Logistics in 1967 increased from 70,000 to 100,000 pounds per week, with the number of requisitions consistently averaging 500 per week, evidencing a trend toward routine support programmed on a scheduled basis vice special and urgent requests for each item as needed.**

b. Interservice support agreements to provide spare parts, expendables, paints and general supplies, in remote areas which had previously been effected with Army and Navy facilities, were broadened to include the Air Force. An agreement with the PHILCO-FORD organization, under contract to the 1st Logistical Command, provided support for commerical vehicle spare parts in-country.**

c. Authorized personnel support for Logistics was increased from 28 to 61 under a new Joint Table of Distribution (JTD) for MACSOG. Operations Support Branch Contract

* MACSOG Fact Sheet, December 1967.
** History, MACSOG, "Annex N to 1967 MACV Command H."

personnel from DATA Company for generator/ automotive maintenance was increased from 19 to 35, and Vietnamese employees were increased to 109 authorized for various warehouse labor support. A total of 205 personnel were allocated to Logistic activities.

2. Facilities and Construction.* Numerous facility improvements, repairs and construction projects were necessitated by program expansions. Navy Seabee assistance was utilized to a maximum. Contract construction included an operations building for the 1st Flight Detachment, Nha Trang; $1.8M for engineering study and construction of a 200 KW radio transmitter site at Hue; a new office building and supporting facilities for the Voice of Freedom Studio in Saigon; a photograph laboratory for the Strategic Technical Directorate (STD); additional warehouse space for MACSOG logistic/supply facilities Saigon; and various FOB facilities in support of the electronic sensor/barrier program.

a. At Danang, projects were initiated to repair the boat facilities, construct boat fuel storage for NAD, and include Camp Fay and Lower Base on the Danang East Central power system; all to be accomplished by the Seabees in Danang. A new administration building for CSS was completed by the NAD labor force. An FOB for STRATA operations was planned at Camp Fay following completion of the C&C headquarters. The My Khe facility was vacated and the property turned over to III MAF. New facilities at Black Rock Bay were under construction during the year and were occupied when My Khe was vacated. The concept of an FOB at Danang was approved and real estate acquired at Marble Mountain. Seabees were tasked with construction with completion estimated in January 1968.

* History, MACSOG, "Annex N to 1967 MACV C.H."

b. At Danang Air Base a warehouse was built for the C&C Detachment, and a transient facility constructed.

c.

DATA

e. At Kontum, a new mess hall was constructed and the Montagnard camp was completely rebuilt. Two new wells were drilled, one at FOB 2 and one at the Montagnard camp.

f. SOG Logistics had the responsibility of providing material. At Khe Sanh, additional construction was started by the Seabees in October, and two bunkers and head and shower facilities were completed.

g. Construction of a new camp site in Dalat was begun in June with intent to move Camp Long Thanh to this location. The project was cancelled in November.

3. Supply and Services

a. An important development in 1967 was the decision to move House 240 (the Supply Section) to a new location, House 50, at 50 Nguyen Van Thoai (Plantation Road). The new property provided a centralized location for storage of clothing, expendables, construction material and other bulk items.

b. The warehouse section made significant progress during the year in expediting the meeting and loading of aircraft. Additional drivers and trucks were obtained and pickup and delivery assignments made so that supplies were less frequently lost by the depot because of untimely deliveries or pickups. MACSOG supplies were palletized on Air Force aluminum pallets well in advance of aircraft arrival and an

undated manifest was prepared for the pallet and readied for delivery to the Air Base.*

4. Clothing and Equipment Review Panel (CERP). The CERP continued to function as envisioned at its inception in July 1966. MACSOG Directive 700-3** published in August set forth membership and procedures to be employed by the panel.

5.) Airborne Logistics. The Air Operations Logistic Section during 1967 fragged 867 support missions including 30 completed resupply operations for teams emplaced in NVN. Organic C-123s and C-130s were primary assets augmented by China Air Lines C-45, C-47 and Beach C-45 TRADEWIND.

