Case Number: 2006-1066-F

FOIA MARKER

This is not a textual record. This is used as an administrative marker by the Clinton Presidential Library Staff.

Folder Title: FBI Files Matter - Correspondence				
Staff Office-Individual: Counsel's Office-Nemetz, Miriam				
Original OA/ID Number: CF 446				
Row: 20	Section: 2	Shelf: 9	Position: 2	Stack: V

Withdrawal/Redaction Sheet
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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. resume	Photocopy. Personally Identifiable Information. (1 page)	00/00/1993	b(7)(C), b(6)

COLLECTION:
Clinton Presidential Records
Counsel Office
Miriam Nemetz
OA/Box Number: CF 446

FOLDER TITLE:
FBI Files Matter - Correspondence

2006-1066-F
vz3557

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.
PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).
RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

b(1) National security classified information [(b)(1) of the FOIA]
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Congress of the United States

House of Representatives

COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT
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MAJORITY—(202) 225–5074
MINORITY—(202) 225–5051

August 30, 1996

The Honorable Jodie Torkelson
Director Of Administration and
Assistant to the President
The White House
Washington, DC 20500

Dear Ms. Torkelson:

Under authority granted through House Rules X and XI, the Civil Service Subcommittee of the House Committee on Government Reform and Oversight has jurisdiction over all policies and practices affecting federal employees. The Subcommittee has initiated oversight of policies governing the suitability, security, and public trust determinations related to persons holding positions within the Executive Branch, including the Executive Office of the President.

Please provide the Civil Service Subcommittee with copies of all executive orders, official directives, and policy statements establishing standards for employment related to drug use. This includes any standards for evaluating background investigations that reveal a history of previous drug use, any conditions limiting employment as a result of findings of previous drug use disclosed during a background investigation, and any standards for testing applicants for positions in the Executive Branch who are granted positions in the federal service after previous drug use is established.

Please specify any changes in these policies adopted after January 20, 1993, and provide copies of previous policy documents to enable comparison of the changes in policies.

Please describe the pre-employment screening standards and tests used to evaluate applicants for positions in the Executive Office of the President. Please describe any differences between policies and standards used for Executive Office of the President employees and those that apply to other federal employees.

Please provide the Subcommittee information about the number of applicants for positions within the Executive Office of the President who reported previous experience with illegal narcotics in providing information related to their background investigations.

Please provide the Subcommittee the number of applicants for positions with the Executive Office of the President who failed pre-employment screening tests for illegal drugs since January 20, 1993.

Please provide the number of employees who were hired within the Executive Office of the President after disclosing previous use of illegal drugs. For each of those employees, please indicate: the position to which the applicant was appointed, the duties and responsibilities of the position (including all issue areas within the responsibilities), the length of the initial appointment, and any subsequent changes of position(s) within the federal government.

Please provide the Subcommittee the following information for any employees who are (or who have been) subject to periodic random drug testing as a condition of continued employment with the Executive Office of the President. For each individual please indicate the extent of previous drug use, the drugs used, the most recent drug use reported prior to employment in the Executive Office of the President, and any conditions (for example, participation in an employee assistance program) that might be required for continued employment with the Executive Office of the President.

Please describe the conditions and procedures used for special drug testing for Executive Office of the President employees. This response should include the frequency, extent of advance notice provided to affected employees, description of any opportunities for re-tests provided to employees, or any other conditions that might describe the testing.

Please provide this information no later than Friday, September 6, 1996. Your response should be directed to the Civil Service Subcommittee's office in Room B371C, Rayburn House Office Building. If you have any questions about this request, please contact Edward J. Lynch, senior research director, at (202) 225-6427.

Sincerely,

John L. Mica
Chairman
Civil Service Subcommittee

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COMMITTEE ON WAYS AND MEANS

U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515–6348

July 2, 1996

John M. Quinn, Esquire
Counsel to the President
The White House
Washington, D.C. 20500

Dear Mr. Quinn:

Congressional hearings concerning the improper disclosure to the White House of over 700 Federal Bureau of Investigation (FBI) files on former White House employees and other individuals raise numerous questions on how the White House treats tax return information which it acquires in the course of background checks on individuals. The purpose of this letter is to gather information on what types of tax return information are sought by the White House and whether the White House follows appropriate safeguards with respect to such information.

Since the Committee on Ways and Means has jurisdiction over the revenue laws, it has a responsibility to exercise Congressional oversight in order to assure that the Internal Revenue Code is being properly observed. Accordingly, the Committee on Ways and Means is reviewing first, how the White House treats tax information which it acquires on individuals in the course of background checks; second, how the White House acted with respect to tax information related to the individuals whose 700+ FBI files were improperly requested by the White House; and third, the White House handling of tax information related to the seven persons in the White House Travel Office who were terminated on or about May 19, 1993.

By way of background, section 6103(b) of the Internal Revenue Code defines the "tax return information" of an individual which is protected as confidential. It is a very expansive definition. The privacy protections in section 6103 were enacted in 1976 as a response to the Watergate scandal, part of which involved attempts to misuse the Internal Revenue Service (IRS). If files containing tax return information are not handled in accordance with procedures designed to safeguard taxpayer privacy, then an unlawful disclosure of tax return information may occur. A violation of the section 6103 privacy protections may be punishable as a felony under section 7213 of the Internal Revenue Code, (IRC).

First, I ask that you help me understand how the White House treats tax return information by answering the following questions:

1. On what categories of individuals does the White House seek tax return information? For example, does it seek it on all White House employees, on all persons in the "E Pass" system, on all persons with a temporary pass, on all prospective appointees to positions in the executive or judicial branches? Does the White House seek the same type of tax return information with respect to each individual or does it vary depending on the category in which the person falls?

2. Was tax return information sought on the holdover employees in the White House who were retained by the Clinton Administration after President Clinton took office in January 1993? Did these holdover persons sign waivers for their tax return information? When were these tax waivers distributed to the holdover employees? And when were they completed and returned to the Counsel's Office? Please provide a true copy of each such signed waiver.

3. Has the current White House (or anyone acting on behalf of the transition) ever sought or received any tax return information on former employees of the White House, except for persons in the holdover category? If so, please provide a list of those persons.

4. Does the White House always obtain a waiver from the person about whom the White House is seeking tax return information? When is this waiver sought?

5. Please provide me with a copy of the tax waiver form (or forms) which the White House uses to obtain the person's consent. Has this waiver form been in use since January, 1993 or has it been modified since then?

6. Has the current White House ever exercised its authority under section 6103(g) of the IRC to request tax return information from the IRS about an individual without the person giving his or her prior consent? If yes, please elaborate.

7. How many reports has the White House filed with the Joint Committee on Taxation, pursuant to its obligation under IRC section 6103(g)(5) to report requests for tax return information to the Congress?

8. Has the White House ever obtained or been made aware of any tax return information on any current or former White House employees or pass holders, other than information received pursuant to a valid waiver or the exercise of its authority under IRC section 6103(g)?

9. Please provide to me a written copy of the White House policy and procedures for handling tax return information. Which White House employees are allowed to have access to tax return information? What is the "chain of custody" for tax return information within the possession of the White House? Please describe the locations where tax return information is received and stored at the White House.

