

The original documents are located in Box 3, folder “Domestic Council - Vice President's Role” of the Richard B. Cheney Files at the Gerald R. Ford Presidential Library.

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January 14, 1975

MEMORANDUM FOR: BOB HARTMANN
PHIL BUCHEN
JACK MARSH

FROM: DICK CHENEY

Attached is a paper prepared by Roy Ash on the role of the Domestic Council.

You should read this prior to the meeting currently scheduled for 5:00 PM, Wednesday, January 15th, to discuss the same subject.

Attachment



THE WHITE HOUSE

WASHINGTON

January 13, 1975

MEMORANDUM FOR: THE PRESIDENT
FROM: ROY L. ASH
SUBJECT: The Domestic Council

As a part of determining the Vice President's role in the Domestic Council it is necessary to restate the functions of the Council.

Originally, the Domestic Council was conceived as a small top level group to develop and deal with doctrinal level policy regarding social issues. Further, the word "Domestic" was used to mean "social", in contrast to and separate from "economic", although the two overlap somewhat. Together, the National Security Council, the Domestic Council for social matters, and the Economic Policy Board for economic matters, can provide the President with broad and high level policy advice across virtually all issues of government.

It was contemplated that the Domestic Council would deal with highest order "macro policy", rather than become involved in operations, or detailed program development or policy application. There are adequate operational and program development capabilities in the White House Staff, OMB, and the agencies. Quite different kinds of people, operating in quite different modes, are needed for the quite different kinds of functions.

Since 1970, the Domestic Council has not fulfilled its prescribed role; instead, it has become an operating arm of the White House Staff. This is the time to clarify its function and in the process improve the workings of the President's Office and Staff.

I recommend the role of the Domestic Council be to:

Assess current and future national social problems and needs;

Develop and propose to the President policy alternatives to meet them;

Provide policy advice on national social issues and programs.



Much of this is akin to the Critical Choices Commission work but limited to the social area, there being the other two policy advisory groups working in parallel on international and economic matters.

As the Domestic Council becomes manned to perform this role, the operational activities it is now engaged in can be placed where they can better serve the President.

Specifically, its present staff coordination function can better be performed by the Staff Secretary; its legislative liaison activities parallel those of the Congressional Relations office and should be performed there; its Presidential events scheduling activities should be carried out by the other White House offices whose own responsibilities relate to the event to be scheduled - with public groups by the Office of Public Liaison, with Congressional groups by the Office of Congressional Relations, with agency heads by the NSC, Economic Policy Board, Domestic Council, or OMB as appropriate to the subject.

The present Intergovernmental Relations function of the Council doesn't appropriately belong in the Council as such, but could properly be performed by the Vice President's Office, separate from his Domestic Council role.

In summary, if the Domestic Council function is defined as above, then it would not only be appropriate for the Vice President to become Vice Chairman of the Council, but he could also be expected to add immeasurably to policy development.

If, on the other hand, the Council were to continue in its present form, it would be most unusual for a Vice President to be an integral part of the operating cycle of the White House and operationally interposed between the President and other members of the Executive Branch.



1/17/75

THE WHITE HOUSE
WASHINGTON

(F)

Don R

talk to
Phil

Phil Bucher

was here while V.P.
& I discussed Domestic
Council.

He or I will fill
you in.



THE WHITE HOUSE

WASHINGTON

January 17, 1975

MEMORANDUM FOR:

Robert Hartmann
James T. Lynn
John Marsh
Donald Rumsfeld ✓

FROM: Phil Buchen *P.W.B.*

SUBJECT: Domestic Council

Here is a draft memorandum for the President for your review and suggestions before it is submitted.

Attachments



THE WHITE HOUSE

WASHINGTON

January 17, 1975

MEMORANDUM FOR THE PRESIDENT

FROM: PHILIP BUCHEN

SUBJECT: DOMESTIC COUNCIL

This review of the Domestic Council and of matters to be considered for your approval arises from (i) the need for you to fill a vacancy about to occur in the position of Executive Director of the Council, (ii) your desire to involve the Vice President actively in functions of the Council and its staff, and (iii) the urgency of having the Council and its staff operate effectively and without letdown on policy matters in this critical period of the current session of Congress and to plan further initiatives to be taken not later than early 1976 and over a longer period.

Under Tab A is a draft memorandum for your consideration that incorporates suggestions earlier proposed to you in a conference with your Cabinet Level Advisers and Jim Lynn. Principal issues to be resolved before determining on the final form and content of the document to be issued are:

1. Memorandum or Executive Order. No legal reason exists for issuing an Executive Order, and I recommend a memorandum because it requires less formality and can more readily be changed.

Approve *PC*

Disapprove _____

2. Membership of Council. The mandatory membership is shown under Tab B and includes, beside the President and Vice President, all heads of Cabinet Departments except State and Defense. Those presently on the Council are listed under Tab C.



In addition, the former President had at one time included by name his Counsellors Armstrong and Harlow and by title his Counsellor for Domestic Affairs, also the Director of the Energy Policy Office and the Deputy Director of OMB. However, these added officials are not now regarded as members of the Council, and their inclusion at one time appears to have arisen from special circumstances no longer existing. It is recommended that all officials listed under Tab C be included except for the Director of ACTION. The draft memorandum (Tab A) lists them by title at the beginning, and deals in the text with persons on your immediate staff who should get involved in some respects during the course of their regular duties by so indicating without making them members of the Council proper. Those included who are not heads of Cabinet Departments should be retained if you agree that they are needed to serve on certain task forces of the Council and that to expect their involvement would be inconsistent with eliminating them now from membership.

Approve MRJ

Change by adding _____

by deleting _____

3. Committee Structure of Council. Present Committees, as earlier created by memoranda from the former President, are shown under Tab D. If, as has been recommended to you, you choose to have ad hoc task forces created from time to time, your memorandum should abolish the Committee structure. However, I am advised by Ken Cole that to do away with the Community Development Committee you may offend certain interests in Congress which had wanted to force creation of an additional Council on Urban Development but which were forestalled by the establishment of this Committee under the Domestic Council. Also, I am advised that veterans' organizations put great stock in the Committee on Veterans Services. Therefore, I recommend maintaining only those Committees and eliminating the rest. The Committee on Privacy you know about, and I recommend that it and its staff be maintained for the time being.

Approve MRJ

Change as follows: _____



4. The Staff Structure. The present staff is headed by an Executive Director who is also Assistant to the President for Domestic Affairs, as the reorganization plan requires. It also has a Deputy Director (James H. Cavanaugh) and four Associate Directors separately designated for:

- (a) Human Resources
- (b) Natural Resources
- (c) Community Development
- (d) General Government

In addition, there is an Associate Director for Intergovernmental Relations, which position relates to Executive Order 11690 under which the former President delegated to the Executive Director of the Domestic Council the additional responsibilities of assisting the President with respect to intergovernmental relations generally and of filling certain specified functions in that respect (Tab E).

It is recommended that in addition to the required top staff position there be a Deputy as at present plus a new Associate Director for future policy planning. In Tab A the title "Associate Director of the Council for Future Programs" is proposed but certain other titles would be equally appropriate. If there should be another parallel position in connection with day-to-day policy functions, another new position would be necessary but otherwise such function would fall to the Deputy.

Approve:

- (a) One new position with title of

- (b) A second new position with title of

- (c) Or as follows:



5. The Role of the Vice President. Having in mind the language of the Reorganization Plan (Tab B) which calls for the Executive Director to be your Assistant and to perform such functions as you direct and having in mind the relationship of the Council Director and staff to other officials and operations under your direct control, the recommended role of the Vice President has been stated as provided in the draft memorandum (Tab A) in the second last paragraph on page 2.

Approve _____

Change as follows:



January 17, 1975

MEMORANDUM FOR:

THE VICE PRESIDENT
THE ATTORNEY GENERAL
SECRETARY OF AGRICULTURE
SECRETARY OF COMMERCE
SECRETARY OF HEALTH, EDUCATION
AND WELFARE
SECRETARY OF HOUSING AND
URBAN DEVELOPMENT
SECRETARY OF THE INTERIOR
SECRETARY OF LABOR
SECRETARY OF TRANSPORTATION
SECRETARY OF THE TREASURY
CHAIRMAN OF THE COUNCIL OF
ECONOMIC ADVISORS
DIRECTOR, OFFICE OF MANAGEMENT
AND BUDGET
ADMINISTRATOR OF VETERANS AFFAIRS
ADMINISTRATOR OF THE ENVIRONMENTAL
PROTECTION AGENCY
CHAIRMAN, COUNCIL ON ENVIRONMENTAL
QUALITY

FLEA

?

SUBJECT:

Domestic Council

In order to help me carry out my responsibilities for domestic policy formulation, particularly in the light of our present national urgencies, I want to have the Domestic Council exert full efforts to carry out all policy functions contemplated for it when it was established in 1970. The Council is basically to serve as a Cabinet-level forum for both discussion and action on the many policy matters that cut across departmental jurisdictions and under my direction to integrate the various aspects of domestic policy into a consistent whole. Among the specific policy functions in which the Council is intended to take the lead are these:

- Assessing national needs, collecting information and developing forecasts, for the purpose of defining national goals and objectives.

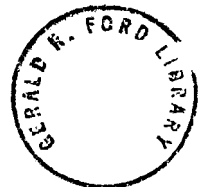


- Identifying alternative ways of achieving these objectives, and recommending consistent, integrated sets of policy choices.
- Providing rapid response to Presidential needs for policy advice on pressing domestic issues.
- Coordinating the establishment of national priorities for the allocation of available resources.
- Maintaining a continuous review of the conduct of ongoing programs from a policy standpoint, and proposing reforms as needed.

These functions involve policy development which sets intermediate and long-range goals, and they involve responsibilities for the regular review of current programs and for helping to resolve immediately pressing issues. The various aspects of our national needs and various immediate issues are related to the respective jurisdictional concerns of different members of the Council, and within the Council an appropriate committee or task force composed of those members most directly concerned should be organized to address a particular need or type of issue.

It is important that the Council and its staff carry out equally well both its longer-range policy planning functions and its day-to-day responsibilities for providing policy advice to the President and review of ongoing programs. Therefore, I have asked the Vice President in my behalf to review regularly and to advise me concerning the operations of the Council and its staff so as to help assure that both basic purposes of the Council are adequately fulfilled. I designate the Vice President to be Vice Chairman of the Council and to preside, in my absence, over meetings of the Council and over meetings of committees or task forces of the Council, with full power to subdelegate his authority.

I am at this time directing that the Council shall continue to be composed of such officers of the Executive Branch as are designated at the beginning of this memorandum. I may in the future direct changes in the composition of the Council as provided in the reorganization plan by which the Council was established. No members of the White House staff with Cabinet rank or Assistants to the President with responsibility



for matters to be dealt with by the Council are included as members of the Council, because they are expected as part of their regular assignments to participate as appropriate in the functions of the Council and its staff.

In order to revise the Committee structure which was in effect prior to my becoming President, I am directing that no Committee of the Council be continued as such except for:

- The Committee on Community Development
- The Committee on Veterans Services
- The Committee on Privacy

and that the purposes of the other former Committees be carried out by task forces to be formed as needed to deal with specific programs, needs, or issues.

I am appointing _____ to become the Executive Director of the Council and Assistant to the President.

In addition, I am making these appointments: _____
to become Deputy Director of the Council and _____
to become Associate Director of the Council for Future Programs.

*No
last page.*



B



REORGANIZATION PLANS

PART II. DOMESTIC COUNCIL

Sec. 201. Establishment of the Council. (a) There is hereby established in the Executive Office of the President a Domestic Council, hereinafter referred to as the Council.