6. PTF MAROPS Support

a. Seven NASTY Class PTFs and three PCF SWIFT boats were in inventory throughout the year. On the average, six PTFs were operational with one normally at Subic Bay, Philippines, for overhaul and repair. No boats were lost and no new ones received.

b. Utilization of the PTFs improved throughout the year in direct relation to increased proficiency in boat handling attained by Vietnamese crews and maintenance expertise developed within the US Mobile Support Team (MST).*** The major cause of boat damage in 1967 was attributed to effects of weather and enemy action rather than from poor seamanship evidenced in 1966. Significantly, with fewer boats available in 1967, individual PTFs participated in a greater number of missions.****

c. Continuous on-the-job and refresher training was conducted for Vietnamese boat crews, stressing problem areas encountered during MAROPS missions and with emphasis directed to damage control, fire fighting and communications.

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* ibid.
** Held JCS-SACSA Files.
*** History, MACSOG, "Annex N to 1967 MACV C.H."
**** 0 in C NAD Danang Summary Report, June 1967.

In December, 10 selected VN crewmen commenced training in Napier-Deltic engine overhaul at Ship Repair Facility, Subic Bay; the first increment of a training group to become the nucleus of a VN Boat Unit proposed for 1969.*

d. Representatives of the Navy BACKDROP quick support system met in conference at Okinawa under sponsorship of CINCPACFLT in May to review and update MACSOG requirements pertaining to:

(1) PTF replacement craft under construction, desired modifications and tentative delivery schedules.

(2) Current status of delivery of special material requirements.

(3) Requirements for field comments on new equipment following test and evaluation.

(4) Ammunition procurement for FY 69.

(5) Navy personnel support.

(6) Naval Weapons Center, China Lake and Naval Ordance Laboratory research and development projects.**

7. Psychological Warfare Support

a. Printing and preparation for launch of more than 275,000,000 propaganda leaflets was accomplished during the year. Procurement and preparation for delivery of 21,538 gift kits and 11,700 radios was coordinated with CISO, Okinawa.

b. COMUSMACV.*** provided a total cost estimate of monies required for covert PSYOPS conducted by MACSOG during FY 1967 at $3,724,000. Of this amount, $2,283,000, DOD funded supported the Voice of Freedom radio;

DATA The chart below gives a further breakdown of Covert PSYOPS.

* ( ) O in C MST Danang debrief at NAVSPECWARGRUPAC, June 1968.
** ( ) CINCPACFLT Conf Report, May 1967.
*** COMUSMACV MACSOG 53751 dtg 190314Z Dec 66.

FY 1967 COVERT PSYOPS

Leaflet Operations	$708,000
Black Radio Operations	240,000
Black Radio Operations (DOD funds)	50,000
Research and Analysis	90,000
Indoctrination Operations	241,000
Mail Operations	38,000
Front Activities	84,000
	1,441,000

8. Activities

a. MACSOG Operational Funds Directive 37-2* became effective January 1967. The new directive was promulgated to serve as a guide for SOG agent officers, most of whom lacked financial training, and to simplify the task of auditing monthly accounting reports submitted to the SOG Finance Officer. A two day training period was held in January to explain the new procedures to the agent officers.

b. SOG leasing procedures were revised to obtain greater participation by Vietnamese personnel.** As new leases were made and old ones renewed, the role of lessee was assumed by STD or Liaison Service personnel and the lease forms executed entirely in Vietnamese. This program was instituted in February to provide better cover for SOG and to acquire future leases at lower costs than might be obtained if US personnel were involved in lease negotiations.

c. One million dollars was transferred from FOOTBOY O&M funds to construction category and obligated for construction of the 200 KW transmitter at Hue.** CINCPAC concurred in the transfer.

9. FY 1968 Budget. Figure J-6 is FY 1968 proposed budget reflecting several modifications, expanded requirements and changes in operations since the original submission in October 1966. The following modifications and fund transfers occurred

* Retained JCS-SACSA File-MACSOG
** History, MACSOG, "Annex N to 1967 MACV C.H."

Figure J-6

FY 1968 Budget

	FOOTBOY	PRAIRIE FIRE	MUSCLE SHOALS	DANIEL BOONE
Personnel	$4,965,700	$3,140,000	$708,200	
Travel	29,800	69,000	2,000	HELD
O&M	8,485,300	3,464,400	1,108,000	
Contractural Services	916,200	480,400	--	BY
Construction	361,900	250,000	--	
Rentals	89,400	34,000	18,000	5th SFG
TOTALS	$14,848,300	$7,437,800	$1,837,800	$2,771,000

TOTAL - $26,894,900

following submission of an original FY 1968 proposed budget in October 1966:

(1) The budget was revised during March 1967. A decrease of $1,530,200 in FOOTBOY requirements and an increase of $2,888,400 in PRAIRIE FIRE requirements reflected changes to the FY 1968 concept that had occurred since original budget submission in October 1966.