Second, with respect to the 700+ persons whose FBI files were improperly requested by the White House, please answer the following questions:

10. When were those requests made of the FBI? That is, what was the month, day, and year of the requests?

11. When were these FBI files received by the White House from the FBI?

12. When were they returned to the FBI?

13. Did the White House (or anyone acting on behalf of the transition) request tax return information from the IRS with respect to any of these persons at any time after November 3, 1992?

14. Did any of these persons sign waivers, any time after November 3, 1992, requesting or allowing the IRS to send tax return information to the White House? If so, please provide a true copy of each such signed waiver.

15. Did the White House receive, from any source, tax return information on these persons at any time after November 3, 1992? If so, describe each instance.

Third, with respect to the seven persons who were discharged from the White House Travel Office on or about May 19, 1993 (i.e., Bradley L. Brasseux, Billy R. Dale, John P. Dreylinger, Ralph T. Maughan, John McSweeney, Robert S. Van Eimeren, and Gary D. Wright) please answer the following questions:

16. Did any of these persons sign a tax waiver anytime after November 3, 1992 relative to their continuing employment at the White House? When did these persons sign such a waiver, i.e., which month, day, and year? If so, provide a true copy of each such signed waiver.

17. Did the White House receive any tax information about these persons after November 3, 1992? If so, describe each instance.

18. Did the White House receive any tax information about these persons after their termination on or about May 19, 1993? If so, describe each instance.

19. What happened to the tax return information which the White House had in its possession on these individuals after their termination on or about May 19, 1993? Where was that tax information located and who had access to it? Where is that tax information currently located and who has access to it?

I believe your answers to my questions will help the Committee in its review of these issues. Thank you for your assistance. Please submit your response by Thursday, July 11, 1996 to Phillip D. Moseley, Chief of Staff, Committee on Ways and Means, 1102 Longworth House Office Building, Washington, D.C. 20515.

Sincerely,

Bill Archer
Chairman

cc: The Honorable Sam Gibbons

THE WHITE HOUSE

WASHINGTON

July 14, 1996

The Honorable Judd Gregg
Chairman, Subcommittee on Commerce,
State, Justice and Judiciary
Committee on Appropriations
U. S. Senate
Washington, D.C. 20510

Dear Chairman Gregg:

This letter responds to your letter to the President received at the White House on June 13, 1996.

Your letter inquires about the procedures and events surrounding FBI files that were mistakenly requested by the White House. The White House is cooperating fully with the investigation of the Office of the Independent Counsel into this matter. As a result, we are not in a position to answer many of your questions because we have been asked by the Independent Counsel to secure many of the relevant records. A number of your questions, however, are addressed in the FBI General Counsel's report of June 14, 1996. Please let me know if you would like us to provide you with a copy.

As you may know, at the end of every Administration, all files are removed from the White House for archiving with the outgoing President's official records. As a result, at the start of a new Administration, the Office of Personnel Security has no background information on any "holdover" employees. According to the FBI report and testimony elicited in congressional hearings, all new administrations, for many years, have gone through a process of recreating the FBI files for holdover employees. The longstanding practice for accomplishing this has been by requesting, on an unsigned form in the name of the current Counsel to the President, copies of previous FBI reports. Typically, these reports are summaries of prior investigations and not the raw data that is found in a complete FBI file.

After the discovery that the White House had mistakenly ordered copies of previous reports for many employees who were no longer at the White House, important changes were quickly made. These new procedures, which are as rigorous as they are unprecedented, include requirements that:

- control of the White House background investigation process be placed in the hands of a personnel specialist who is a career, non-political employee;

- current, express, written consent of an individual be obtained before the White House seeks his or her background investigation information from the FBI;

- the Counsel to the President or a specifically designated Counsel's Office attorney approve each White House request to the FBI for background information;

- the security or vetting officer who initiates the request certify that the request is made for official purposes only; and

- access to background investigation information is authorized only to those White House employees designated in writing by the Chief of Staff and the Counsel to the President.

Shortly after these new procedures were announced, the Chief of Staff also announced that Charles Easley, a career employee with a distinguished record in security clearances and the current Security Officer for the Executive Office of the President, would also take over the security functions for White House personnel. I am enclosing copies of the announcements of these changes.

Sincerely yours,

Jane C. Sherburne
Special Counsel to the President

Enclosures

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release June 14, 1996

STATEMENT BY JACK QUINN, COUNSEL TO THE PRESIDENT

We have today put in place a series of reforms governing the way in which the White House requests background information from the FBI.

These reforms include a provision requiring that a current consent form signed by the individual who is the subject of the background check be provided to the FBI before background information can be released to the White House. These reforms will impose rigorous procedures to protect both the privacy of individuals and the integrity of this process.

In arriving at these reforms, my office communicated our intentions to the FBI Counsel's Office to ensure that our efforts would work well with any changes being contemplated by the FBI. We have been told by the FBI that they believe our reforms, along with reforms they will be announcing today, will operate together effectively.

-30-30-30-

THE WHITE HOUSE

WASHINGTON

June 14, 1996

MEMORANDUM FOR LEON PANETTA
CHIEF OF STAFF

FROM: JACK QUINN
COUNSEL TO THE PRESIDENT

SUBJECT: WHITE HOUSE REQUESTS TO THE FBI

As you know, the White House has historically requested information from the FBI in order to evaluate the suitability of persons for Presidential appointments, nominations and recognition, employment at the White House, and access to the White House. In light of recent events, I have instituted the following rules and procedures to cover White House requests to the FBI for background investigation information, effective immediately:

1. White House requests to the FBI for background investigation information will be made only with the express written consent of the individual who is the subject of the investigation.

   - This rule applies to requests for any information beyond the type of computerized criminal history check required in the regular appointment clearance process at the White House complex.

   - The individual's consent must be current. Specifically, it must have been signed by the individual within thirty days of the White House request to the FBI.

   - The individual's express written consent must accompany the request made by the White House to the FBI for the information.

   - No information may be obtained without the individual's consent except in extraordinary circumstances set forth in a letter of justification to the General Counsel of the FBI signed by the Counsel to the President and concurred in by the Attorney General or the Deputy Attorney General.

2. Each request to the FBI must be approved and signed by the Counsel to the President or a specifically designated Counsel's Office attorney whose regular duties include the review of such information. Each request must also be signed by the security or vetting officer who initiates the request.

- Signing for or in the name of another is prohibited.
- The security or vetting officer who initiates the request must certify that the request is made for official purposes only.
- The Counsel to the President will provide to the FBI the names of no more than three Counsel's Office attorneys who, in addition to the Counsel, are authorized to approve White House requests to the FBI for background information. No other persons may approve such requests.

3. Each request must identify the reason why the information is being requested (e.g., Presidential nomination, White House staff security clearance).

4. Only those White House employees authorized in writing by the Chief of Staff and the Counsel to the President whose assigned duties require the review or processing of such information will have access to FBI background investigations.

* * *

We communicated these changes, in proposed form, to the relevant officials of the FBI in order to make sure that our procedural reforms will be workable when taken together with changes the FBI is considering. These reforms were acceptable to the FBI and, so, we are now moving forward with them. In addition, I am requesting that the FBI assist us as promptly as possible in a thorough review of the background investigation files that we currently have to make sure that all of the files that were requested mistakenly have been returned to the FBI.