(b) The Council shall be composed of the following:

The President of the United States

The Vice President of the United States

The Attorney General

Secretary of Agriculture

Secretary of Commerce

Secretary of Health, Education, and Welfare

Secretary of Housing and Urban Development

Secretary of the Interior

Secretary of Labor

Secretary of Transportation

Secretary of the Treasury

and such other officers of the Executive Branch as the President may from time to time direct.

(c) The President of the United States shall preside over meetings of the Council: *Provided*, That, in the event of his absence, he may designate a member of the Council to preside.

Sec. 202. Functions of the Council. The Council shall perform such functions as the President may from time to time delegate or assign thereto.

Sec. 203. Executive Director. The staff of the Council shall be headed by an Executive Director who shall be an assistant to the President designated by the President. The Executive Director shall perform such functions as the President may from time to time direct.

PART III. TAKING EFFECT

Sec. 301. Effective date. The provisions of this reorganization plan shall take effect as provided by section 906(a) of title 5 of the United States Code, or on July 1, 1970, whichever is later.

MESSAGE OF THE PRESIDENT

To the Congress of the United States:

We in government often are quick to call for reform in other institutions, but slow to reform ourselves. Yet nowhere today is modern management more needed than in government itself.

In 1939, President Franklin D. Roosevelt proposed, and the Congress accepted a reorganization plan that laid the groundwork for providing managerial assistance for a modern Presidency.

The plan placed the Bureau of the Budget within the Executive Office of the President. It made available to the President direct access to important new management instruments. The purpose of the plan was to improve the administration of the Government—to ensure that the Government could perform “promptly, effectively, without waste or lost motion.”

Fulfilling that purpose today is far more difficult—and more important—than it was 30 years ago.

Last April, I created a President's Advisory Council on Executive Organization and named to it a distinguished group of outstanding experts headed by Roy L. Ash. I gave the Council a broad charter to examine ways in which the Executive Branch could be better organized. I asked it to recommend specific organizational changes that would make the Executive Branch a more vigorous and more effective instrument for creating and carrying out the programs that are needed today. The Council quickly concluded that the place to begin was in the Executive Office of the President itself. I agree.

TITLE 5—APPENDIX II

REORGANIZATION PLAN NO. 2 OF 1970

1970, 35 F.R. 7959, 84 Stat. 2085

and Transmitted by the Senate and the House in Congress Assembled, February 9, 1970, Pursuant to Chapter 9 of Title 5 of the United States Code [in this title].

OFFICE OF MANAGEMENT AND BUDGET; DOMESTIC COUNCIL

OFFICE OF MANAGEMENT AND BUDGET

Transfer of functions to the President. There are hereby transferred to the President of the United States all functions (including reorganization plan) in the Bureau of the Budget of the Bureau of the Budget.

Office of Management and Budget. (a) The Bureau of the Budget of the President is hereby designated as the Office of Management and Budget.

Director of the Office of Management and Budget and Deputy Director of the Office of Management and Budget. (a) The offices of Assistant Director of the Office of Management and Budget which are established by statute (including reorganization plan), are hereby designated Director of the Office of Management and Budget, Deputy Director of the Office of Management and Budget, and Assistant Directors of the Office of Management and Budget.

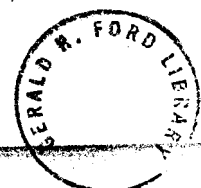
Within the Office of Management and Budget not more than 10 officers, as determined from time to time by the Director of the Office of Management and Budget (hereinafter referred to as the Director), shall be appointed by the President, under the classification of the Director, and shall receive compensation at the rate now or hereafter in effect for offices and positions at Level V of the Executive Schedule (5 U.S.C. 5316).

The Director of the Office of Management and Budget and the Deputy Director of the Office of Management and Budget shall perform such functions as the President may from time to time direct. The Director, under the direction of the President, shall direct the administration of the Office of Management and Budget.

The Director of the Office of Management and Budget, the Deputy Director of the Office of Management and Budget, and the Assistant Directors of the Office of Management and Budget shall perform such functions as the President may from time to time direct.

The Director (or during the absence or disability of the Director, the Deputy Director (or during the absence or disability of the Deputy Director, the Assistant Director of the Office of Management and Budget designated by the President from time to time designate) shall perform such functions as the President may from time to time direct in the absence or disability of the Director or in the absence or disability of the Deputy Director.

Property, personnel, and funds. The records, unexpended balances, available or to be made available, allocations, and other funds of the Bureau of the Budget shall, upon the taking effect of the provisions of this reorganization plan, become records, property, personnel, and unexpended balances of the Office of Management and Budget.



The past 30 years have seen enormous changes in the size, structure and functions of the Federal Government. The budget has grown from less than \$10 billion to \$200 billion. The number of civilian employees has risen from one million to more than two and a half million. Four new Cabinet departments have been created, along with more than a score of independent agencies. Domestic policy issues have become increasingly complex. The interrelationships among Government programs have become more intricate. Yet the organization of the President's policy and management arms has not kept pace.

Over three decades, the Executive Office of the President has mushroomed but not by conscious design. In many areas it does not provide the kind of staff assistance and support the President needs in order to deal with the problems of government in the 1970s. We confront the 1970s with a staff organization geared in large measure to the tasks of the 1940s and 1950s.

One result, over the years, has been a tendency to enlarge the immediate White House staff—that is, the President's personal staff, as distinct from the institutional structure—to assist with management functions for which the President is responsible. This has blurred the distinction between personal staff and management institutions; it has left key management functions to be performed only intermittently and some not at all. It has perpetuated outdated structures.

Another result has been, paradoxically, to inhibit the delegation of authority to Departments and agencies.

A President whose programs are carefully coordinated, whose information system keeps him adequately informed, and whose organizational assignments are plainly set out, can delegate authority with security and confidence. A President whose office is deficient in these respects will be inclined, instead, to retain close control of operating responsibilities which he cannot and should not handle.

Improving the management processes of the President's own office, therefore, is a key element in improving the management of the entire Executive Branch, and in strengthening the authority of its Departments and agencies. By providing the tools that are needed to reduce duplication, to monitor performance and to promote greater efficiency throughout the Executive Branch, this also will enable us to give the country not only more effective but also more economical government—which it deserves.

To provide the management tools and policy mechanisms needed for the 1970s, I am today transmitting to the Congress Reorganization Plan No. 2 of 1970, prepared in accordance with Chapter 9 of Title 5 of the United States Code.

This plan draws not only on the work of the Ash Council itself, but also on the work of others that preceded—including the pioneering Brownlow Committee of 1936, the two Hoover Commissions, the Rockefeller Committee, and other Presidential task forces.

Essentially, the plan recognizes that two closely connected but basically separate functions both center in the President's office: policy determination and executive management. This involves (1) what government should do, and (2) how it goes about doing it.

My proposed reorganization creates a new entity to deal with each of these functions:

- It establishes a Domestic Council, to coordinate policy formulation in the domestic area. This Cabinet group would be provided with an institutional staff, and to a considerable degree would be a domestic counterpart to the National Security Council.
- It establishes an Office of Management and Budget, which would be the President's principal arm for the exercise of his managerial functions.

The Domestic Council will be primarily the Office of Management and Budget will *how we do it, and how well we do it.*

DOMESTIC COUNCIL

The past year's experience with the Council has shown how immensely valuable a Cabinet forum for both discussion and action on interdepartmental jurisdictions.

The Domestic Council will be chaired by the Vice President, its membership will include the Vice President of the Treasury, Interior, Agriculture, Commerce and Welfare, Housing and Urban Development and the Attorney General. I also intend to appoint a Director of the Office of Economic Opportunity as a member of the Cabinet, the Postmaster General as a member of the Post Office Department, a self-sufficient Executive Branch office could add other Executive Branch offices.

The Council will be supported by a staff who will also be one of the President's Security Council staff, this staff will work with the President's personal staff but will have its own being established on a permanent, institutional basis to develop and employ the "institutional continuity" is to be maintained, and if experience in the policy-making process.

There does not now exist an organized office charged with advising the President on the domestic area. The Domestic Council will fill that need. It will also be charged with integrating the domestic policy into a consistent whole.

Among the specific policy functions in the Domestic Council to take the lead are these:

- Assessing national needs, collecting and analyzing forecasts, for the purpose of defining national goals.
- Identifying alternative ways of achieving national goals, recommending consistent, integrated sets of policies.
- Providing rapid response to President's pressing domestic issues.
- Coordinating the establishment of national priorities and the allocation of available resources.
- Maintaining a continuous review of the national situation from a policy standpoint, and proposing alternative policies.

Much of the Council's work will be accomplished through project committees. These might take a variety of forms, planning groups or advisory bodies, with varying degrees of formality, and can be set up for broad program areas or with specific problems. They will have staff support on Department and agency level, as well as staff support on the Council's own staff and that of the Office of Management and Budget.

Establishment of the Domestic Council during the past year with the Council for the Environment and the Office of Management and Budget as the principal key to the operation of these functions. The various subcommittees will be consolidated into the Domestic Council's own staff and that of the Office of Management and Budget, giving access to the Domestic Council staff.



REORGANIZATION PLANS

seen enormous changes in the size, structure of the Federal Government. The budget has grown from \$200 billion. The number of civilian employees has grown to more than two and a half million. Four new departments have been created, along with more than a dozen new agencies. Domestic policy issues have become more complex because of the interrelationships among Government programs and agencies. Yet the organization of the Presidential Executive Office has not kept pace.

The Executive Office of the President has mushroomed in size and design. In many areas it does not provide the leadership and support the President needs in order to carry out his responsibilities in the 1970s. We confront a reorganization geared in large measure to the tasks of the past.

Over the past few years, there has been a tendency to enlarge the Presidential staff—that is, the President's personal staff, as well as the organizational structure—to assist with management functions that are the President's responsibility. This has blurred the distinction between the Presidential staff and management institutions; it has left key functions to be performed only intermittently and some not at all. Outdated structures.

Often, paradoxically, to inhibit the delegation of authority to the various departments and agencies.

Programs are carefully coordinated, whose information is not adequately informed, and whose organizational structure is not set out, can delegate authority with security and confidence. Whose office is deficient in these respects will not be able to retain close control of operating responsibilities which they could not handle.

Improvement processes of the President's own office, and the President's own staff in improving the management of the entire Executive Office by strengthening the authority of its Departments and Agencies. Using the tools that are needed to reduce duplication of effort and to promote greater efficiency throughout the Executive Office, this also will enable us to give the country not only a more economical government—which it deserves.

Improvement tools and policy mechanisms needed for transmitting to the Congress Reorganization Plan No. 1 in accordance with Chapter 9 of Title 5 of the United States Code.

Not only on the work of the Ash Council itself, but also on the work of others that preceded—including the pioneering work of the Hoover Commission, the Rockefeller Commission, the two Hoover Commissions, the Rockefeller Commission and Presidential task forces.

Recognizes that two closely connected but basically distinct functions center in the President's office: policy determination and policy implementation. This involves (1) what government is to do and (2) how it goes about doing it.

Reorganization creates a new entity to deal with each of these functions.

The Domestic Council, to coordinate policy formulation and implementation. This Cabinet group would be provided with the leadership and to a considerable degree would be a parallel to the National Security Council.

The Office of Management and Budget, which would be the principal arm for the exercise of his managerial functions.

The Domestic Council will be primarily concerned with *what* we do; the Office of Management and Budget will be primarily concerned with *how* we do it, and *how well* we do it.