(2) In April, a supplemental increase of 2.9 million dollars in PRAIRIE FIRE funds for FY 1968 was requested from CINCPAC to cover the coasts of expected expansion of the program. Expansion was not programmed or budgeted for in the original FY 1968 fund request.

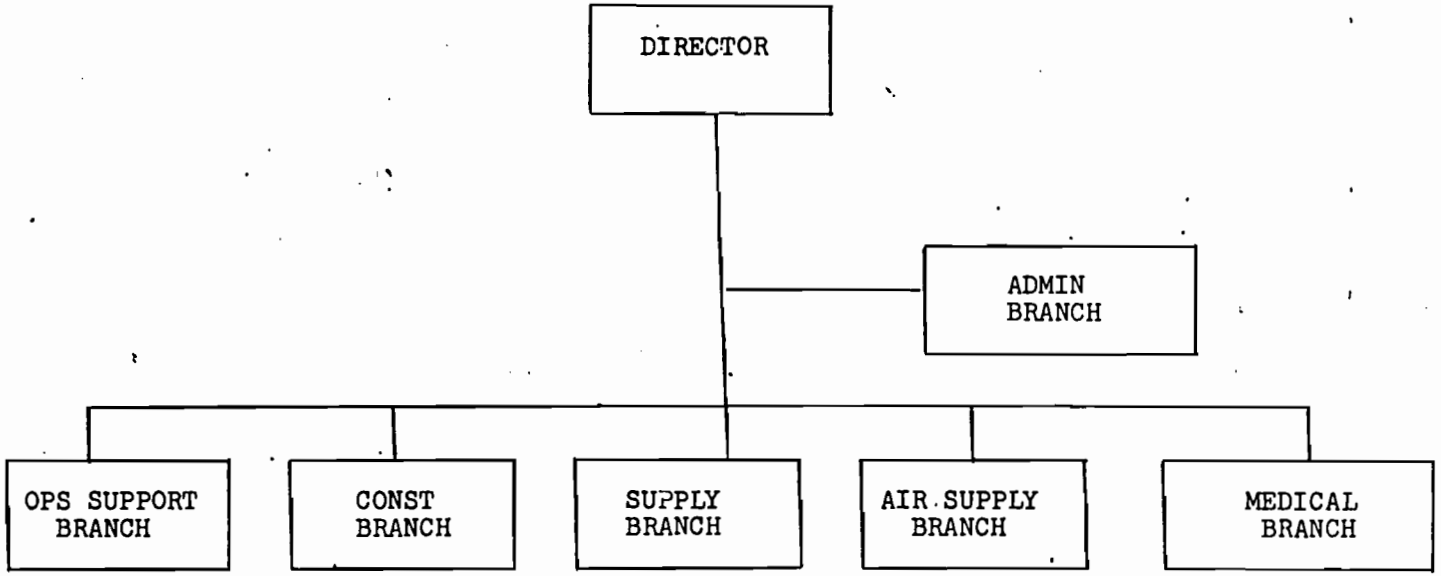
(3) The FY 1968 DANIEL BOONE budget was reviewed in November 1967 at 5th SFG with the result that a $2.7 million budget was established as a funding target, including necessary construction. FY 1968 DANIEL BOONE funds were held by 5th SFG, whereas FY 1969 funds were held by MACSOG.