Jack Quinn

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release June 19, 1996

STATEMENT BY CHIEF OF STAFF LEON E. PANETTA

Today the White House is restructuring its personnel security functions by incorporating them into the Security Office of the Executive Office of the President (EOP). This office, staffed entirely by career professionals, today carries out these functions for most of EOP, and does so efficiently and effectively. It is headed by Charles "Chuck" Easley, a long-time career professional.

It is clear that the procedures in place for some three decades, through seven Administrations, at both the White House and the Federal Bureau of Investigation, were not adequate.

This restructuring, recommended by the White House Counsel, when combined with the reforms already put in place by the White House Counsel and the Federal Bureau of Investigation, will ensure that these essential security procedures are carried out efficiently, by career professionals, in a manner that protects individual privacy.

-30-30-30-

THE WHITE HOUSE

WASHINGTON

June 18, 1996

MEMORANDUM FOR LEON PANETTA
CHIEF OF STAFF

FROM: JACK QUINN
COUNSEL TO THE PRESIDENT

SUBJECT: WHITE HOUSE OFFICE OF PERSONNEL SECURITY

At present, the White House Office of Personnel Security conducts personnel security operations for the White House Office, the Office of the Vice President, the Office of Policy Development, and the Executive Residence. The Executive Office of the President (EOP) Security Office conducts personnel security functions for all other EOP offices except for the National Security Council (NSC), which conducts its own personnel security review in coordination with the White House Office of Personnel Security. Specifically, the EOP Security Office, which is part of the Human Resources Management Division of the Office of Administration, currently provides personnel security services to the following EOP agencies: Council of Economic Advisers, Council on Environmental Quality, Office of Administration, Office of Management and Budget, Office of National Drug Control Policy, Office of Science and Technology Policy, and the United States Trade Representative.

As you know from my memorandum to you of June 14, 1996, I have instituted a number of reforms to govern the procedures for White House requests to the Federal Bureau of Investigation (FBI) for background investigation material. In addition to those reforms, I recommend that the administrative personnel security functions currently performed by both the White House Office of Personnel Security and the NSC be incorporated into the EOP Security Office. In effect, this would mean that the EOP Security Office would serve on behalf of the White House in performing these functions with regard to White House Office, the Office of the Vice President, the Office of Policy Development, the Executive Residence, and NSC personnel. I believe that the reforms I instituted last week -- such as requiring the current, signed consent of the individual about whom information is sought to accompany White House requests of the FBI -- will be implemented most effectively and efficiently by merging the several existing security operations into the administrative office that currently performs security functions for the EOP.

The EOP Security Office is currently supervised by Charles "Chuck" Easley, who is a career employee hired during the Reagan Administration and who has served for ten years as the EOP Security Officer. Mr. Easley retired from the U.S. Army after 20 years. He served for 12 years as a Counterintelligence Special Agent in the Army, and for eight of those years, he served as the Technical Security Advisor to the Security Officer of the Joint Chiefs of Staff. Mr. Easley, heads a career staff at the EOP Security Office, will continue to report to the Associate Director for Human Resources Management of the Office of Administration, a career personnel specialist, who, in turn, reports to the Director of the Office of Administration.

If you approve this recommendation, the EOP Security Office will conduct its work on White House personnel in accordance with the procedures established by the Counsel to the President. As always, suitability decisions will remain the responsibility of Counsel to the President. In addition, all background investigation material regarding White House personnel will remain under the control of the Counsel to the President and will be maintained separate and apart from EOP personnel security files.

Under the new procedures I established last week, requests to the FBI for background investigation information on White House personnel will require -- in addition to the current, signed consent of the individual -- the approval of the Counsel to the President or specifically designated attorneys in the Counsel's Office. Furthermore, under the proposed plan, access to FBI background investigations would be limited to those White House and EOP employees authorized in writing by the Chief of Staff and the Counsel to the President whose assigned duties require the review or processing of such information.

Jack Quinn

Withdrawal/Redaction Marker
Clinton Library

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Clinton Presidential Records
Counsel Office
Miriam Nemetz
OA/Box Number: CF 446

FOLDER TITLE:

FBI Files Matter - Correspondence

2006-1066-F
vz3557

RESTRICTION CODES

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Executive Office of the President Security Office
Organization Chart

Assistant to the President for Management and Administration

↓

Director, Office of Administration

↓

Associate Director, Human Resources Management Division, Office of Administration

↓

EOP Security Officer

↓

Security Specialists

EXECUTIVE OFFICE OF THE PRESIDENT CLEARANCE PROCESS

Hiring office notifies EOP Security Office of intention to hire employee

Consent form signed by employee and General Counsel (or designee) of hiring office

EOP Security Office forwards consent form to FBI to request initial name check

EOP Security Office conducts pre-employment security interview, reviews information received from FBI

EOP Security Office informs hiring office that individual has cleared pre-employment security screening

Clearance forms (SF-86, etc.) sent to individual, completed, and returned to EOP Security Office

EOP Security Office forwards consent form, clearance forms, and request for background investigation to FBI

FBI returns full-field background investigation to EOP Security Office (usually within 10-12 weeks)

EOP Security Office provides results of background investigation to General Counsel of hiring office for suitability determination

EOP Security Office forwards background investigation to Secret Service for access pass approval

Background investigation/name check is secured in locked files in alarmed EOP Security Office

THE WHITE HOUSE

WASHINGTON

July 14, 1996

BY TELECOPY

The Honorable Bill Archer
Chairman
Committee on Ways and Means
U. S. House of Representatives
Washington, D.C. 20515

Dear Chairman Archer

This letter responds in part to your letter of July 2, 1996 to Jack Quinn.

Your letter asks a number of both general and specific questions about the practice and procedures of the White House in gathering IRS information for individuals in the White House. Specifically, your letter inquires about the possibility that the White House requested tax information on those individuals whose FBI files were mistakenly requested. We are not aware of any effort to obtain improperly personal tax information from the IRS.

Moreover, although the White House receives certain tax information as part of the background investigation into new employees and employees undergoing a reinvestigation, the IRS will not provide such information unless it has a current tax check waiver, which is only valid for 60 days after it is signed by the employee. As you requested, a copy of the tax check waiver form is attached.

Since June 6, 1996, the White House has returned just over 400 FBI files to the FBI after determining they were mistakenly requested. As we no longer have these files, we are not in a position to answer many of your questions that require access to their contents. However, enclosed is a letter sent by Howard M. Shapiro, General Counsel to the FBI, to Senator Hatch which addresses many of your inquiries.

The White House is cooperating fully with the investigation of the Office of the Independent Counsel into the FBI files matter. The Independent Counsel has asked us to secure the relevant records and, as a result, they are not accessible to us for the purpose of responding to many of your questions.

To the extent that your questions concern current practices and procedures, we will provide you with more specific responses in the near future.