DOMESTIC COUNCIL

The past year's experience with the Council for Urban Affairs has shown how immensely valuable a Cabinet-level council can be as a forum for both discussion and action on policy matters that cut across departmental jurisdictions.

The Domestic Council will be chaired by the President. Under the plan, its membership will include the Vice President, and the Secretaries of the Treasury, Interior, Agriculture, Commerce, Labor, Health, Education and Welfare, Housing and Urban Development, and Transportation, and the Attorney General. I also intend to designate as members the Director of the Office of Economic Opportunity and, while he remains a member of the Cabinet, the Postmaster General. (Although I continue to hope that the Congress will adopt my proposal to create, in place of the Post Office Department, a self-sufficient postal authority.) The President could add other Executive Branch officials at his discretion.

The Council will be supported by a staff under an Executive Director who will also be one of the President's assistants. Like the National Security Council staff, this staff will work in close coordination with the President's personal staff but will have its own institutional identity. By being established on a permanent, institutional basis, it will be designed to develop and employ the "institutional memory" so essential if continuity is to be maintained, and if experience is to play its proper role in the policy-making process.

There does not now exist an organized, institutionally-staffed group charged with advising the President on the total range of domestic policy. The Domestic Council will fill that need. Under the President's direction, it will also be charged with integrating the various aspects of domestic policy into a consistent whole.

Among the specific policy functions in which I intend the Domestic Council to take the lead are these:

- Assessing national needs; collecting information and developing forecasts, for the purpose of defining national goals and objectives.
- Identifying alternative ways of achieving these objectives, and recommending consistent, integrated sets of policy choices.
- Providing rapid response to Presidential needs for policy advice on pressing domestic issues.
- Coordinating the establishment of national priorities for the allocation of available resources.
- Maintaining a continuous review of the conduct of ongoing programs from a policy standpoint, and proposing reforms as needed.

Much of the Council's work will be accomplished by temporary, ad hoc project committees. These might take a variety of forms, such as task forces, planning groups or advisory bodies. They can be established with varying degrees of formality, and can be set up to deal either with broad program areas or with specific problems. The committees will draw for staff support on Department and agency experts, supplemented by the Council's own staff and that of the Office of Management and Budget.

Establishment of the Domestic Council draws on the experience gained during the past year with the Council for Urban Affairs, the Cabinet Committee on the Environment and the Council for Rural Affairs. The principal key to the operation of these Councils has been the effective functioning of their various subcommittees. The Councils themselves will be consolidated into the Domestic Council; Urban, Rural and Environment subcommittees of the Domestic Council will be strengthened, using access to the Domestic Council staff.



TITLE 5—APPENDIX II

Overall, the Domestic Council will provide the President with a streamlined, consolidated domestic policy arm, adequately staffed, and highly flexible in its operation. It also will provide a structure through which departmental initiatives can be more fully considered, and expert advice from the Departments and agencies more fully utilized.

OFFICE OF MANAGEMENT AND BUDGET

Under the reorganization plan, the technical and formal means by which the Office of Management and Budget is created is by re-designating the Bureau of the Budget as the Office of Management and Budget. The functions currently vested by law in the Bureau, or in its director, are transferred to the President, with the provision that he can then re-delegate them.

As soon as the reorganization plan takes effect, I intend to delegate those statutory functions to the Director of the new Office of Management and Budget, including those under section 212 of the Budget and Accounting Act, 1921.

However, creation of the Office of Management and Budget represents far more than a mere change of name for the Bureau of the Budget. It represents a basic change in concept and emphasis, reflecting the broader management needs of the Office of the President.

The new Office will still perform the key function of assisting the President in the preparation of the annual Federal budget and overseeing its execution. It will draw upon the skills and experience of the extraordinarily able and dedicated career staff developed by the Bureau of the Budget. But preparation of the budget as such will no longer be its dominant, overriding concern.

While the budget function remains a vital tool of management, it will be strengthened by the greater emphasis the new office will place on fiscal analysis. The budget function is only one of several important management tools that the President must now have. He must also have a substantially enhanced institutional staff capability in other areas of executive management—particularly in program evaluation and coordination, improvement of Executive Branch organization, information and management systems, and development of executive talent. Under this plan, strengthened capability in these areas will be provided partly through internal reorganization, and it will also require additional staff resources.

The new Office of Management and Budget will place much greater emphasis on the evaluation of program performance: on assessing the extent to which programs are actually achieving their intended results, and delivering the intended services to the intended recipients. This is needed on a continuing basis, not as a one-time effort. Program evaluation will remain a function of the individual agencies as it is today. However, a single agency cannot fairly be expected to judge overall effectiveness in programs that cross agency lines—and the difference between agency and Presidential perspectives requires a capacity in the Executive Office to evaluate program performance whenever appropriate.

The new Office will expand efforts to improve interagency cooperation in the field. Washington-based coordinators will help work out interagency problems at the operating level, and assist in developing efficient coordinating mechanisms throughout the country. The success of these efforts depends on the experience, persuasion, and understanding of an Office which will be an expeditor and catalyst. The Office will also respond to requests from State and local governments for assistance on intergovernmental programs. It will work closely with the Vice President and the Office of Intergovernmental Relations.

Improvement of Government organization, information and management systems will be a major function of the Office of Management and

REORGANIZATION

Budget. It will maintain a continuous structures and management processes of the most important changes. It will take the information systems to provide the President with data that he needs but does not now get. Once launched, it will seek to ensure that they are grafted onto existing organizational structures in a way that is appropriate. Resistance to organizational change is a major barrier to effective government; the new Office will ensure that reorganization keeps abreast of program needs.

The new Office will also take the lead in the development of career executive talent through the least of the President's needs as Chief Executive Officer. The Executive Office for Insuring that talent is used to the full extent of their abilities. Effective executive manpower development have been a system for forecasting the needs for executive leadership potential. Both are crucial to the success of the Government, whether private or public.

The Office of Management and Budget will assist the President on the development of new programs, motivate, deploy, and evaluate the men and women in the top ranks of the civil service, in the broadest sense, not deal with individuals, but will rely on the Civil Service Commission and the Department of Management and Budget to administer these programs. Under the new Office of Management and Budget there will be joint responsibility for executive talent is well utilized wherever it is needed, the Executive Branch, and to assure that executive talent meet not only today's needs but those of the future. Finally, the new Office will continue the work of the Bureau of the Budget on all proposed legislation, and to carry out the President's program. The Bureau's work of improving and coordinating

SIGNIFICANCE OF THE CHANGES

The people deserve a more responsive and efficient Government. The times require it. These changes will help to achieve this.

Each reorganization included in the plan is necessary to accomplish one or more of the purposes set forth in Section 901(a) of Title 5 of the United States Code. The plan is responsive to Section 901(a) (1), "to improve the efficiency of the laws, the more effective management and of its agencies and functions, and the expansion of the public business;" and Section 901(a) (3), "to improve the operations of the Government to the fullest extent possible."

The reorganizations provided for in this plan will result in the appointment and compensation of new officers, and the rates of compensation of those officers will be comparable to those fixed for other officers in similar responsibilities.

While this plan will result in a modest increase in the strengthening of the Executive Office of Management and Budget, significant indirect savings, and at the same time people actually receive the return they deserve. Government spends. The savings will result from these changes will provide throughout the Executive Office from curtailing the waste that results when



C



DOMESTIC COUNCIL

Gerald R. Ford, The President of the United States
Nelson A. Rockefeller, The Vice President of the United States
Secretary of Housing and Urban Development
William Simon, Secretary of the Treasury
Peter J. Brennan, Secretary of Labor
Caspar W. Weinberger, Secretary of Health, Education & Welfare
Rogers C.B. Morton, Secretary of the Interior
Frederick B. Dent, Secretary of Commerce
Earl L. Butz, Secretary of Agriculture
Secretary of Transportation
The Attorney General
Alan Greenspan, Chairman, Council of Economic Advisors
Director, Office of Management and Budget
Richard L. Roudebush, Administrator of Veterans' Affairs
Russell E. Train, Administrator of the Environmental
Protection Agency.
Russell W. Peterson, Chairman, Council on Environmental
Quality
Michael P. Balzano, Jr., Director of ACTION



D



May 14, 1974

DOMESTIC COUNCIL COMMITTEES

The following Domestic Council Committees are Cabinet level working groups chaired by an appropriate Cabinet Officer, tasked with responsibility for developing, coordinating and presenting all domestic policy issues to the President. The Committees ensure that as much responsibility for policy formation as possible rests with the Cabinet.

I. NATURAL RESOURCES

A. The Committee on Environmental Resources

Chairman: Secretary of the Interior
Vice Chairman: Secretary of Agriculture
Members: Attorney General, Secretary of Commerce,
Director of the OMB, Chairman of the
Council on Environmental Quality,
Administrator of EPA, Under Secretary
of the Army

B. The Committee on Land Use

Chairman: Secretary of the Interior
Vice Chairman: Secretary of HUD
Members: Secretary of the Treasury, Attorney General,
Secretary of the Interior, Secretary of
Agriculture, Secretary of Commerce,
Secretary of Housing and Urban Development,
Secretary of Transportation, Director of OMB,
Chairman of the Council of Economic Advisers,
Administrator, Environmental Protection
Agency, Chairman of the Council on Environ-
mental Quality, Administrator of the General
Services Administration

II. COMMUNITY DEVELOPMENT

A. The Committee on Community Development (rotating chairmen)

Chairman Rural Development Committee: Secretary of
Agriculture

Chairman Urban Development Committee: Secretary of
HUD



Chairman: Transportation Policy Development Committee:
Secretary of Transportation
Members: Secretary of Treasury, Secretary of Commerce,
Secretary of Labor, Director of OMB, and
Secretary of HEW.

B. The Committee on Civil Rights Policy

Chairman: Attorney General
Members: Secretary of Defense, Secretary of Labor,
Secretary of HEW, Secretary of HUD,
Director of OMB,

C. The Committee on the Bicentennial

Chairman: Counsellor to the President Armstrong
Members: Secretary of State, Secretary of Treasury,
Secretary of the Interior, Secretary of
Commerce, Director of OMB, Administrator
of the Bicentennial Commission.

II. HUMAN RESOURCES

A. The Committee on Health Insurance

Chairman: Secretary of HEW
Members: Secretary of Defense, Secretary of Commerce,
Secretary of HUD, Director of OMB,
Administrator of Veterans Affairs, Director
of the Cost of Living Council.

B. The Committee on Income Security

Chairman: Secretary of HEW
Members: Secretary of Agriculture, Secretary of
Labor, Secretary of HUD, Director of
OMB, Administrator of Veterans Affairs,
Director of ACTION, Chairman of the U.S.
Civil Service Commission

C. The Committee on Aging

Chairman: Secretary of Hew
Members: Secretary of Agriculture, Secretary of
Commerce, Secretary of Labor, Secretary
of HEW, Secretary of HUD, Secretary of



Transportation, Director of OMB,
Administrator of Veterans Affairs,
Director of ACTION, Chairman of
U.S. Civil Service Commission.

D. The Committee on Veterans Services

Chairman: Administrator of Veterans Affairs
Members: Secretary of HEW, Secretary of Labor,
Deputy Secretary of DOD, Director of
ACTION, Director of OMB, Director of
Domestic Council

IV. LAW ENFORCEMENT AND DRUG ABUSE

A. The Committee on Drug Abuse (rotating chairman)

Chairman of Committee on Enforcement: Attorney
General
Chairman of Committee on Treatment: Secretary
of HEW
Members: Secretary of Treasury, Secretary of
Defense, Secretary of State, Secretary
of Labor, Secretary of HUD, Secretary
of Transportation, Director of OMB,
Administrator of Veterans Affairs,
Director of the Special Action Office
for Drug Abuse Prevention.

