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CENTRAL INTELLIGENCE AGENCY

WASHINGTON 25, D. C.

OFFICE OF THE DIRECTOR

MAY 20 1952

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AUTH: HR 70-2
DATE: 30 MAR REVIEWER:

MEMORANDUM FOR: Executive Secretary
National Security Council

SUBJECT : NSC 113/1, A Report to the National Security Council by the Interdepartmental Committee on Internal Security on the Government Employee Security Program

1. Reference is made to NSC 113/1 and its recommendations for the establishment of an Employee Security Program. It is requested that CIA be exempted from the proposed Executive Order establishing an Employee Security Program in the Federal Government inasmuch as this Agency has no need for such a program. This Agency presently has in effect procedures and regulations which provide safeguards both from the standpoint of security protection of Agency activities and the protection of the rights of employees against unwarranted dismissal in excess of those proposed in NSC 113/1.

2. The recommendation set forth in Paragraph V constitutes a proposal that an agency other than CIA review the application and implementation of CIA's Employee Security Program. The operation of this review procedure would necessitate eventual knowledge of the internal organization, procedures and activities of this Agency including our sources of information. In conformity with the unique activities of this Agency, I am charged under the National Security Act of 1947 "for protecting intelligence sources and methods from unauthorized disclosure" and I feel that the application of this proposed program would be incompatible with my responsibilities in this regard.

3. I wish to assure you that the employees of CIA are given every protection in regard to their individual rights and any action toward dismissal is given the most careful consideration by the Agency. In view of the adequacy of our present procedures, and necessity for protection of our internal functions, I feel it is necessary that CIA be exempted from the proposals set forth in NSC 113/1.

I&S/RLB:caw 14 May 52
Rewritten DD/I/LEB:mfc 16 May 52
Rewritten DD/A:jdc 19 May 52

SIGNED

WALTER B. SMITH
Director

Distribution:
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Noted by DCI
20 May 52

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MEMORANDUM TO: Director of Central Intelligence

Through : Deputy Director, Administration
Deputy Director, Intelligence

FROM : Security Officer, CIA

REFERENCE : NSC 113/1, A Report to the National Security Council by the Interdepartmental Committee on Internal Security on the Government Employee Security Program

1. The attached NSC 113/1 has been reviewed and it is recommended that the DCI reply to the NSC requesting that CIA be exempted from the proposed Executive Order and advising that CIA has no need for an Employee Security Program as recommended, inasmuch as the Agency has already established regulations and procedures which exceed the minimum standards recommended under Paragraph V.

2. Agency regulations presently in effect provide the necessary security for CIA activities in conformity with the Director's responsibilities "that the Director of Central Intelligence Agency shall be responsible for protecting intelligence sources and methods from unauthorized disclosure" and at the same time provide the necessary safeguards for the individual rights of the employees against unwarranted dismissal. The Agency regulations in this regard provide safeguards from both standpoints in excess of those set forth in the minimum standards recommended by the ICIS. It is quite important that the Director of Central Intelligence be in a position to carry out his responsibilities in this field without a review procedure by an Agency outside of CIA, inasmuch as the normal operation of such a procedure would expose our internal procedures, organization, operations, identity of personnel and sources of information to an outside organization which does not "need to know" and which contravenes the Director's responsibilities under the National Security Act of 1947. The opinion of the ICIS that the heads of agencies have final authority for the decision in security cases is particularly applicable to CIA in view of its unique activities.

3. In regard to the recommendations set forth on Pages 28 to 36, the following comments are made:

V.(1) All positions within CIA, with rare exceptions, would be defined as sensitive positions.

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V.(2) All employees are working on matters directly pertaining to the safeguarding of our national security.

V.(3) Recommend that the DCI request that CIA be exempted from the Executive Order, since CIA has an effective security program.

V.(4) CIA has separate programs for loyalty cases and security cases and utilizes them as appropriate.

V.(5) The elements recommended in this paragraph are already established within the Agency under CIA [redacted] (Policy on Clearance of Personnel on Duty for CIA), and CIA [redacted] (Employment Review Board and Procedures). 25X1 25X1

a. STANDARDS. Similar standards are provided in CIA [redacted] 25X1

b. Adverse Action Against Employees. CIA [redacted] conforms with this recommendation. 25X1

c. Suspensions. CIA [redacted] requires same procedure. 25X1

d. Removals from Service. CIA [redacted] [redacted] conforms substantially with recommended procedure except right of a non-CIA counsel and right of substantive review by the Civil Service Commission. 25X1 25X1

e. Review of Removal Decision. The DCI has final authority under the National Security Act of 1947.

f. Demotions. Provisions to meet this recommendation are established under CIA [redacted] [redacted] and under our personnel procedures. 25X1 25X1

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g. Applicants. Agency personnel and security regulations provide that no commitment for employment may be made until the completion of the security investigation. In those cases where employment is permitted subject to investigation, the employee is informed of the limited nature of his appointment.

[redacted] 25X1

SHEFFIELD EDWARDS
Colonel, GSC

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MEMORANDUM FOR: THE DI. TOR

Recommend signature.

[redacted]

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WALTER REID WOLF
Deputy Director
(Administration)

Noted by DCI
20 May 52 - DR

19 May 52
(DATE)

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