Sincerely yours,

Jane C. Sherburne
Special Counsel to the President

Enclosures
cc: Hon. Sam M. Gibbons

U.S. Department of Justice

Federal Bureau of Investigation

Office of the General Counsel

Washington, D.C. 20535

June 25, 1996

Honorable Orrin G. Hatch
Chairman
Committee on the Judiciary
United States Senate
Washington, D.C.

Dear Mr. Chairman:

I would like to thank you for asking me to testify before the Committee last week concerning my report on "The Dissemination of FBI File Information to the White House." This was important testimony for the FBI and I was pleased to have the opportunity to describe the reforms the FBI has made.

One issue that arose at the hearing was whether the FBI collects and disseminates "taxpayer" information obtained from the Internal Revenue Service (IRS) as part of the background investigation process. I want to assure you that, consistent with federal law, the FBI does not request, receive or disseminate such information. Further, based on review of the contents of the 406 folders returned to the FBI by the White House, no taxpayer information was disseminated by the FBI to the White House in response to the requests at issue. (The 407th folder remains in the possession of the Independent Counsel and was not reviewed.)

With the 1976 amendments to Title 26, U.S. Code, § 6103, which became effective January 1, 1977, tax returns and return information are afforded substantial privacy protections and are no longer subject to disclosure except in limited situations. I have been advised that since enactment of those amendments, the FBI does not request or receive any information from the IRS as part of the background investigation process. Prior to the amendments, the IRS would only advise if an individual's taxes were current or delinquent and, if delinquent, the years and dollars amount of any delinquencies. That information was included in the background summary reports prepared prior to 1977. I note that anything acquired lawfully prior to the 1976 amendments may still be disseminated in accordance with the previous statutory authority without violating the law. 26 C.F.R. § 301.6103(a)-1.

When the White House recently returned to the FBI the 406 folders containing the FBI background summaries, two of the folders did contain "Tax Check Reports" from the IRS. The documents in question are memoranda from the Director of the Office of Disclosure, IRS, to William H. Kennedy, III, Associate Counsel to the President. These documents were never part of the FBI files on these individuals, but were apparently added to the folders by White House staff after receipt from the IRS. Both reports are for years 1989-1991, show no failure to pay taxes by the individuals named in the reports, and indicate there were no criminal tax investigations or civil penalties for these years. Executed waiver forms from the individuals named are attached to each IRS report.

This information has not been further disseminated by the FBI. Further, I have ordered that all the copies be sealed and segregated from the file. I will discuss with the Independent Counsel how he wants these documents to be handled but, in any event, the FBI will make no use of them whatsoever.

Finally, among the material returned by the White House was a miscellaneous box of information. One folder in this box was identified as "IRS Returned March-April 1993." This folder contains five sheets of paper, each entitled "IRS Reports Returned." Each of these sheets of paper bears the names of numerous individuals and notations as to whether reports are complete or incomplete. It did not contain reports or any information provided by the IRS. Again, this material was not part of any file maintained by the FBI, but was among the papers surrendered to the FBI by the White House on June 6, 1996.

I hope the above information is helpful to you in your examination of this matter. Should you or your staff like a further briefing beyond what the FBI already provided, I would be happy to provide it.

Sincerely yours,

Howard M Shapiro

Howard M. Shapiro
General Counsel

TAX CHECK WAIVER

I am signing this waiver to permit the Internal Revenue Service to release information about me which would otherwise be confidential. This information will be used in connection with my appointment or employment by the United States Government. This waiver is made pursuant to #26 U.S.C. 6013(c).

I request that the Internal Revenue Service send the information to: President Clinton and the Office of the Counsel to the President, acting on behalf of the President.

The information I wish released is:

1. Have I failed to file any Federal income tax return which was required to be filed for any of the last three years?

If this waiver is received by the Internal Revenue Service before July 1, the "last three fiscal years" shall mean the latest three years for which information is available, since the return for the immediate last year may not yet have been processed.

2. Were any of these returns filed more than 45 days after the due date for filing (determined with regard to any extension of time for filing)?

3. Have I failed to pay any tax, penalty, or interest during the last three years within 45 days of the date on which the Internal Revenue Service gave notice of the amount due and demanded payments?

4. Has any penalty for negligence under section 6655(a) of the Internal Revenue Code been assessed against me this year or during the last three years?

5. Am I or have I ever been under investigation by the Internal Revenue Service for possible criminal offenses, and what were the results of such investigation(s)?

6. Has any civil penalty for fraud been assessed against me?

If the information which is to be released includes a "YES" answer to any of the above six questions, I authorize the Internal Revenue Service to release any information relative to that question.

THE WHITE HOUSE

WASHINGTON

To help the Internal Revenue Service find my tax records, I am voluntarily giving the following information:

MY NAME: ______________________ MY S.S.#: ______________

PHONE NUMBER(S), HOME: ____________ WORK: ____________

I. IF MARRIED AND FILED A JOINT RETURN:

HUSBAND/WIFE NAME: ______________________

HUSBAND/WIFE SS#: ______________________

II. CURRENT ADDRESS: ______________________

____

____

III. NAMES AND ADDRESSES SHOWN ON RETURNS FOR THE LAST THREE FISCAL YEARS (IF DIFFERENT FROM ABOVE).

YEAR NAME ADDRESSES

____

____

____

____

DATE: ______________________
(WAIVER INVALID UNLESS RECEIVED BY IRS WITHIN 60 DAYS OF THIS DATE)

____
(SIGNATURE OF TAXPAYER AUTHORIZING THE THE DISCLOSURE OF RETURN INFORMATION)

Before signing, please be sure that you have reviewed the terms of this agreement listed on the reverse side.

2408 Rayburn House Office Building
Washington, DC 20515–0529
(202) 225–3976

District Office:
8436 West 3d Street
Suite 600
Los Angeles, CA 90048–4183
(213) 651–1040

Committees
Commerce
Government Reform and Oversight

Philip M. Schiliro
Administrative Assistant

Congress of the United States
House of Representatives
Washington, DC 20515–0529

HENRY A. WAXMAN
29th District, California

June 27, 1996

Dear Colleague:

As you know, the House Government Reform and Oversight Committee held a 9 1/2 hour hearing yesterday on the White House Office of Personnel Security's collection of FBI files on previous employees of the White House as part of its Update Project.

Having had the opportunity to hear the testimony of witnesses who worked in the White House Office of Personnel Security, I wanted to share with you specific information that is relevant in our review of the Administration's actions in this matter.

As you know, the Update Project consisted of the Clinton Administration's reconstruction of the security files of "holdover" employees, detailees, agency representatives, and others who had access to the White House complex. This project was necessary because every departing Administration takes all of its security files on the thousands of people with access to the White House complex and turns them over to the National Archives with Presidential Papers. In addition to recreating these files, the White House Office of Personnel Security had to determine which holdovers were due for their required five-year FBI background reinvestigation.

Lisa Wetzl, a witness at yesterday's hearing, had been employed by the White House Office of Personnel Security and personally worked on the Update Project. Ms. Wetzl's testimony was largely overlooked by the press, but it will be especially helpful to Members who are seeking the truth about the office's inappropriate request of some FBI files.

