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23 April 1975

## MEMORANDUM FOR THE RECORD

SUBJECT: DCI and Commission Staff

1. Deposition interviews with the Director continued on 22 April for about two hours. Staff members present were: Gray, Weidner, Cargill and Hardy.
2. The DCI was asked for his views on the nature and adequacy of external oversight: Congressional, PFIAB, NSCIC. The Director reflected his favoring of a joint Congressional Committee, an enhanced PFIAB (to audit and render an annual statement), and the difficulties in expecting much from NSCIC. Its make-up is similar to other high-level committees that meet reasonably frequently and provide guidance, advice and criticism for the Director and the community.
3. The Director was asked if he considered the IC Staff to be effective. He was strongly affirmative in response.
4. He was asked how he felt about possible establishment of some type of "40 Committee" to oversee domestic intelligence activities. The Director said it was a brand new idea to him and might be okay, but he declined to speak to how FBI might view it.
5. Mr. Colby was asked about the roles of the DCI and DDCI. Need they be insiders, outsiders, military, etc. ?
6. He was asked about the role of the DDCI. The Director was strongly supportive of the present incumbent.
7. The Director was asked if the DCI and Director, CIA should be separate entities. The Director described this as an old question and indicated that the one divorced from an Agency would eventually lose bureaucratic clout and hence relatively powerless.

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8. He was asked about the Executive Director and Management Committee. The Director questioned the value of an Executive Director. His powers are uncertain and he, as Director, wants no intervening authority between him and his directorate deputies. The Management Committee is a device to knock down walls between components and to generate Agency-wide consideration of issues with the bark off and with the Director not in attendance. (Attendance inhibits discussion.)

9. He was asked to comment on the IG function and its history. The Director said he had not found the organizational reviews particularly useful. He noted the IG has been fully occupied with investigation-related activities for the past two years. In due course, he intends that it get back into reviewing and auditing activities, particularly of the very sensitive, possibly questionable type. In answer to a question, he thought it wrong for a procedure by which IG reports would be sent to an outside authority in addition to the Director. This, he thought, could lead to temptation to cook the books or avoid subjects of controversy.

10. He was asked about MBO and he described it as a simple management process to assess performance in meeting objectives and comparison of programs. It replaces the old system of reviewing projects one at a time.

11. He was asked about the chain of command. He responded by saying he favored delegating authorities to operators and reviewing the results periodically. The chain of command here, he said, is his best safeguard against unsavory surprises.

12. The Director, in response to questions, described the role of the General Counsel's office.

13. He was asked if he didn't feel that public assurance would ensue if the gross intelligence budget figure were released annually. He said it would be okay the first year but each ensuing year's release would reveal trends and would lead to clamour to release the details.

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14. The Director was asked if it were really necessary to have a statutory reference to protecting intelligence sources and methods since the murkiness of this had led to the uncertain rationales Agency components have used for some of their activities. The Director said he thought there was a need for improved law in this area and he described the nature of our recommendations.

15. He was asked if there should not be set regulations and "procedures" governing Agency activities "against Americans." The Director referred to his 1973 and 1974 directives and to the "conditioning" the Agency has undergone in the past year or two. He said it is probably necessary now to translate some of the directives into standing regulations.



E. H. Knoche



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