B. The Committee on Crime Prevention and Rehabilitation

Chairman: Attorney General
Members: Secretary of the Treasury, Secretary of
Commerce, Secretary of Labor, Secretary
of HEW, Secretary of HUD, Director of
OMB.

C. The Committee on the Virgin Islands

Chairman: Undecided
Members: Attorney General, Secretary of Interior,
Secretary of Labor, Secretary of HEW,
Secretary of HUD, Director of OMB.



D. The Committee on Privacy

Chairman: Vice President

Members: Secretary of the Treasury, Secretary of Defense, Secretary of HUD, Attorney General, Secretary of Labor, Secretary of HEW, Chairman of the Civil Service Commission, Director of OMB, Director of Office of Telecommunications Policy, Director of Consumer Affairs

The Committee on Illegal Aliens

Chairman: Attorney General

Members: Sec. of State, Sec. of the Treasury, Sec. of Agriculture, Sec. of Commerce, Sec. of Labor, Sec. of HEW, Assistant to the President Baroody, Director of the Office of Management and Budget.



E



occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term."

Richard Nixon

THE WHITE HOUSE,
December 1, 1972.

EXECUTIVE ORDER 11689

Extending Diplomatic Privileges and Immunities to the Mission to the United States of America of the Commission of the European Communities and to Certain Members Thereof

By virtue of the authority vested in me by the Act of October 18, 1972 (Public Law 92-499), and as President of the United States, I hereby extend to the Mission to the United States of America of the Commission of the European Communities, and to the officers of that Mission assigned to Washington to represent the Commission to the Government of the United States and duly notified to and accepted by the Secretary of State, and to their families, the same privileges and immunities, subject to corresponding conditions and obligations, as are enjoyed by diplomatic missions accredited to the United States and by members of the diplomatic staffs thereof.

Richard Nixon

THE WHITE HOUSE,
December 5, 1972.

Title 3--The President

EXECUTIVE ORDER 11690

Delegation of Certain Functions to the Executive Director of the Domestic Council

By virtue of the authority vested in me by the Constitution and statutes of the United States, Part II of Reorganization Plan No. 2 of 1970, and as President of the United States, it is ordered as follows:

SECTION 1. *Functions of Council.* In addition to the Director of the Domestic Council to intergovernmental relations

(1) serve as the coordinating Federal-State-local problems Vice President by executive governments;

(2) identify and report mental problems of a Federal nature;

(3) explore and report strengthening the headquarters field offices as they relate to

(4) maintain continuity Federal departments and

(5) review procedures affording State and local on Federal assistance programs propose methods of strengthening

SEC. 2. *Administrative agencies, and interagency of intergovernmental relations extend full cooperation and his responsibilities under to assist all Federal departments between them and the executive and local governments.*

(b) The head of each Federal an appropriate official within or agency to serve, upon request in carrying out Federal-S

SEC. 3. *Construction.* Not subjecting any department, executive branch of the Federal function vested by law in o



SECTION 1. *Functions of the Executive Director of the Domestic Council.* In addition to the functions heretofore assigned, the Executive Director of the Domestic Council shall assist the President with respect to intergovernmental relations generally. In addition, he shall:

(1) serve as the coordinator for the prompt handling and solution of Federal-State-local problems brought to the attention of the President or Vice President by executive and legislative officers of State and local governments;

(2) identify and report to the President on recurring intergovernmental problems of a Federal interdepartmental and interprogram nature;

(3) explore and report to the President on ways and means of strengthening the headquarters and interagency relationships of Federal field offices as they relate to intergovernmental activities;

(4) maintain continuing liaison with intergovernmental units in Federal departments and agencies; and

(5) review procedures utilized by Federal executive agencies for affording State and local officials an opportunity to confer and comment on Federal assistance programs and other intergovernmental issues, and propose methods of strengthening such procedures.

SEC. 2. *Administrative Arrangements.* (a) All Federal departments, agencies, and interagency councils and committees having an impact on intergovernmental relations, and all Federal Executive Boards, shall extend full cooperation and assistance to the Director in carrying out his responsibilities under this order. The Director shall, upon request, assist all Federal departments and agencies with problems that may arise between them and the executive agencies or elected officials of State and local governments.

(b) The head of each Federal department and agency shall designate an appropriate official with broad general experience in his department or agency to serve, upon request of the Director, as a point of contact in carrying out Federal-State-local liaison activities under this order.

SEC. 3. *Construction.* Nothing in this order shall be construed as subjecting any department, establishment, or other instrumentality of the executive branch of the Federal Government or the head thereof, or any function vested by law in or assigned pursuant to law, to any such agency



or head, to the authority of any other such agency or head or as abrogating, modifying, or restricting any such function in any manner.

SEC. 4. *Revocation.* Executive Order No. 11455 of February 14, 1969, entitled "Establishing an Office of Intergovernmental Relations", is hereby revoked.

SEC. 5. *Records, Property, Personnel, and Funds.* The records, property, personnel, and unexpended balances, available or to be made available, of appropriations, allocations, and other funds of the Office of Intergovernmental Relations are hereby transferred to the Domestic Council.

SEC. 6. *Effective Date.* This Order shall be effective thirty days after this date.



THE WHITE HOUSE,

December 14, 1972.

NOTE: For the text of a Presidential statement dated December 14, 1972, and issued in connection with E.O. 11690; above, see Weekly Comp. of Pres. Docs., Vol. 8, No. 51, issue of December 18, 1972.

EXECUTIVE ORDER 11691

Adjusting Rates of Pay for Certain Statutory Pay Systems

By virtue of the authority vested in me by subchapter I of chapter 53 of title 5 of the United States Code, it is hereby ordered as follows:

General Schedule

SECTION 1. The rates of basic pay in the General Schedule contained in section 5332(a) of title 5 of the United States Code are adjusted as follows:

Grade	Rate		
	1	2	3
GS-1	\$4,798	\$4,958	\$5,118
GS-2	5,432	5,613	5,794
GS-3	6,128	6,332	6,536
GS-4	6,882	7,111	7,340
GS-5	7,694	7,951	8,208
GS-6	8,572	8,858	9,144
GS-7	9,520	9,837	10,154
GS-8	10,528	10,879	11,230
GS-9	11,614	12,001	12,388
GS-10	12,775	13,201	13,627
GS-11	13,996	14,462	14,928
GS-12	16,682	17,238	17,794
GS-13	19,700	20,357	21,014
GS-14	23,088	23,858	24,628
GS-15	26,898	27,793	28,688
GS-16	31,203	32,243	33,283
GS-17	36,103*	37,308*	38,509*
GS-18	41,734*		

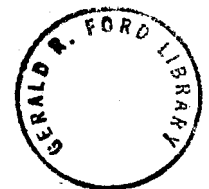
*The rate of basic pay for employees at the rate for level V of the Executive Schedule

Schedules for the Department of Veterans Affairs

SEC. 2. The schedules of the United States Code, for the Department of Medicine and Surgery of the Department of Veterans Affairs, are as follows:

- "Associate Deputy Chief Medical Director, level V of the Executive Schedule, \$36,103 minimum"
- "Assistant Chief Medical Director, \$36,103 minimum"
- "Medical Director, \$36,103 minimum"
- "Director of Nursing Service, \$36,103 minimum"
- "Director of Chaplain Service, \$36,103 minimum"
- "Chief Pharmacist, \$26,898 minimum"
- "Chief Dietitian, \$26,898 minimum"
- "Physician, \$31,203 minimum"
- "Director grade, \$31,203 minimum"
- "Executive grade, \$28,996 minimum"
- "Chief grade, \$26,898 minimum"
- "Senior grade, \$23,088 minimum"
- "Intermediate grade, \$19,700 minimum"
- "Full grade, \$16,682 minimum"
- "Associate grade, \$13,996 minimum"

*The salary for employees of the United States Code to the effective date of this salary adjustment



THE WHITE HOUSE
WASHINGTON

Jan. 18, 1975

Dick:

Marsh, Hartmann and DR received
copies of the attached memo to the
President from Buchen on the
Domestic Council.



THE WHITE HOUSE

WASHINGTON

January 17, 1975

MEMORANDUM FOR THE PRESIDENT

FROM: PHILIP BUCHEN

SUBJECT: DOMESTIC COUNCIL

This review of the Domestic Council and of matters to be considered for your approval arises from (i) the need for you to fill a vacancy about to occur in the position of Executive Director of the Council, (ii) your desire to involve the Vice President actively in functions of the Council and its staff, and (iii) the urgency of having the Council and its staff operate effectively and without letdown on policy matters in this critical period of the current session of Congress and to plan further initiatives to be taken not later than early 1976 and over a longer period.

Under Tab A is a draft memorandum for your consideration that incorporates suggestions earlier proposed to you in a conference with your Cabinet Level Advisers and Jim Lynn. Principal issues to be resolved before determining on the final form and content of the document to be issued are:

1. Memorandum or Executive Order. No legal reason exists for issuing an Executive Order, and I recommend a memorandum because it requires less formality and can more readily be changed.

Approve _____

Disapprove _____

2. Membership of Council. The mandatory membership is shown under Tab B and includes, beside the President and Vice President, all heads of Cabinet Departments except State and Defense. Those presently on the Council are listed under Tab C.



In addition, the former President had at one time included by name his Counsellors Armstrong and Harlow and by title his Counsellor for Domestic Affairs, also the Director of the Energy Policy Office and the Deputy Director of OMB. However, these added officials are not now regarded as members of the Council, and their inclusion at one time appears to have arisen from special circumstances no longer existing. It is recommended that all officials listed under Tab C be included except for the Director of ACTION. The draft memorandum (Tab A) lists them by title at the beginning, and deals in the text with persons on your immediate staff who should get involved in some respects during the course of their regular duties by so indicating without making them members of the Council proper. ~~Those included who are not heads of Cabinet Departments should be retained if you agree that they are needed to serve on certain task forces of the Council and that to expect their involvement would be inconsistent with eliminating them now from membership.~~

Approve MR Change by adding _____
 by deleting _____

3. Committee Structure of Council. Present Committees, as earlier created by memoranda from the former President, are shown under Tab D. If, as has been recommended to you, you choose to have ad hoc task forces created from time to time, your memorandum should abolish the Committee structure. However, I am advised by Ken Cole that to do away with the Community Development Committee you may offend certain interests in Congress which had wanted to force creation of an additional Council on Urban Development but which were forestalled by the establishment of this Committee under the Domestic Council. Also, I am advised that veterans' organizations put great stock in the Committee on Veterans Services. Therefore, I recommend maintaining only those Committees and eliminating the rest. The Committee on Privacy you know about, and I recommend that it and its staff be maintained for the time being.

Approve MR Change as follows: _____



4. The Staff Structure. The present staff is headed by an Executive Director who is also Assistant to the President for Domestic Affairs, as the reorganization plan requires. It also has a Deputy Director (James H. Cavanaugh) and four Associate Directors separately designated for:

- (a) Human Resources
- (b) Natural Resources
- (c) Community Development
- (d) General Government

In addition, there is an Associate Director for Intergovernmental Relations, which position relates to Executive Order 11690 under which the former President delegated to the Executive Director of the Domestic Council the additional responsibilities of assisting the President with respect to intergovernmental relations generally and of filling certain specified functions in that respect (Tab E).