Ms. Wetzl has been accused of no wrongdoing, and no questions have been raised about her character and integrity. Her testimony was competent, credible, unequivocal, and under oath. She is no longer employed at the White House and has no logical reason to perjure herself. Indeed, it makes no sense to me that Chairman Clinger, after receiving her deposition, did not ask her to testify and initially refused a request by the Minority that she be allowed to do so.

Ms. Wetzl was employed in the Office of Personnel Security from August 1993 until September 1995. This is significant because she is the <u>only</u> person who worked on the Update Project whose employment coincided with the other individuals who worked on this project: Nancy Gemmell and Anthony Marceca.

Nancy Gemmell was the only career employee from the previous Administration who stayed on in the Office of Personnel Security with the change in Administrations. She guided Ms. Wetzl and Mr. Marceca on office procedures and began the work on the Update Project for the Clinton Administration prior to her retirement in August 1993. She had worked in the Office of Personnel Security since 1981. When she decided to retire, the Clinton Administration asked her to stay on until August 1993.

Anthony Marceca, an investigator with top security clearance for the United States Army Criminal Investigative Division, was detailed to the White House from August 1993 - February 1994. He arrived at about the time Ms. Gemmell retired and was the next person to work on the Update Project. According to Ms. Wetzel, Mr. Marceca was detailed primarily to work on the paperwork for FBI full field background investigations of new employees. She said that he began to work on the Update Project "at some point after he started."

Ms. Wetzl was responsible for completing the Update Project that Ms. Gemmell and Mr. Marceca had begun. She testified that since the Update Project had not been a priority in the office, she did not begin her work on it until the late fall of 1994, six months after Mr. Marceca returned to his job at the Army Criminal Investigative Division.

Ms. Wetzl is also the one who made the discovery that the Secret Service lists Ms. Gemmell and Mr. Marceca relied upon were out of date.

One of the two issues at the core of this investigation is the accuracy of the list of names of holdovers the Secret Service maintained and provided to the Office of Personnel Security.

In her sworn testimony yesterday, Ms. Wetzl stated that she knew Mr. Marceca was using a Secret Service list for the Update Project because of the "distinctive green and white computer paper" that contained the list of names he worked from.

She testified that Ms. Gemmell had also used a Secret Service list and that she had left it in the office vault when she retired. Ms. Wetzl said she knew "immediately" when she reviewed Ms. Gemmell's Secret Service list that it was out of date because it was "extremely long, and appeared to contain hundreds of names from past administrations."

Ms. Wetzl also cleared up the confusion many of us have had about the Secret Service lists: why did it seem that people were using different lists and how could the Secret Service list of names be inaccurate when the Secret Service claims that they are regularly updated?

In her opening statement, Ms. Wetzl testified: "The list I used was provided to us by the Secret Service on a monthly basis, but we could ask for updated copies more frequently... It was well known around our office that the Secret Service lists included names of people who no longer had active passes... On many occasions, I would inform the women who worked in the Secret Service office who had provided us with the lists that their lists contained names that should no longer be there, or that persons were listed as working in the wrong office."

Ms. Wetzl also stated that she took it upon herself to contact supervisors of White House offices to request an accurate list of holdover employees because she could not rely on the accuracy of the Secret Service's list. On "many occasions" she notified the Secret Service with corrections. In fact, she testified that copies of memos she sent to the Secret Service notifying its staff of mistakes in the list are still at the White House Office of Personnel Security. These documents are under seal by order of Independent Counsel Kenneth Starr. It is my hope they will be released in the very near future.

The second issue at the core of this investigation is whether there was any intent to misuse FBI files for political purposes.

Ms. Wetzl also testified under oath that during her entire term in the Office of Personnel Security, she knew of <u>no</u> effort to use the FBI files as part of a smear campaign or to create an enemies list, and that no one ever asked or directed her to assemble information or to use any confidential information for any reason, political or otherwise.

Moreover, Ms. Wetzl told the Committee that to her knowledge no one in the office requested FBI files in the six months between Mr. Marceca's departure and the date she began to work on the project. Finally, she testified that a log system was in place for any removal of files from the office to the White House Counsel's office.

There will undoubtedly be additional questions that need to be answered in this matter. But if Ms. Wetzl's testimony is accurate, and there is no evidence that suggests otherwise, then it is clear that the Update Project was handled ineptly. What the sworn testimony also makes clear, however, is that the project was not motivated by political reasons, that the information in the FBI files was not used in any political way, and that access to the files was more limited than has been publicly suggested. In short, Ms. Wetzl's sworn testimony reveals that the office's employees made very serious mistakes, but no testimony in yesterday's hearing indicated that the staff was involved in intentionally unethical or illegal activity.

I hope this information is helpful to you as you continue to follow the developments of this important issue. Please contact Pat Delgado of my staff if you would like to have a copy of Ms. Wetzl's statement or if you need any additional information.

Sincerely,

HENRY A. WAXMAN
Member of Congress

DAN BURTON
6TH DISTRICT, INDIANA

COMMITTEES:
INTERNATIONAL RELATIONS
SUBCOMMITTEE:
WESTERN HEMISPHERE
CHAIRMAN

GOVERNMENT REFORM AND OVERSIGHT
SUBCOMMITTEE
CIVIL SERVICE

Congress of the United States
House of Representatives
Washington, DC 20515-1406

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TELEPHONE: (317) 848-0201
TOLL-FREE: (800) 382-6020

435 EAST MAIN STREET
SUITE J-3
GREENWOOD, IN 46142
TELEPHONE: (317) 882-3640
TOLL-FREE: (800) 678-3642

'96 JUN 25 P4: 49

June 21, 1996

Counsel

To Jane for reply

The Honorable William J. Clinton
President of the United States
The White House
1600 Pennsylvania Avenue N.W.
Washington, D.C. 20500

Dear Mr. President:

As a result of the recent revelations concerning the White House's acquisition of former employees' FBI files, Congress and the American public need to know if the White House also requested the IRS or any other agency to provide information from these individuals' tax records. Toward this end, I request your responses to the following specific questions.

Did the White House request information from the IRS on Mr. Billy Dale or any of the other former White House Travel Office employees, or on any other White House employees who served in previous administrations? Did the White House obtain personal tax information on Mr. Dale or on anyone else from any source, including the IRS, the FBI, or another agency?

Did the IRS or any other agency disclose any tax information subject to the Privacy Act to the White House, in response to a White House request or otherwise? If so, under what authority was the information provided, and who on the White House staff made this request? Please provide a list of all people, if any, whose personal tax records were provided to the White House from any source.

It is my understanding that other Federal agencies are, by law, expressly forbidden access to individual tax records without the written consent of the taxpayer, with an exception for criminal investigations by the Justice Department. Please advise if the White House is also exempt from this law.

As you know, the Government Reform and Oversight Committee is currently holding hearings on this issue, and I would request an immediate reply with answers to the above questions.

Sincerely,

Dan Burton

Dan Burton
Member of Congress

DB:jts

THE WHITE HOUSE

WASHINGTON

June 26, 1996

BY TELECOPY

Hon. Christopher S. Bond
293 Russell Senate Office Bldg.
United States Senate
Washington, D.C. 20510

Hon. Charles E. Grassley
135 Hart Senate Office Bldg.
United States Senate
Washington, D.C. 20510

Hon. Richard C. Shelby
110 Hart Senate Office Bldg.
United States Senate
Washington, D.C. 20510

Gentlemen:

This responds to your letter of June 25, 1996 to Jack Quinn.