F. CALENDAR YEAR - 1968

1. Reorganization. Calendar year 1968 saw completion of numerous previously initiated construction projects in support of the continuously changing MACSOG programs. Reorganization of logistic functions with centralized control within MACSOG headquarters was effected to provide better management and alignment of responsibilities in accord with current changes in tasks and missions; Figure 7. Logistic support was redefined to encompass the forecasting, procurement, delivery and issuance of all types of hardware and development of conventional and unconventional material for field evaluation; and medical support as required for

FIGURE J-7

LOGISTICS DIVISION
1968



RECAPITULATION

	Auth	Asgn
Officers	13	12
Warrant Officers	2	2
Enlisted	35	32
Philippine	4	4
Indigenous (VN)	86	72
TDY	2	2
Guards	52	52

headquarters and operational elements of MACSOG. A total of 12 officers, two warrant officers, 35 enlisted, 98 civilians and 142 Vietnamese employees were authorized to administer the logistics support division (269 total).*

2. Base and Facility Construction. Construction continued through the year with delays and added expenditures attributed to the Tet Offensive, Khe Sanh and other sporadic enemy actions, and by conditions influenced by unusual tropical storms. Major difficulties involved procurement of critical supplies subject to priority restrictions. Significant construction projects included:

a. Khe Sanh FOB (abandoned in late spring).

b. Voice of Freedom radio transmitter site at Hue. Delayed by Tet Offensive and construction failures (inundation). Ultimately completed at cost of $2.3M.

c. Launch site, Mai Loc. Construction by troop labor of 45th Army Engineering Battalion at cost in excess of $250,000.

d. Construction of C&C Detachment site near Marble Mountain, Danang, was completed by Navy Seabees during June at cost of $360,000. Facilities included a 50-bed dispensary, 4,000 sq. ft. warehouse, helicopter pad, billets for 100 persons and necessary latrines and showers, motor pool, administrative space and TOC bunkers. On 18 August, many of these facilities were damaged as result of enemy attack. Reconstruction by Seabees cost $42,000.

e. Construction and improvement of facilities at Monkey Mountain FOB and Camp Black Rock completed in August 1968 at a cost of $240,000 included building access roads, security fencing, messing and berthing, and operational facilities for two separate camps independent of one another.

* History, MACSOG, "Annex F to MACV 1968 C.H."

f. Naval Advisory Detachment Danang was provided $70,000 for improvement in fuel storage support, pier facilities and billet accommodations; Camp Fay $144,000 in improvements of living conditions including plumbing and drainage, air conditioning, partitioning of living spaces and electrical power improvements.

g. Air operations building, Nha Trang, was commenced under contract for $175,000.

h. Supply warehouse, House 50, Saigon, was constructed at cost of $239,000. Other construction under contract included preparation of a Physical Examination Center, construction of barracks and latrines at the Liaison Bureau; and improvements to the Joint Translation Center.

3. ( ) Logistic Support Airlift *

a. During 1968 C-123 and C-130 (MACSOG assigned) aircraft lifted a total of 8,888,447 pounds of cargo and 34,915 passengers, utilizing 2,205 C-123 and 2,690 C-130 sorties. Both cargo and passenger loads remained relatively constant throughout the year with a high in March of 1,279,743 pounds cargo and 3,624 passengers.

b. DATA provided Tradewind (modified C-45) for Chief, MACSOG and VIP travel and a C-47 for general passenger use. These two contract aircraft moved approximately 450-500 passengers per month, a total of 5,500 for the year.

4. PSYOPS Support. PSYOPS logistic requirements for 1968 were reduced from those of preceding years, influenced in part by political restriction on overflights of NVN, and by weather. The following quantities of PSYOPS support materials were produced and delivered:

DATA

* Ibid.

5. Research. Coordination was initiated in July 1968 between MACSOG and various research and development agencies represented in Vietnam, including:

a. Military Assistance Command Scientific Advisor, Vietnam (MACSA) for overall coordination of R&D matters in Southeast Asia and the Expediting of Non-Standard Requirements (ENSURE).

b. Naval Research and Development Unit, Vietnam (NRDU,V) for Naval Laboratory liaison, research, development and evaluation in Vietnam.

c. Department of Defense, Advance Research Projects Agency (ARPA).

d. US Army Concept Team in Vietnam (ACTIV) for field testing of Army R&D equipment in Vietnam.

e. Limited Warfare Laboratory, Aberdeen, Maryland.

f.