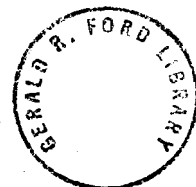
It is recommended that in addition to the required top staff position there be a Deputy as at present plus a new Associate Director for future policy planning. In Tab A the title "Associate Director of the Council for Future Programs" is proposed but certain other titles would be equally appropriate. If there should be another parallel position in connection with day-to-day policy functions, another new position would be necessary but otherwise such function would fall to the Deputy.

Approve:

- (a) One new position with title of

- (b) A second new position with title of

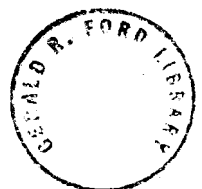
- (c) Or as follows:



5. The Role of the Vice President. Having in mind the language of the Reorganization Plan (Tab B) which calls for the Executive Director to be your Assistant and to perform such functions as you direct and having in mind the relationship of the Council Director and staff to other officials and operations under your direct control, the recommended role of the Vice President has been stated as provided in the draft memorandum (Tab A) in the second last paragraph on page 2.

Approve MRJ

Change as follows:





January 17, 1975

MEMORANDUM FOR: THE VICE PRESIDENT
THE ATTORNEY GENERAL
SECRETARY OF AGRICULTURE
SECRETARY OF COMMERCE
SECRETARY OF HEALTH, EDUCATION
AND WELFARE
SECRETARY OF HOUSING AND
URBAN DEVELOPMENT
SECRETARY OF THE INTERIOR
SECRETARY OF LABOR
SECRETARY OF TRANSPORTATION
SECRETARY OF THE TREASURY
CHAIRMAN OF THE COUNCIL OF
ECONOMIC ADVISORS
DIRECTOR, OFFICE OF MANAGEMENT
AND BUDGET
ADMINISTRATOR OF VETERANS AFFAIRS
ADMINISTRATOR OF THE ENVIRONMENTAL
PROTECTION AGENCY
CHAIRMAN, COUNCIL ON ENVIRONMENTAL
QUALITY

SUBJECT: Domestic Council

In order to help me carry out my responsibilities for domestic policy formulation, particularly in the light of our present national urgencies, I want to have the Domestic Council exert full efforts to carry out all policy functions contemplated for it when it was established in 1970. The Council is basically to serve as a Cabinet-level forum for both discussion and action on the many policy matters that cut across departmental jurisdictions and under my direction to integrate the various aspects of domestic policy into a consistent whole. Among the specific policy functions in which the Council is intended to take the lead are these:

- Assessing national needs, collecting information and developing forecasts, for the purpose of defining national goals and objectives.



- Identifying alternative ways of achieving these objectives, and recommending consistent, integrated sets of policy choices.
- Providing rapid response to Presidential needs for policy advice on pressing domestic issues.
- Coordinating the establishment of national priorities for the allocation of available resources.
- Maintaining a continuous review of the conduct of ongoing programs from a policy standpoint, and proposing reforms as needed.

These functions involve policy development which sets intermediate and long-range goals, and they involve responsibilities for the regular review of current programs and for helping to resolve immediately pressing issues. The various aspects of our national needs and various immediate issues are related to the respective jurisdictional concerns of different members of the Council, and within the Council an appropriate committee or task force composed of those members most directly concerned should be organized to address a particular need or type of issue.

It is important that the Council and its staff carry out equally well both its longer-range policy planning functions and its day-to-day responsibilities for providing policy advice to the President and review of ongoing programs. Therefore, I have asked the Vice President in my behalf to review regularly and to advise me concerning the operations of the Council and its staff so as to help assure that both basic purposes of the Council are adequately fulfilled. I designate the Vice President to be Vice Chairman of the Council and to preside, in my absence, over meetings of the Council and over meetings of committees or task forces of the Council, with full power to subdelegate his authority.

I am at this time directing that the Council shall continue to be composed of such officers of the Executive Branch as are designated at the beginning of this memorandum. I may in the future direct changes in the composition of the Council as provided in the reorganization plan by which the Council was established. No members of the White House staff with Cabinet rank or Assistants to the President with responsibility



for matters to be dealt with by the Council are included as members of the Council, because they are expected as part of their regular assignments to participate as appropriate in the functions of the Council and its staff.

In order to revise the Committee structure which was in effect prior to my becoming President, I am directing that no Committee of the Council be continued as such except for:

The Committee on Community Development
The Committee on Veterans Services
The Committee on Privacy

and that the purposes of the other former Committees be carried out by task forces to be formed as needed to deal with specific programs, needs, or issues.

I am appointing _____ to become the Executive Director of the Council and Assistant to the President.

In addition, I am making these appointments: _____
to become Deputy Director of the Council and _____
to become Associate Director of the Council for Future Programs.



B



REORGANIZATION PLANS

PART II. DOMESTIC COUNCIL

Sec. 201. Establishment of the Council. (a) There is hereby established in the Executive Office of the President a Domestic Council, hereinafter referred to as the Council.

(b) The Council shall be composed of the following:

The President of the United States

The Vice President of the United States

The Attorney General

Secretary of Agriculture

Secretary of Commerce

Secretary of Health, Education, and Welfare

Secretary of Housing and Urban Development

Secretary of the Interior

Secretary of Labor

Secretary of Transportation

Secretary of the Treasury

and such other officers of the Executive Branch as the President may from time to time direct.

(c) The President of the United States shall preside over meetings of the Council: *Provided*, That, in the event of his absence, he may designate a member of the Council to preside.

Sec. 202. Functions of the Council. The Council shall perform such functions as the President may from time to time delegate or assign thereto.

Sec. 203. Executive Director. The staff of the Council shall be headed by an Executive Director who shall be an assistant to the President designated by the President. The Executive Director shall perform such functions as the President may from time to time direct.

PART III. TAKING EFFECT

Sec. 301. Effective date. The provisions of this reorganization plan shall take effect as provided by section 906(a) of title 5 of the United States Code, or on July 1, 1970, whichever is later.

MESSAGE OF THE PRESIDENT

To the Congress of the United States:

We in government often are quick to call for reform in other institutions, but slow to reform ourselves. Yet nowhere today is modern management more needed than in government itself.

In 1939, President Franklin D. Roosevelt proposed and the Congress accepted a reorganization plan that laid the groundwork for providing managerial assistance for a modern Presidency.

The plan placed the Bureau of the Budget within the Executive Office of the President. It made available to the President direct access to important new management instruments. The purpose of the plan was to improve the administration of the Government—to ensure that the Government could perform "promptly, effectively, without waste or lost motion."

Fulfilling that purpose today is far more difficult—and more important—than it was 30 years ago.

Last April, I created a President's Advisory Council on Executive Organization and named to it a distinguished group of outstanding experts headed by Roy L. Ash. I gave the Council a broad charter to examine ways in which the Executive Branch could be better organized. I asked it to recommend specific organizational changes that would make the Executive Branch a more vigorous and more effective instrument for creating and carrying out the programs that are needed today. The Council quickly concluded that the place to begin was in the Executive Office of the President itself. I agree.

TITLE 5—APPENDIX II

REORGANIZATION PLAN NO. 2 OF 1970

1970, 35 F.R. 7959, 84 Stat. 2085

and Transmitted by the Senate and the House in Congress Assembled, February 9, 1970, Pursuant to Chapter 9 of Title 5 of the United States Code [in this title].

OFFICE OF MANAGEMENT AND BUDGET; DOMESTIC COUNCIL

OFFICE OF MANAGEMENT AND BUDGET

Transfer of functions to the President. There are hereby transferred to the President of the United States all functions (including reorganization plan) in the Bureau of the Budget of the Bureau of the Budget.

Office of Management and Budget. (a) The Bureau of the Office of the President is hereby designated as the Office of Management and Budget.

Director of the Office of Management and Budget and Deputy Director. The Director of the Office of Management and Budget, and the offices of Assistant Director of the Budget which are established by statute (including reorganization plan), are hereby designated Director of the Office of Management and Budget, Deputy Director of the Office of Management and Budget, and Assistant Directors of the Office of Management and Budget.

Officers within the Office of Management and Budget not included in the reorganization plan shall be appointed by the President. Each such officer shall be appointed by the President, under the classification and title as the Director shall from time to time direct. Each such officer shall receive compensation at the rate now or hereafter in effect for such offices and positions at Level V of the Executive Schedule (5 U.S.C. 5316).

The Director of the Office of Management and Budget shall have the authority to direct the administration of the Office of Management and Budget and the Director shall have the authority to direct the administration of the Office of Management and Budget.

The Director of the Office of Management and Budget, and the offices of Assistant Director of the Budget designated in the reorganization plan, and the officers provided for in the reorganization plan shall perform such functions as the President may from time to time direct.

The Director (or during the absence or disability of the Director, the President or the President may from time to time designate) shall have the authority to direct the administration of the Office of Management and Budget and the Director shall have the authority to direct the administration of the Office of Management and Budget.

Records, property, personnel, and funds. The records, unexpended balances, available or to be made available, allocations, and other funds of the Bureau of the Budget shall be transferred to the Office of Management and Budget on the taking effect of the provisions of this reorganization plan. The records, property, personnel, and unexpended balances of the Office of Management and Budget shall be transferred to the Office of Management and Budget.



The past 30 years have seen enormous changes in the size, structure and functions of the Federal Government. The budget has grown from less than \$10 billion to \$200 billion. The number of civilian employees has risen from one million to more than two and a half million. Four new Cabinet departments have been created, along with more than a score of independent agencies. Domestic policy issues have become increasingly complex. The interrelationships among Government programs have become more intricate. Yet the organization of the President's policy and management arms has not kept pace.

Over three decades, the Executive Office of the President has mushroomed but not by conscious design. In many areas it does not provide the kind of staff assistance and support the President needs in order to deal with the problems of government in the 1970s. We confront the 1970s with a staff organization geared in large measure to the tasks of the 1940s and 1950s.

One result, over the years, has been a tendency to enlarge the immediate White House staff—that is, the President's personal staff, as distinct from the institutional structure—to assist with management functions for which the President is responsible. This has blurred the distinction between personal staff and management institutions; it has left key management functions to be performed only intermittently and some not at all. It has perpetuated outdated structures.

Another result has been, paradoxically, to inhibit the delegation of authority to Departments and agencies.

A President whose programs are carefully coordinated, whose information system keeps him adequately informed, and whose organizational assignments are plainly set out, can delegate authority with security and confidence. A President whose office is deficient in these respects will be inclined, instead, to retain close control of operating responsibilities which he cannot and should not handle.

Improving the management processes of the President's own office, therefore, is a key element in improving the management of the entire Executive Branch, and in strengthening the authority of its Departments and agencies. By providing the tools that are needed to reduce duplication, to monitor performance and to promote greater efficiency throughout the Executive Branch, this also will enable us to give the country not only more effective but also more economical government—which it deserves.

To provide the management tools and policy mechanisms needed for the 1970s, I am today transmitting to the Congress Reorganization Plan No. 2 of 1970, prepared in accordance with Chapter 9 of Title 5 of the United States Code.

This plan draws not only on the work of the Ash Council itself, but also on the work of others that preceded—including the pioneering Brownlow Committee of 1936, the two Hoover Commissions, the Rockefeller Committee, and other Presidential task forces.

Essentially, the plan recognizes that two closely connected but basically separate functions both center in the President's office: policy determination and executive management. This involves (1) what government should do, and (2) how it goes about doing it.

My proposed reorganization creates a new entity to deal with each of these functions:

- It establishes a Domestic Council, to coordinate policy formulation in the domestic area. This Cabinet group would be provided with an institutional staff, and to a considerable degree would be a domestic counterpart to the National Security Council.
- It establishes an Office of Management and Budget, which would be the President's principal arm for the exercise of his managerial functions.