We obtained a copy of the computer printout page described in your letter from counsel to Mr. Craig Livingstone. We understand that the original computer printout is located in the Office of Personnel Security. At the request of the Independent Counsel, the Office of Personnel Security has been secured. When this material becomes available to us we would be happy to provide it to you.

Sincerely yours,

Jane Sherburne

Jane C. Sherburne
Special Counsel to the President

cc: Senator Joseph R. Biden, Jr.

THE WHITE HOUSE

WASHINGTON

June 26, 1996

BY TELECOPY

Hon. Christopher S. Bond
293 Russell Senate Office Bldg.
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Washington, D.C. 20510

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Gentlemen:

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Sincerely yours,

Jane C. Sherburne
Special Counsel to the President

cc: Senator Joseph R. Biden, Jr.

United States Senate

WASHINGTON, DC 20510

June 25, 1996

Jack Quinn
Counsel to the President
The White House
Washington, D.C.

Dear Mr. Quinn:

A photocopy of a computer printout resembling a page from the WAVES (Workers and Visitors Entry System) database maintained by the Secret Service has come into the possession of several members of the Senate. The printout is dated February 16, 1994 and is comprised of a list of names, beginning with the name Suzanne Bachtel. The list contains names of several employees of the Reagan and Bush administrations, indicating them as active White House pass holders in February, 1994.

Various press reports, including recent accounts in the New York Times, have indicated that the photocopy of this computer printout was circulated by sources trying to support the White House version of events surrounding the acquisition of FBI background files of several hundred former employees of the Reagan and Bush administrations. As you know, many of these individuals no longer held White House passes at the time their background information was requested from the FBI.

In our effort to determine how these files came to be requested from the FBI, we believe it would be very helpful to review the original computer printout from which this photocopy was made. If this computer printout is in the possession of staff members of the White House Counsel's Office or any other employee of the Clinton administration, we would appreciate the opportunity to review the original document. Should this document not be in the possession of any member of the Clinton Administration, we would appreciate any information that you can acquire that may assist us in determining who currently is in possession of the original computer printout.

Finally, we would appreciate learning any information that you, Mr. Fabiani, or any member of your staff may have regarding the creation of this document. We also wish to learn how a document resembling that which is normally produced by the Secret Service for White House use was attained by members of the media; any information that you, Mr. Fabiani, or any member of your staff may have regarding the distribution of this document would be very helpful in making this determination.

As we are sure you are anxious to get to the bottom of this situation, we too are eager to learn the answers to the many questions that have unfolded over the past two weeks. We would appreciate your cooperation and your immediate consideration. It is our firm belief that this information will assist us in resolving this issue.

Sincerely,

Kit Bond | Chuck Grassley | Richard Shelby
Christopher S. Bond | Charles E. Grassley | Richard C. Shelby

THE WHITE HOUSE

WASHINGTON

June 29, 1996

BY TELECOPY

Emily Hewitt, General Counsel
General Services Administration
18th and F Streets N.W.
Washington, D.C. 20405

Dear Emily:

This letter is to confirm my oral request to you on June 26, 1996 that you undertake to determine which, if any, individuals on a list of 216 names have been GSA employees (or contractors) and, if so, whether the assignment of each on the date entered next to their name required access to the White House compound.

The list, which I telecopied to you, was attached to a June 25, 1996 letter from FBI General Counsel Howard Shapiro to Deputy Independent Counsel John Bates explaining that the White House made requests to the FBI for previous background reports related to these individuals. As I indicated (and as the attached letter from Mr. Bates confirms), we have been asked by the Independent Counsel to determine whether these requests were legitimate. In order to make such a determination, we need to know whether the assignment of each of these individuals required access to the White House compound at the time the White House requested background reports.

I informed the Independent Counsel that we believe most, if not all, of the 216 names are or were GSA employees and that we had requested the assistance of GSA in making the requested determination. In response to your request, we are working with the Independent Counsel to find an appropriate and efficient way to obtain the social security numbers of those listed.

Thank you for you assistance in this matter.

Sincerely yours,

Jane C. Sherburne
Special Counsel to the President

Enclosure

Office of the Independent Counsel

1001 Pennsylvania Avenue. N.W.
Suite 490-North
Washington, D.C. 20004
(202) 514-8688
Fax (202) 514-8802

June 26, 1996

Jane C. Sherburne
Special Counsel to the President
The White House
Washington, DC 20500

Dear Ms. Sherburne:

Yesterday we received a letter from Howard M. Shapiro, General Counsel of the Federal Bureau of Investigation, which described "another alphabetical series of reports from the White House to the FBI for previous background reports." Mr. Shapiro explained that the series is dated between October 29 and November 26, 1993, and that it includes 216 requests. He enclosed a listing of names that the FBI identified as being part of the series of requests.

Mr. Shapiro's letter explained that "there is no way to determine from FBI records whether the White House had a legitimate need for these reports at the time these requests were made." We request that you provide, as soon as possible, your assessment as to whether the White House did have a legitimate need for the reports cited by Mr. Shapiro yesterday, and the reasoning for your conclusion.

Thank you for your cooperation.

Sincerely,

John D. Bates
Deputy Independent Counsel

THE WHITE HOUSE

WASHINGTON

July 9, 1996

BY TELECOPY

The Honorable Dan Burton
2411 Rayburn House Office Building
U. S. House of Representatives
Washington, D.C. 20515

Dear Representative Burton:

This letter responds to your letter to the President received at the White House on June 25, 1996.

Your letter inquires as to whether IRS information was sought for certain former White House employees whose FBI files were mistakenly requested. We are not aware of any effort to obtain improperly personal tax information from the IRS. Moreover, although the White House receives certain tax information as part of the background investigation into new employees and employees undergoing a reinvestigation, the IRS will not provide such information unless it has a current tax check waiver, which is only valid for 60 days after it is signed by the employee. A copy of the tax check waiver form is attached for your information.

The White House is cooperating fully with the investigation of the Office of the Independent Counsel into the FBI files matter. As a result, we are not in a position to answer many of your questions because relevant records are not accessible. However, enclosed is a letter sent by Howard M. Shapiro, General Counsel to the FBI, to Senator Hatch which addresses many of your inquiries.

Sincerely yours,

Jane C. Sherburne
Special Counsel to the President

Enclosures
cc: Hon. Cardiss Collins

LAW OFFICES
LIPSHUTZ, GREENBLATT & KING
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233 PEACHTREE STREET, N.E.
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ROBERT J. LIPSHUTZ
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RANDALL M. LIPSHUTZ
PAULA B. SMITH
TIMOTHY L.S. SITZ

OF COUNSEL
WILLIAM R. KING
TITO MAZZETTA

July 10, 1996

to Jane

Mr. Jack Quinn
Counsel to the President
The White House
Washington, D.C. 20500

Dear Jack,

I have obtained from the public records of The Jimmy Carter Library the enclosed documents relating to "The White House Security Office", all of which were prepared with the full cooperation of President Ford's White House Counsel, Mr. Phil Buchen, and the Deputy White House Counsel, Mr. Edward Schmults:

(1) Memorandum of Understanding between and among Attorney General Edward H. Levi and President-Elect Carter and the Chief of President Carter's Transition Staff, Jack Watson, dated November, 1976, relating to Federal Bureau of Investigation background investigations for the President-Elect.
(2) Five-page Memorandum entitled "The White House Security Office".
(3) In-depth report on the functions and organization of the White House Security Office, dated January 19, 1977, to which are attached numerous relevant forms.