DATA

6. Comptroller. In October 1968, the Comptroller, previously a branch representative under Logistics, was given division status as principal economic and financial advisor to Chief, MACSOG. The Division consisted of two sections, Fiscal and Finance, headed by the MACSOG Comptroller and administered by three officers and nine enlisted personnel. The Comptroller became directly responsible for financial management of MACSOG and, in addition to responsibilities for accounting, auditing,

FIGURE J- 8

MACSOG 1969 CONFIDENTIAL FUNDING [a]
(Thousands)

Category	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total
FOOTBOY Program[b]					
Personnel	$1,516.0	$1,265.0	$1,265.0	$1,012.4	$5,058.4
Travel	8.0	7.0	6.0	6.0	27.0
O&M	2,225.0	1,876.0	1,876.0	1,525.4	7,502.4
Contract Svc	236.0	230.0	219.0	192.4	877.4
Rentals	46.0	33.0	33.0	21.0	133.0
Construction	25.0	30.0	30.0	23.8	108.8
TOTAL /CNO	$4,056.0	$3,441.0	$3,429.0	$2,781.0	$13,707.0
CINCPAC, Project 16 (Unclas)	100.0	100.0	100.0	100.0	400.0
TOTAL FOOTBOY Program	$4,156.0	$3,541.0	$3,529.0	$2,881.0	$14,107.0
PRAIRIE FIRE Program[c]					
Personnel	$1,180.0	$1,100.0	$1,100.0	$1,007.2	$ 4,387.2
Travel	20.0	19.0	18.0	16.5	73.5
O&M	700.0	655.0	655.0	597.6	2,607.6
Contract Svc	280.0	260.0	230.0	214.3	984.3
Rentals	5.0	4.0	3.0	2.4	14.4
Construction	10.0	20.0	20.0	--	50.0
TOTAL 'CNO	$2,195.0	$2,058:0	$2,026.0	$1,838.0	$ 8,117.0
CINCPAC, Project 17 (Unclas)	35.0	35.0	30.0	25.0	125.0
TOTAL PRAIRIE FIRE Program	$2,230.0	$2,093.0	$2,056.0	$1,863.0	$ 8,242.0
DYE MARKER/MUSCLE SHOALS/DUMP TRUCK Program[d]					
Personnel	$ 259.0	$ 220.0	$ 220.0	$ 166.5	$ 865.5
Travel	1.0	.8	.5	.5	2.8

a/ Msg, CINCPAC to CNO, 030348Z May 68.
b/ CNO 111339Z April 68.
c/ CNO 111338Z April 68.
d/ CNO 111340Z April 68.

FIGURE J-8 (CONT'D)

Category	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total
DYE MARKER/MUSCLE SHOALS/DUMP TRUCK Program (Cont'd)					
O&M	$ 115.0	$ 105.2	$ 85.5	$ 76.0	$ 381.7
Contract Svc	--	--	--	--	--
Rentals	6.0	5.0	4.0	3.0	18.0
Construction	5.0	15.0	--	--	20.0
TOTAL CNO	$ 386.0	$ 346.0	$ 310.0	$ 246.0	$1,288.0
DANIEL BOONE Program[a/]					
Personnel	$ 480.0	$ 480.0	$ 455.0	$ 455.0	$1,870.0
Travel	--	--	--	--	--
O&M	450.0	400.0	350.0	300.0	1,500.0
Contract Svc	35.0	30.0	25.0	20.0	110.0
Rentals	--	--	--	--	--
Construction	20.0	--	--	--	20.0
TOTAL CNO	$ 985.0	$ 910.0	$ 830.0	$ 775.0	$3,500.0

a/ CNO 111337Z April 68.

disbursing and coordination of the budget. He also formulated financial policies, regulations, and internal financial controls.

a. The MACSOG authorized budget for FY 1968* totaled $26,487,150 including $423,950 unclassified administrative support funds provided by CINCPAC (and excluding support for DANIEL BOONE which had been programmed through US Army Special Forces channels). During FY 68 and prior, MACSOG DATA funds were submitted as part of the MACSOG total budget requests to CNO vis CINCPAC. Detailed justification was not required. This procedure was discontinued for FY 69 and MACSOG DATA funds were included as part of the total MACV budget with detailed justification.