The Domestic Council will be primarily the Office of Management and Budget will *how we do it, and how well we do it.*

DOMESTIC COUNCIL

The past year's experience with the Council has shown how immensely valuable a Cabinet forum for both discussion and action on interdepartmental jurisdictions.

The Domestic Council will be chaired by the President. Its plan, its membership will include the Vice President, the Secretary of the Treasury, Interior, Agriculture, Commerce and Welfare, Housing and Urban Development, and the Attorney General. I also intend to appoint a Director of the Office of Economic Opportunity as a member of the Cabinet, the Postmaster General, and the head of the Post Office Department, a self-sufficient department could add other Executive Branch officials.

The Council will be supported by a staff of 100, who will also be one of the President's personal staff; this staff will work out of the President's personal staff but will have its own offices being established on a permanent, institutional basis to develop and employ the "institutional continuity" to be maintained, and if experience in the policy-making process.

There does not now exist an organized staff charged with advising the President on the domestic policy. The Domestic Council will fill that need. It will also be charged with integrating the domestic policy into a consistent whole.

Among the specific policy functions in the Domestic Council to take the lead are these:

- Assessing national needs, collecting and analyzing forecasts, for the purpose of defining national goals.
- Identifying alternative ways of achieving national goals, recommending consistent, integrated sets of policies.
- Providing rapid response to President's pressing domestic issues.
- Coordinating the establishment of national programs of available resources.
- Maintaining a continuous review of the progress of national programs from a policy standpoint, and proposing corrective action.

Much of the Council's work will be accomplished through project committees. These might take a variety of forms, planning groups or advisory bodies, with varying degrees of formality, and can be set up for specific program areas or with specific problems. They will have staff support on Department and agency level, as well as the Council's own staff and that of the Office of Management and Budget.

Establishment of the Domestic Council during the past year with the Council for the Environment and the Office of Management and Budget as principal key to the operation of these Councils, the functioning of their various subcommittees will be consolidated into the Domestic Council. The environment subcommittees of the Domestic Council will have access to the Domestic Council staff.



REORGANIZATION PLANS

seen enormous changes in the size, structure of the Federal Government. The budget has grown from \$200 billion. The number of civilian employees has grown to more than two and a half million. Four new agencies have been created, along with more than a dozen new agencies. Domestic policy issues have become more complex because of the interrelationships among Government programs and agencies. Yet the organization of the Executive Branch has not kept pace.

The Executive Office of the President has mushroomed in size and design. In many areas it does not provide the leadership and support the President needs in order to carry out the programs of government in the 1970s. We confront a reorganization geared in large measure to the tasks of the 1970s.

In the past few years, there has been a tendency to enlarge the staff—that is, the President's personal staff, as well as the Executive Office—rather than to restructure the staff to assist with management functions. The President is responsible. This has blurred the distinction between the staff and management institutions; it has left key functions to be performed only intermittently and some not at all by outdated structures.

Often, paradoxically, to inhibit the delegation of authority to the staff and agencies.

Programs are carefully coordinated, whose information is not adequately informed, and whose organizational structure is not set out, can delegate authority with security and confidence. Those whose office is deficient in these respects will not be able to retain close control of operating responsibilities which they could not handle.

Improvement processes of the President's own office, and the President's own staff in improving the management of the entire Executive Branch—strengthening the authority of its Departments and Agencies—using the tools that are needed to reduce duplication and to promote greater efficiency throughout the Executive Branch, this also will enable us to give the country not only a more economical government—which it de-

velopment tools and policy mechanisms needed for transmitting to the Congress Reorganization Plan No. 1 in accordance with Chapter 9 of Title 5 of the

not only on the work of the Ash Council itself, but also on the work of others that preceded—including the pioneering work of the Hoover Commissions, the Rockefeller Commission, and other Presidential task forces.

Recognizes that two closely connected but basically distinct functions center in the President's office: policy determination and management. This involves (1) what government programs are to be done and (2) what it goes about doing it.

Reorganization creates a new entity to deal with each of these functions.

The Domestic Council, to coordinate policy formulation and management. This Cabinet group would be provided with the staff and to a considerable degree would be a part of the National Security Council.

The Office of Management and Budget, which would be the principal arm for the exercise of his managerial func-

The Domestic Council will be primarily concerned with *what* we do; the Office of Management and Budget will be primarily concerned with *how* we do it, and *how well* we do it.

DOMESTIC COUNCIL

The past year's experience with the Council for Urban Affairs has shown how immensely valuable a Cabinet-level council can be as a forum for both discussion and action on policy matters that cut across departmental jurisdictions.

The Domestic Council will be chaired by the President. Under the plan, its membership will include the Vice President, and the Secretaries of the Treasury, Interior, Agriculture, Commerce, Labor, Health, Education and Welfare, Housing and Urban Development, and Transportation, and the Attorney General. I also intend to designate as members the Director of the Office of Economic Opportunity and, while he remains a member of the Cabinet, the Postmaster General. (Although I continue to hope that the Congress will adopt my proposal to create, in place of the Post Office Department, a self-sufficient postal authority.) The President could add other Executive Branch officials at his discretion.

The Council will be supported by a staff under an Executive Director who will also be one of the President's assistants. Like the National Security Council staff, this staff will work in close coordination with the President's personal staff but will have its own institutional identity. By being established on a permanent, institutional basis, it will be designed to develop and employ the "institutional memory" so essential if continuity is to be maintained, and if experience is to play its proper role in the policy-making process.

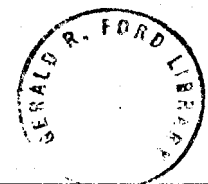
There does not now exist an organized, institutionally-staffed group charged with advising the President on the total range of domestic policy. The Domestic Council will fill that need. Under the President's direction, it will also be charged with integrating the various aspects of domestic policy into a consistent whole.

Among the specific policy functions in which I intend the Domestic Council to take the lead are these:

- Assessing national needs, collecting information and developing forecasts, for the purpose of defining national goals and objectives.
- Identifying alternative ways of achieving these objectives, and recommending consistent, integrated sets of policy choices.
- Providing rapid response to Presidential needs for policy advice on pressing domestic issues.
- Coordinating the establishment of national priorities for the allocation of available resources.
- Maintaining a continuous review of the conduct of ongoing programs from a policy standpoint, and proposing reforms as needed.

Much of the Council's work will be accomplished by temporary, ad hoc project committees. These might take a variety of forms, such as task forces, planning groups or advisory bodies. They can be established with varying degrees of formality, and can be set up to deal either with broad program areas or with specific problems. The committees will draw for staff support on Department and agency experts, supplemented by the Council's own staff and that of the Office of Management and Budget.

Establishment of the Domestic Council draws on the experience gained during the past year with the Council for Urban Affairs, the Cabinet Committee on the Environment and the Council for Rural Affairs. The principal key to the operation of these Councils has been the effective functioning of their various subcommittees. The Councils themselves will be consolidated into the Domestic Council; Urban, Rural and Environment subcommittees of the Domestic Council will be strengthened, using access to the Domestic Council staff.



TITLE 5—APPENDIX II

Overall, the Domestic Council will provide the President with a streamlined, consolidated domestic policy arm, adequately staffed, and highly flexible in its operation. It also will provide a structure through which departmental initiatives can be more fully considered, and expert advice from the Departments and agencies more fully utilized.

OFFICE OF MANAGEMENT AND BUDGET

Under the reorganization plan, the technical and formal means by which the Office of Management and Budget is created is by re-designating the Bureau of the Budget as the Office of Management and Budget. The functions currently vested by law in the Bureau, or in its director, are transferred to the President, with the provision that he can then re-delegate them.

As soon as the reorganization plan takes effect, I intend to delegate those statutory functions to the Director of the new Office of Management and Budget, including those under section 212 of the Budget and Accounting Act, 1921.

However, creation of the Office of Management and Budget represents far more than a mere change of name for the Bureau of the Budget. It represents a basic change in concept and emphasis, reflecting the broader management needs of the Office of the President.

The new Office will still perform the key function of assisting the President in the preparation of the annual Federal budget and overseeing its execution. It will draw upon the skills and experience of the extraordinarily able and dedicated career staff developed by the Bureau of the Budget. But preparation of the budget as such will no longer be its dominant, overriding concern.

While the budget function remains a vital tool of management, it will be strengthened by the greater emphasis the new office will place on fiscal analysis. The budget function is only one of several important management tools that the President must now have. He must also have a substantially enhanced institutional staff capability in other areas of executive management—particularly in program evaluation and coordination, improvement of Executive Branch organization, information and management systems, and development of executive talent. Under this plan, strengthened capability in these areas will be provided partly through internal reorganization, and it will also require additional staff resources.

The new Office of Management and Budget will place much greater emphasis on the evaluation of program performance: on assessing the extent to which programs are actually achieving their intended results, and delivering the intended services to the intended recipients. This is needed on a continuing basis, not as a one-time effort. Program evaluation will remain a function of the individual agencies as it is today. However, a single agency cannot fairly be expected to judge overall effectiveness in programs that cross agency lines—and the difference between agency and Presidential perspectives requires a capacity in the Executive Office to evaluate program performance whenever appropriate.

The new Office will expand efforts to improve interagency cooperation in the field. Washington-based coordinators will help work out interagency problems at the operating level, and assist in developing efficient coordinating mechanisms throughout the country. The success of these efforts depends on the experience, persuasion, and understanding of an Office which will be an expeditor and catalyst. The Office will also respond to requests from State and local governments for assistance on intergovernmental programs. It will work closely with the Vice President and the Office of Intergovernmental Relations.

Improvement of Government organization, information and management systems will be a major function of the Office of Management and

REORGANIZATION

Budget. It will maintain a continuous structures and management processes of the commend needed changes. It will take the information systems to provide the President with data that he needs but does not now get launched, it will seek to ensure that they are grafted onto existing organizational structures appropriate. Resistance to organizational change to effective government; the new Office will ensure that organization keeps abreast of program needs.

The new Office will also take the lead in development of career executive talent through the least of the President's needs as Chief Executive of the Executive Office for insuring that talent to the full extent of their abilities. Effective executive manpower development have been a system for forecasting the needs for executive leadership potential. Both are crucial to the whether private or public.

The Office of Management and Budget will advise the President on the development of new programs, motivate, deploy, and evaluate the men and women at the top ranks of the civil service, in the broadest sense, not deal with individuals, but will rely on the Civil Service Commission and the Department of Management and Budget there will be joint efforts to insure that executive talent is well utilized wherever it is needed, the Executive Branch, and to assure that executive talent meet not only today's needs but those of the future. Finally, the new Office will continue the functions now performed by the Bureau of the Budget, including agency reactions on all proposed legislation, and to carry out the President's program. The Bureau's work of improving and coordinating

SIGNIFICANCE OF THE CHANGES

The people deserve a more responsive and efficient Government. The times require it. These changes will help provide a more efficient Government.

Each reorganization included in the plan is necessary to accomplish one or more of the purposes set forth in Section 901(a) of Title 5 of the United States Code, which is responsive to Section 901(a) (1), "to improve the efficiency of the laws, the more effective management and of its agencies and functions, and the execution of the public business;" and Section 901(a) (3), "to improve the operations of the Government to the fullest extent practicable."

The reorganizations provided for in this plan are consistent with the pointment and compensation of new officers, and the rates of compensation for officers in the Executive Office will be comparable to those fixed for other officers in the Executive Office who have similar responsibilities.