In addition, I requested my former Associate Counsel, Patrick Apodaca, who continued to serve in this capacity under White House Counsel Lloyd Cutler until the end of the Carter Administration, to try to recall procedures relating to F.B.I. background investigation policies. Mr. Apodaca had immediate supervisory responsibility for the White House Security Office throughout the Administration of President Carter. His Memorandum to me dated June 21, 1996, also is enclosed.

Please let Mr. Apodaca or me know if we can be of any further assistance to you regarding the White House Security Office during the Administration of President Jimmy Carter.

Sincerely yours,

Bob Lipshutz

Robert J. Lipshutz

RJL:sbb
Enclosures

VIA FEDERAL EXPRESS

MEMORANDUM OF UNDERSTANDING

FEDERAL BUREAU OF INVESTIGATION BACKGROUND INVESTIGATIONS FOR THE PRESIDENT-ELECT OF THE UNITED STATES OF AMERICA

The Federal Bureau of Investigation (FBI) will conduct file reviews or background investigations (hereinafter both referred to as investigations) at the request of the President-elect or his designated representative of applicants, employees or any persons engaged by contract or otherwise to perform services for the President-elect. These investigations shall only be conducted pursuant to the agreement between the Attorney General and the President-elect to ascertain facts and information relevant to the applicant's or the employee's suitability for employment and/or trustworthiness for clearance for access to information classified under the provisions of Executive Order 11652 and where necessary for clearance for access to compartmented information in accordance with the standards set forth in Director of Central Intelligence Directive 1/14.

Requests for investigations by the FBI shall be made in writing from the President-elect or his designated representative to the Director of the FBI enclosing a completed Standard Form 86 (Security Investigation Data for Sensitive Position) which provides the necessary background data and a set of the individual's fingerprints for a check of FBI Identification Records. To enable the FBI to comply with Section (e) (3) of the Federal Privacy Act of 1974 and in keeping with the spirit of this Act, the request shall be accompanied by a statement signed by the subject of the investigation acknowledging that he or she has consented to the investigation with the knowledge that facts or information gathered shall be retained consistent with the FBI Records Retention Plan.

The President-elect or his designated representative is to secure a written consent from the person under investigation authorizing the FBI to conduct a file review and investigation; granting it access to educational, credit and employment background records; and permitting its dissemination of all information, whether newly developed or already contained in existing files, to the President-elect or his designated representative, and to appropriate Federal agencies where necessary to obtain clearance to classified information. If a person furnishes medical information bearing on suitability or trustworthiness, the President-elect or his designated representative will secure a signed medical release from the person under investigation and furnish such release at the time the investigation is requested. If medical information bearing on the suitability or trustworthiness of the applicant is developed through investigation, the FBI will advise the President-elect or his designated representative. President-elect or his designated representative will advise

JIMMY CARTER LIBRARY COPY

whether further investigation is desired and will either furnish to the FBI a release to review necessary medical records and interview the physician or advise if it desires the FBI to contact the persons under investigation for the appropriate medical releases.

Subject to the Federal Privacy Act of 1974, persons interviewed during these investigations may be assured that to the extent permitted by law information identifying such persons will be kept confidential.

The FBI will furnish summary memoranda and supporting materials containing the results of its investigation to the President-elect or his designated representative and retain a record of the person to whom such information is furnished. The President-elect or his designated representative will insure that access to these summary memoranda and supporting materials is restricted to persons directly involved in making a determination as to the person's suitability for employment by the President-elect and/or trustworthiness for access to classified information. The President-elect or his designated representative shall maintain records of the identities of persons receiving access to the aforementioned materials and such records shall be furnished to the FBI upon request. No person having access to the aforementioned materials will reproduce or disseminate such materials.

The President-elect or his designated representative will insure that summary memoranda and supporting materials and any copies received will be retained until January 20, 1977, at which time they will become part of the Presidential papers. The summary memoranda and supporting materials and any copies received shall be returned to the FBI when a decision is made not to employ an individual or whenever the individual terminates employment or when required by law or presidential directive or executive order or upon the termination of the President-elect's administration.

Under no circumstances should the President-elect or the designated representative allow the person who is the subject of an investigation direct access to the summary memorandum and supporting material. If necessary to discuss the contents of the summary memorandum and supporting material with the applicant or employee the President-elect or his designated representative will insure that the confidentiality of the sources contained therein is protected. Any request by the individual for access to the memorandum will be referred to the FBI for processing in accordance with the Privacy Act of 1974.

Information obtained during a background investigation will be retained at FBI Headquarters and FBI field offices in accordance with the FBI Records Retention Plan. Prior to January 20, 1977 no subsequent dissemination shall be made by the FBI of the results of the background investigation conducted for the President-elect without the express approval of the President-elect or his designated representative, except as expressly required by federal statute or as a part of an investigation of a violation of law.

The FBI will inform the President-elect or his designated representative of any adverse information developed during the FBI file review or during the background investigation. The FBI will also provide the President-elect or his designated representative with any adverse information and supporting materials which subsequently come to the attention of the FBI that question the suitability or trustworthiness of any employee or any person engaged by contract or otherwise to perform services for the President-elect. Information obtained during background investigations conducted pursuant to this agreement will not be disseminated outside the FBI except when necessary to fulfill obligations imposed by law, FBI regulation or presidential directive or executive order.

When a tentative decision is made to employ an individual who requires an appropriate clearance for access to classified information the President-elect or his designated representative shall confer with the Director of the FBI or his designated representative to ascertain the appropriate agency or department which is authorized to grant the necessary clearance to classified information and the President-elect or his designated representative shall furnish a copy of the aforementioned summary memoranda and supporting materials to the Director of Central Intelligence (DCI) or the appropriate agency or department granting clearance to classified information. The DCI or the appropriate agency or department involved will insure that the summary memoranda and supporting materials furnished to them pursuant to this agreement will be returned to the President-elect within ninety (90) days of its receipt.

No person employed by the President-elect shall be given access to any classified information or material until appropriate procedures for granting clearance for access to classified information have been established and clearance granted. The President-elect will provide the FBI and the DCI with a list of persons cleared for access to classified information and the President-elect will advise the FBI and DCI when an individual granted a clearance terminates employment with the President-elect.

EDWARD H. LEVI
Attorney General

dated: Nov 12, 1976

Jimmy Carter
JAMES E. CARTER
President-elect

dated: November 12, 1976

Jack Watson
JACK WATSON
Chief of President-elect's
Transition Staff

dated: November 10, 1976

THE WHITE HOUSE SECURITY OFFICE

The primary purpose of the Security Office is to protect the President from any possible embarrassment or harm.