b. Fourth quarter FY 68 allocations provided PRAIRIE FIRE $1,977,000, FOOTBOY $2,000,000, MUSCLE SHOALS/DYEMARKER $233,000 and a PRAIRIE FIRE expansion supplemental of $1,285,000. However, MACSOG was requested to absorb a deficiency of $785,000 in FY 68 PRAIRIE FIRE funds and FOOTBOY to absorb a deficiency of $1,215,000 (total $2,000,000). MACSOG complied with resultant total funding for MACSOG in FY 1968 adjusted to $24,487,150.

c. MACSOG FY 1969 Annual Funding Plan was augmented $1,074,700 above that of 1968 to a new total of $27,137,000 with inclusion of DANIEL BOONE at $3,500,000 and with reduction in allowance of FOOTBOY ($741,000), PRAIRIE FIRE ($797,000) and DYEMARKER/ IGLOO WHITE ($887,300). Budget reductions were attributed to completion of construction projects vice reduction of forces. A detailed break down of MACSOG 1969 confidential funding is including Figure 10.

d. During October 1968, CINCPAC reducted the MACV annual funding plan by 25 percent with the requirement subsequently imposed on MACSOG to limit administrative unclassified funds to $394,000. For the first half of FY 1969 MACSOG received $14,777,000 in classified funds with the balance subject to review of O&M expenditures and justified requirements.

7. Effective 1 July 1968, MACSOG logistics assumed supply support for Command and Control South (CCS)*, heretofore a responsibility of 5th Special Forces group. S-4 personnel were oriented in supply procedures and requirements as outlined in MACSOG directive 700-4.** The accounts of all elements of CCS were consolidated in an effort to give the command some measure of control over supply activities.

8. The Viet Cong attack on 18 August 1968 resulted in destruction of the CCN warehouse and a material loss estimated at $500,000.* Among major items of equipment destroyed were 352 M-16 rifles, 54 AN/PRC-25 radios and 49 light machine guns. Emergency shipment of equipment and rations restored CCN stockage to a 30-day level.

9. Medical

a. Following a January 1969 survey of the Medical Branch by the MACSOG surgeon including considerations of organization and personnel, education and coordination, the following actions were implemented. *

(1) Eight MACSOG Medical Directives were promulgated for field operational guidance.

(2) a Physical Examination Center was established, complete with laboratory and X-ray facilities. Newly recruited personnel were processed through the PEC prior to employment in the field.

(3) The surgeon provided medical assistance in operational areas.

(4) All medical supply and warehouse activities were relocated to the Saigon area with control over medical supplies under the MACSOG surgeon. Procedures for Non-expendable Medical Equipment control are outlined in MACSOG Directive 40-6 dated 1 July 1948 (on file).

* History, MACSOG, "Annex F to MACV 1968 C.H."
** Held at JCS-SACSA.

10. Directives on File. The following MACSOG Directive and military/government agency publications are considered pertinent to establishment logistic support for unconventional warfare activities. The documents are on file at JCS-SACSA.

a. MACSOG Directive 700-1, dated 15 March 1968 standardizes procedures within SOG for utilization of airlift resources.

b. MACSOG Financial Administration Directive 37-2 dated 1 July 1968 was promulgated in July to provide guidance to all MACSOG Staff Section Chiefs, Subordinate Commanders and their agents who receive, safeguard and expend SOG funds. This detailed document is an excellent reference for administrative procedures required of officers having limited supply/disbursing background but with assigned duties involving funding responsibilities.

c. MACSOG Directive 708-1, dated 21 December 1967, is an alphabetical and numerical listing of non-standard items which were regularly procured to satisfy SOG requirements.

d. MACSOG Directive 700-4, dated 20 October 1968, prescribes policies and procedures to be followed by SOG accounts in requesting, turning in, receiving and accounting for supplies and equipment.

e. MACSOG Directive 58-2, 30 July 1968, "Motor Transportation Vehicle Utilization, Maintenance, and Support," prescribed policies and procedures to be followed by SOG activities relying on SOG Headquarters Motor Pool for for support.

f. MACSOG Directive 700-5, 16 July 1968, "Logistics Research and Development," standardized the reasearch and effort within SOG.

g. MACSOG Directive 700-3, 19 July 1968, "Logistics

Clothing and Equipment Review Panel" established a panel to review items of clothing and equipment being procured to determine suitability.

h. MACSOG Directive 405-1, 25 February 1969, "Real Estate, Leases" established procedures for the submission and approval of lease requests and for leasing property.