While this plan will result in a modest increase in the number of officers, its strengthening of the Executive Office of the President will result in significant indirect savings, and at the same time will ensure that the people actually receive the return they deserve for the Government spends. The savings will result from the more efficient operation of the Government. These changes will provide throughout the Executive Office from curtailing the waste that results when



C



DOMESTIC COUNCIL

Gerald R. Ford, The President of the United States
Nelson A. Rockefeller, The Vice President of the United States
Secretary of Housing and Urban Development
William Simon, Secretary of the Treasury
Peter J. Brennan, Secretary of Labor
Caspar W. Weinberger, Secretary of Health, Education & Welfare
Rogers C.B. Morton, Secretary of the Interior
Frederick B. Dent, Secretary of Commerce
Earl L. Butz, Secretary of Agriculture
Secretary of Transportation
The Attorney General
Alan Greenspan, Chairman, Council of Economic Advisors
Director, Office of Management and Budget
Richard L. Roudebush, Administrator of Veterans' Affairs
Russell E. Train, Administrator of the Environmental
Protection Agency.
Russell W. Peterson, Chairman, Council on Environmental
Quality
Michael P. Balzano, Jr., Director of ACTION



D



May 14, 1974

DOMESTIC COUNCIL COMMITTEES

The following Domestic Council Committees are Cabinet level working groups chaired by an appropriate Cabinet Officer, tasked with responsibility for developing, coordinating and presenting all domestic policy issues to the President. The Committees ensure that as much responsibility for policy formation as possible rests with the Cabinet.

I. NATURAL RESOURCES

A. The Committee on Environmental Resources

Chairman: Secretary of the Interior
Vice Chairman: Secretary of Agriculture
Members: Attorney General, Secretary of Commerce,
Director of the OMB, Chairman of the
Council on Environmental Quality,
Administrator of EPA, Under Secretary
of the Army

B. The Committee on Land Use

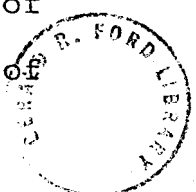
Chairman: Secretary of the Interior
Vice Chairman: Secretary of HUD
Members: Secretary of the Treasury, Attorney General,
Secretary of the Interior, Secretary of
Agriculture, Secretary of Commerce,
Secretary of Housing and Urban Development,
Secretary of Transportation, Director of OMB,
Chairman of the Council of Economic Advisers,
Administrator, Environmental Protection
Agency, Chairman of the Council on Environ-
mental Quality, Administrator of the General
Services Administration

II. COMMUNITY DEVELOPMENT

A. The Committee on Community Development (rotating chairmen)

Chairman Rural Development Committee: Secretary of
Agriculture

Chairman Urban Development Committee: Secretary of
HUD



Chairman Transportation Policy Development Committee:
Secretary of Transportation
Members: Secretary of Treasury, Secretary of Commerce,
Secretary of Labor, Director of OMB, and
Secretary of HEW.

B. The Committee on Civil Rights Policy

Chairman: Attorney General
Members: Secretary of Defense, Secretary of Labor,
Secretary of HEW, Secretary of HUD,
Director of OMB,

C. The Committee on the Bicentennial

Chairman: Counsellor to the President Armstrong
Members: Secretary of State, Secretary of Treasury,
Secretary of the Interior, Secretary of
Commerce, Director of OMB, Administrator
of the Bicentennial Commission.

II. HUMAN RESOURCES

A. The Committee on Health Insurance

Chairman: Secretary of HEW
Members: Secretary of Defense, Secretary of Commerce,
Secretary of HUD, Director of OMB,
Administrator of Veterans Affairs, Director
of the Cost of Living Council.

B. The Committee on Income Security

Chairman: Secretary of HEW
Members: Secretary of Agriculture, Secretary of
Labor, Secretary of HUD, Director of
OMB, Administrator of Veterans Affairs,
Director of ACTION, Chairman of the U.S.
Civil Service Commission

C. The Committee on Aging

Chairman: Secretary of HEW
Members: Secretary of Agriculture, Secretary of
Commerce, Secretary of Labor, Secretary
of HEW, Secretary of HUD, Secretary of



Transportation, Director of OMB,
Administrator of Veterans Affairs,
Director of ACTION, Chairman of
U.S. Civil Service Commission.

D. The Committee on Veterans Services

Chairman: Administrator of Veterans Affairs
Members: Secretary of HEW, Secretary of Labor,
Deputy Secretary of DOD, Director of
ACTION, Director of OMB, Director of
Domestic Council

IV. LAW ENFORCEMENT AND DRUG ABUSE

A. The Committee on Drug Abuse (rotating chairman)

Chairman of Committee on Enforcement: Attorney
General

Chairman of Committee on Treatment: Secretary
of HEW

Members: Secretary of Treasury, Secretary of
Defense, Secretary of State, Secretary
of Labor, Secretary of HUD, Secretary
of Transportation, Director of OMB,
Administrator of Veterans Affairs,
Director of the Special Action Office
for Drug Abuse Prevention.

B. The Committee on Crime Prevention and Rehabilitation

Chairman: Attorney General

Members: Secretary of the Treasury, Secretary of
Commerce, Secretary of Labor, Secretary
of HEW, Secretary of HUD, Director of
OMB.

C. The Committee on the Virgin Islands

Chairman: Undecided

Members: Attorney General, Secretary of Interior,
Secretary of Labor, Secretary of HEW,
Secretary of HUD, Director of OMB.



D. The Committee on Privacy

Chairman: Vice President

Members: Secretary of the Treasury, Secretary of Defense, Secretary of HUD, Attorney General, Secretary of Labor, Secretary of HEW, Chairman of the Civil Service Commission, Director of OMB, Director of Office of Telecommunications Policy, Director of Consumer Affairs

The Committee on Illegal Aliens

Chairman: Attorney General

Members: Sec. of State, Sec. of the Treasury, Sec. of Agriculture, Sec. of Commerce, Sec. of Labor, Sec. of HEW, Assistant to the President Baroody, Director of the Office of Management and Budget.



E



occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term."



THE WHITE HOUSE,
December 1, 1972.

EXECUTIVE ORDER 11689

Extending Diplomatic Privileges and Immunities to the Mission to the United States of America of the Commission of the European Communities and to Certain Members Thereof

By virtue of the authority vested in me by the Act of October 18, 1972 (Public Law 92-499), and as President of the United States, I hereby extend to the Mission to the United States of America of the Commission of the European Communities, and to the officers of that Mission assigned to Washington to represent the Commission to the Government of the United States and duly notified to and accepted by the Secretary of State, and to their families, the same privileges and immunities, subject to corresponding conditions and obligations, as are enjoyed by diplomatic missions accredited to the United States and by members of the diplomatic staffs thereof.



THE WHITE HOUSE,
December 5, 1972.

Title 3--The President

EXECUTIVE ORDER 11690

Delegation of Certain Functions to the Executive Director of the Domestic Council

By virtue of the authority vested in me by the Constitution and statutes of the United States, Part II of Reorganization Plan No. 2 of 1970, and as President of the United States, it is ordered as follows:

SECTION 1. *Functions of Council.* In addition to the Director of the Domestic Council to intergovernmental relations

(1) serve as the coordinating Federal-State-local problems; Vice President by executive orders to state and local governments;

(2) identify and report on intergovernmental problems of a Federal-State nature;

(3) explore and report on strengthening the headquarters and field offices as they relate to

(4) maintain continuing liaison with Federal departments and

(5) review procedures for intergovernmental relations, affording State and local officials an opportunity to comment on Federal assistance programs and propose methods of strengthening

SEC. 2. *Administrative Arrangements.* Federal agencies, and interagency coordination, and interagency cooperation in intergovernmental relations. The Executive Director shall extend full cooperation and assistance in his responsibilities under this section to assist all Federal departments and agencies in their relations between them and the executive branch and local governments.

(b) The head of each Federal agency shall designate an appropriate official within the agency to serve, upon request, as a liaison officer in carrying out Federal-State relations.

SEC. 3. *Construction.* Nothing in this section shall be construed as subjecting any department, office, or executive branch of the Federal Government to the function vested by law in



SECTION 1. *Functions of the Executive Director of the Domestic Council.* In addition to the functions heretofore assigned, the Executive Director of the Domestic Council shall assist the President with respect to intergovernmental relations generally. In addition, he shall:

(1) serve as the coordinator for the prompt handling and solution of Federal-State-local problems brought to the attention of the President or Vice President by executive and legislative officers of State and local governments;

(2) identify and report to the President on recurring intergovernmental problems of a Federal interdepartmental and interprogram nature;

(3) explore and report to the President on ways and means of strengthening the headquarters and interagency relationships of Federal field offices as they relate to intergovernmental activities;

(4) maintain continuing liaison with intergovernmental units in Federal departments and agencies; and

(5) review procedures utilized by Federal executive agencies for affording State and local officials an opportunity to confer and comment on Federal assistance programs and other intergovernmental issues, and propose methods of strengthening such procedures.

SEC. 2. *Administrative Arrangements.* (a) All Federal departments, agencies, and interagency councils and committees having an impact on intergovernmental relations, and all Federal Executive Boards, shall extend full cooperation and assistance to the Director in carrying out his responsibilities under this order. The Director shall, upon request, assist all Federal departments and agencies with problems that may arise between them and the executive agencies or elected officials of State and local governments.

(b) The head of each Federal department and agency shall designate an appropriate official with broad general experience in his department or agency to serve, upon request of the Director, as a point of contact in carrying out Federal-State-local liaison activities under this order.

SEC. 3. *Construction.* Nothing in this order shall be construed as subjecting any department, establishment, or other instrumentality of the executive branch of the Federal Government or the head thereof, or any function vested by law in or assigned pursuant to law, to any such agency



or head, to the authority of any other such agency or head or as abrogating, modifying, or restricting any such function in any manner.

SEC. 4. *Revocation.* Executive Order No. 11455 of February 14, 1969, entitled "Establishing an Office of Intergovernmental Relations", is hereby revoked.

SEC. 5. *Records, Property, Personnel, and Funds.* The records, property, personnel, and unexpended balances, available or to be made available, of appropriations, allocations, and other funds of the Office of Intergovernmental Relations are hereby transferred to the Domestic Council.

SEC. 6. *Effective Date.* This Order shall be effective thirty days after this date.

Richard Nixon

THE WHITE HOUSE,
December 14, 1972.

NOTE: For the text of a Presidential statement, dated December 14, 1972, and issued in connection with E.O. 11690, above, see Weekly Comp. of Pres. Docs., Vol. 8, No. 51, issue of December 18, 1972.

EXECUTIVE ORDER 11691

Adjusting Rates of Pay for Certain Statutory Pay Systems

By virtue of the authority vested in me by subchapter I of chapter 53 of title 5 of the United States Code, it is hereby ordered as follows:

General Schedule

SECTION 1. The rates of basic pay in the General Schedule contained in section 5332(a) of title 5 of the United States Code are adjusted as follows:

Grade	1	2	3
GS-1	\$4,798	\$4,958	\$5,118
GS-2	5,432	5,613	5,794
GS-3	6,128	6,332	6,536
GS-4	6,882	7,111	7,340
GS-5	7,694	7,951	8,208
GS-6	8,572	8,858	9,144
GS-7	9,520	9,837	10,154
GS-8	10,528	10,879	11,230
GS-9	11,614	12,001	12,388
GS-10	12,775	13,201	13,627
GS-11	13,996	14,462	14,928
GS-12	16,682	17,238	17,794
GS-13	19,700	20,357	21,014
GS-14	23,088	23,858	24,628
GS-15	26,898	27,795	28,692
GS-16	31,203	32,243	33,283
GS-17	36,103	37,306	38,569
GS-18	41,734		

***The rate of basic pay for employees at the rate for level V of the Executive Schedule

Schedules for the Department of Veterans Affairs

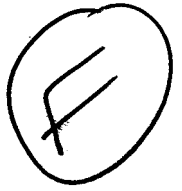
SEC. 2. The schedules of the United States Code, for the Department of Medicine and Surgery of the following:

- "Associate Deputy Chief Medical Director, level V of the Executive Schedule
- "Assistant Chief Medical Director
- "Medical Director, \$36,103 minimum
- "Director of Nursing Service, \$26,898 minimum
- "Director of Chaplain Service, \$26,898 minimum
- "Chief Pharmacist, \$26,898 minimum
- "Chief Dietitian, \$26,898 minimum
- "Physician
- "Director grade, \$31,203 minimum
- "Executive grade, \$28,996 minimum
- "Chief grade, \$26,898 minimum
- "Senior grade, \$23,088 minimum
- "Intermediate grade, \$19,700 minimum
- "Full grade, \$16,682 minimum
- "Associate grade, \$13,996 minimum

**The salary for employees at the United States Code to the effective date of this salary adjustment



THE WHITE HOUSE
WASHINGTON



January 20, 1975

MEMORANDUM FOR THE PRESIDENT

THROUGH: DONALD RUMSFELD
FROM: RICHARD CHENEY
SUBJECT: Ken Cole's Views on the Domestic Council

Subsequent to our earlier discussions with Rumsfeld, Buchen, Marsh, Hartmann, et al on the future role of the Domestic Council, I had a long discussion on Saturday, January 18th, with Ken Cole concerning his views of what might be feasible in this area.

Without indicating what your current thinking was, I simply asked Ken for his ideas on how you might involve the Vice President in the activities of the Domestic Council.

Ken concluded after some discussion that it was possible to separate out the day-to-day operational responsibilities of the staff of the Domestic Council from the long-range planning function, which basically is handled through the sub-committee organization of the Council.

He felt it was conceivable that you could assign the Vice President responsibilities for long-range planning, although he emphasized the "long-range" nature of those activities. Ken is inclined to define everything between now and the end of the year as short-range, and everything beyond that as long-range.

He is of the general opinion that it would be possible to have a second deputy assigned to the Council given the title of Deputy for Planning and to have him work with the Vice President. He emphasized that



it was vitally important that the Assistant to the President for Domestic Policy and the Executive Director of the Council be the same man, and that that individual report directly to the President. He said it simply wasn't feasible to involve someone like the Vice President, by virtue of his position, in the day-to-day operational responsibilities of the Domestic Council staff.

Ken also emphasized that he felt it was important that his successor be someone who knows and understands the Federal Government and someone who is willing to take a low profile posture vis-a-vis the Cabinet. He said if your Domestic Council chief is a publicly visible figure, he will overshadow the Cabinet, as John Ehrlichman did, and that this will contradict the policy of pushing more authority and responsibility out to the Cabinet.

He also said it was important that the Director of the Domestic Council be someone capable of submerging his own views on policy to those of the President. He said it was perfectly alright to argue a strong position before a decision was made, but that once a decision was made, he always had to put himself in the position of carrying out the President's policy to an even greater extent than do most other members of the Administration.

He believes there's a vital role for the Domestic Council as the unit which brings a Presidential perspective to policy debates. He said that the Agencies and Departments all have somewhat parochial views in that they are responsible for one specific piece of a policy, and that OMB always brings budget considerations to the forefront in those kinds of deliberations. Therefore, someone such as the Domestic Council staff, has to participate in order to balance out the views of the other participants and to help them resolve conflicts or surface issues for Presidential decisions.

In conclusion, it is my opinion that Ken approves of the basic direction tentatively decided upon of appointing someone like Larry Silberman to be your Assistant for Domestic Affairs and Director of the Domestic



Council; and of assigning him two deputies, one for operations, and a second for planning, with the second deputy to be named by the Vice President and to report to him. Ultimately, whether or not it works depends upon the individuals and personalities involved. No set of organizational arrangements can guarantee that it will work, but the right people can make it successful.



THE WHITE HOUSE
WASHINGTON

February 3, 1976

KATHIE

Attached is a draft letter to the Vice President from the President. Hang onto it right here in the Office. I may need it at some future point.

RBC



THE WHITE HOUSE

WASHINGTON

January 27, 1976

Dear Nelson:

Now that the State of the Union address has been delivered to the Congress, I want you to know how much I appreciate your counsel and recommendations on the issues and problems most critical to the Nation.

Your report on the White House Public Forums on Domestic Policy, and your recommendations from the Domestic Council Review Groups were of great value to me in considering the choices the country faces. Your leadership in these efforts was outstanding.

I appreciate your desire to relinquish your responsibilities for overseeing the work of the Domestic Council; but I am pleased that you will remain as Vice Chairman. And I know that I can continue to count on your counsel and assistance in this important year ahead.

With personal regards,

The Honorable Nelson A. Rockefeller
The Vice President
of the United States
Washington, D. C.

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GRF:Domestic Council;JEC:sac

21451

January 27, 1976

Dear Nelson:

Now that the State of the Union address has been delivered to the Congress, I want you to know how much I appreciate your counsel and recommendations on the issues and problems most critical to the Nation.

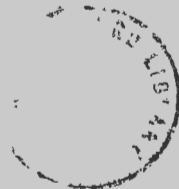
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Washington, D. C.

GRF:Domestic Council;JEC:sac



January 27, 1976

Dear Nelson:

Now that the State of the Union address has been delivered to the Congress, I want you to know how much I appreciate your counsel and recommendations on the issues and problems most critical to the Nation.

Your report on the White House Public Forums on Domestic Policy, and your recommendations from the Domestic Council Review Groups were of great value to me in considering the choices the country faces. Your leadership in these efforts was outstanding.

I appreciate your desire to relinquish your responsibilities for overseeing the work of the Domestic Council; but I am pleased that you will remain as Vice Chairman. And I know that I can continue to count on your counsel and assistance in this important year ahead.

With personal regards,

**The Honorable Nelson A. Rockefeller
The Vice President
of the United States
Washington, D. C.**

GRF:Domestic Council;JEC:sac



January 20²¹, 1976

DRAFT

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Handwritten signature and notes:
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THE WHITE HOUSE
WASHINGTON

Feb. 13

Barb:

This is the Nelson Rockefeller to the President
resigning from the Domestic Council post.

Put it in the safe with the President's letter.



THE VICE PRESIDENT
WASHINGTON

December 16, 1975

Dear Mr. President:

I have submitted to you today our final report on the Domestic Council Forums and our overall policy recommendations for your consideration in connection with the Ford Administration domestic program for 1976.

This is the culmination of my work with the Domestic Council. It has been an exciting and rewarding experience, and I am deeply grateful to you for the opportunity you gave me in this assignment.

We have tried to put our recommendations in a conceptual framework covering the broad range of domestic policy options. We hope you will find them useful in the preparation of your State of the Union message for 1976.

In light of the above, this would seem to be an appropriate time for me to relinquish my responsibilities for overseeing the work of the Domestic Council. It was a great privilege and honor.

Needless to say, I stand ready to assist you in any way I can in the months ahead.

With warm regard,

Sincerely,

The President
The White House

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THE VICE PRESIDENT
WASHINGTON

December 16, 1975

PERSONAL AND CONFIDENTIAL

MEMORANDUM FOR: THE PRESIDENT
FROM: THE VICE PRESIDENT *hartz*
SUBJECT: White House Organization for
Domestic Policy-Making

In your memorandum of last February 13, you charged the Domestic Council with responsibilities giving promise that it would become the effective counterpart in the domestic field of the National Security Council in the international policy field. These expectations, unfortunately, have not been fulfilled, due to a shortage of funds for staff and to the nature of the White House organizational structure.

In the same memorandum, you directed me as Vice Chairman of the Domestic Council to "review the operations of the Council staff and...propose such reorganization of the Council as from time to time may be necessary." This memorandum seeks to fulfill that assignment and is offered in the hope that it may contribute to a White House organization that can more effectively serve you.

As originally conceived, the Domestic Council was to have been a key element in the organization of the President's office. It was to have developed a substantial professional staff and the "institutional memory" required to provide each President with the highest caliber advice on domestic policy matters.

It was not only intended to handle the day-to-day policy coordination work which centralized naturally in the White House, but was also to have the capacity and resources to look into the future, to assess projected needs and capabilities, and to formulate medium- and long-range policies on an overall, integrated basis.

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By the end of the Nixon administration, the original concept had been abandoned, and the budget, staff and authority dramatically reduced. Your February 13 memorandum reestablished the concept and the responsibilities, but the budget, the staff and the authority did not materialize.

As the President's Office is currently organized, there is a striking contrast between the administrative arrangements for the two principal Presidential roles -- national security and domestic policy.

On the national security side, the National Security Council staff serves as a funnel through which information flows in an orderly way to your desk, and through which your decisions return for follow-up treatment. There is a consistency of approach here, a recognizable policy, and a sense of progress even in the face of complexity.

This is not so on the domestic policy side. In addition to the Domestic Council, you are advised by the Economic Policy Board, the Energy Resources Council, the Council of Economic Advisers, and the Office of Management and Budget. Each of these bodies has profound impact on aspects of domestic policy.

As a result, there is no overall conceptual planning and staff responsibility on the domestic front to assist you. The interrelation of the various elements is not given proper weight and major areas can be overlooked.

Domestic problems and needs are not solely problems of economics or energy or finance or social needs. They are compounded of many elements and must be attacked by an organizational unit that also has these multi-faceted characteristics.

The present system actually divides consideration of these elements among a number of units, and thus works against the creation of a coherent approach.

The problem is compounded by the organization of the administrative staff, which is headed by a coordinator. Almost by definition, a coordinator responds but does not

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initiate. As matters percolate up through the proliferated staff system, a coordinator sees to it that they are superficially reviewed by all interested parties, but there is no strong staff leadership direction. It is not the role of a coordinator to see that initiatives are commenced or that matters which are to be handled at subordinate levels are actually being dealt with in a timely and effective manner.

As a result, the coordinator system cannot compensate for the organizational deficiencies of the domestic policy apparatus. It cannot create an orderly and consistent process of policy formulation, it cannot give direction in the development and staffing of initiatives.

An example of this problem is the Administration's response to current high unemployment levels. Although ameliorating this problem is a principal priority of your Administration, it is not at all clear where responsibility lies for developing an Administration program. In the absence of clear lines of responsibility, and the consequent sensitivity of one group not wanting to impinge on the territory of another, this key priority has been pushed aside by day-to-day operation, and your Administration, despite your own strong commitment to a solution, has been put in the false light of appearing unconcerned about this most serious problem.

I have great respect for the abilities and dedication of your staff, but they operate in an organizational environment which makes them effective only in response to outside stimuli and random initiatives. They are unable in this context to perform the broader duties which are essential to the proper discharge of your responsibilities -- long-range, creative, conceptual planning and strategic actions on an integrated basis relating to the various economic, social and fiscal areas.

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I, therefore, recommend that you centralize staff responsibilities for all economic, social and fiscal policies under the Domestic Council as originally conceived, and that the relationships and responsibilities among the Domestic Council, Office of Management and Budget, Counsel's office and the Office of Legislative Affairs be clarified.

I would be glad to share with you further thoughts on this subject, should you so desire.

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