Major Responsibilities:

1. **Passholders.** The White House Security Office initiates and evaluates investigative reports of all White House pass holders and a major portion of the EOB pass holders. These include employees of the following offices:

   White House
   CEA*
   CIEP
   Domestic Council
   GSA*
   Military Assistant***
   NSC**
   OMB*
   OTP
   PFIAB
   Presidential Papers
   Residence
   Vice President
   White House Communications Agency***
   White House Telegraph and Travel Service

   The Security Office authorizes all White House passes and most of the EOB passes issued by Secret Service. Permanent passes are requested only after security requirements have been fully satisfied. When a potential problem arises with an investigation, the matter is referred to Counsel for final disposition.

* White House passes only.
** NSC initiates investigation.
*** Military Assistant initiates.

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2. Presidential Appointees. The Security Office initiates and evaluates the appropriate security investigation on Presidential Appointees. Counsel's office is advised immediately upon satisfactory completion of the security requirements. If an investigation reveals a potential problem, Counsel is consulted for a final decision.

3. Social Events/Meetings. For such events in the Complex where a member of the First Family will be in attendance, FBI Name Checks are requested. Prior to an event, close liaison is maintained with the Social Office and/or office handling the event. When a potential problem is revealed in the FBI check, we are in constant contact with Secret Service. Counsel is consulted if the problem is a serious one. Following the event, each Name Check result is carded and filed in our master card index. Thus, duplication is avoided on future events. Additionally, files are coded after evaluation to denote possible derogatory information.

4. Background Investigation Updates. This project continues through the year on the following basis:

Personnel and other pass holders - every three years.

Presidential Appointees - every five years for those holding the same appointments for five or more years.

5. Reports - Weekly and Monthly. The various offices within the Complex provide us with a weekly list of their accessions and departures. We then prepare reports for the following offices:

Tour Office. Our weekly report of all departures assists Mr. Farrell in updating Parking Permits.

FBI. Our monthly report of departures from the Complex aids the Bureau in updating their White House list accordingly. On future investigative activity, the Bureau will then apprise us immediately of new information (e.g., arrest records) as it develops.

6. <u>Miscellaneous Investigative Activity</u>. The Security Office requests and evaluates full field investigations of the following employees:

- American Telephone & Telegraph
- C&P Telephone
- Government Services (GSI)
- Other (e.g., Alderson Reports)

- Other Government Agency (OGA) passholders whose requests are initiated and approved by the White House. On all additional requests for passes, the particular department or agency so requesting must provide a current full field investigation.

7. <u>Special Clearances</u>. This office handles requests for certain staff members and Presidential Appointees in close cooperation with NSC Security and subsequent contact with CIA.

8. <u>Liaison</u>. This office is the liaison with department and agency security offices on all security matters.

9. <u>Access List</u>. The Security Office handles requests for access on both temporary and permanent employees with an initial FBI Name Check. No one is placed on the access list without a clear Name Check.

FBI NAME CHECKS

1974	Sent	Oral	Total
August (8/9-8/31)	132	76	208
September	1,778	133	1,911
October	345	107	452
November	489	56	545
December	326	125	451
1975			
January	327	138	465
February	2,040	104	2,144
March	1,327	154	1,481
April	2,922	130	3,052
May	1,470	227	1,697
June	1,333	150	1,483
Totals	12,489	1,400	13,889

FULL FIELD INVESTIGATIONS

1974	Presidentials	Staff	NSC	State Dept.	Other	Total
August (8/9-8/31)	4	14	4	9	-	31
September	8	41	13	8	-	70
October	26	30	2	7	-	65
November	42	37	7	5	1	92
December	19	33	3	5	-	60
1975						
January	34	84	5	1	-	124
February	39	60	7	5	-	111
March	15	88	5	3	-	111
April	36	67	7	5	-	115
May	21	65	17	4	1	108
June	90	31	6	2	-	129
Totals	334	550	76	54	2	1,016

Note:

Since we have had no files prior to August 9, 1974, it has been necessary to re-evaluate all prior investigations as we receive copies from the FBI through new, updated or Name Check investigations.

New full field investigations may contain approximately six to ninety pages. If an investigation reveals no previous investigation and if there is no derogatory information developed in the current investigation, the report is short. However, if an individual has had previous investigations or one prior investigation contained derogatory information, the reports could be eighty or ninety pages long. Also, if an individual's previous investigation was not in summary form (e.g., Justice Dept. applicant type, Civil Service or Defense Investigative Service), it could be very lengthy.

Updated investigations are similar in that a large portion of individual investigations cover a period of years, and all previous reports are sent to us in the updating process.

Name Checks may be one page (individual not previously investigated) or perhaps fifty pages (government official). Thus, when a Name Check is requested for a government official not recorded in our index, all previous reports are sent to us for re-evaluation, carding and filing.

The White House Security Office is comprised of three personnel:

Staff Assistant for Security (evaluator)
Administrative Secretary
Security Assistant

WHITE HOUSE STUDY PROJECT

REPORT ON THE FUNCTIONS AND ORGANIZATION OF THE WHITE HOUSE SECURITY OFFICE

JANUARY 19, 1977

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THE WHITE HOUSE SECURITY OFFICE

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THE WHITE HOUSE SECURITY OFFICE

GENERAL

The primary purpose of The White House Security Office is to protect the President from any possible embarrassment or harm. The Security Office's primary responsibility is to initiate and evaluate the appropriate security investigation on White House passholders, Presidential Appointees, White House guests and visitors and certain other specified persons.

The Security Office staff presently consists of three full-time persons, a Staff Assistant for Security and two assistants. One of the lawyers in the Council's office has responsibility for the Security Office and handles all problems that arise.

The Security Office functions as a centralized point of contact in the White House for the FBI, Secret Service and Security Offices of other agencies and departments. This provides for an orderly and systematic procedure for security evaluation. White House staff should be discouraged from calling the FBI directly.

In the past the Security Office has averaged approximately 1,000 to 1,200 full field investigations a year and 12,000 to 15,000 name checks a year. Each new Administration must build develop its own security files.

New full field investigations may contain approximately six to ninety pages. If an investigation reveals no previous investigation and if there is no derogatory information developed in the current investigation, the report is short. However, if an individual has had previous investigations or one prior investigation contained derogatory information, the reports could be eighty or ninety pages long. Also, if an individual's previous investigation was not in summary form (e.g., Justice Dept. applicant type, Civil Service or Defense Investigative Service), it could be very lengthy.

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Name Checks may be one page (individual not previously investigated) or perhaps fifty pages (government official). Thus, when a Name Check is requested for a government official not recorded in our index, all previous reports are sent to us for re-evaluation, carding and filing.

The person in charge of the Security Office primary function is to review and evaluate every investigative report and Name Check received from the FBI. Any potential problems are noted and referred to Counsel for disposition.

The function of evaluating the investigative reports should be performed by one person to assure consistency of judgement. Jane Dannenhauer, the present Staff Assistant for Security, estimates that approximately 50% to 100% of her time, depending on the workload, is spent reviewing and evaluating investigating reports.

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THE WHITE HOUSE SECURITY OFFICE

MAJOR RESPONSIBILITIES

1. White House Passholders. The White House Security Office initiates and evaluates investigative reports of all White House passholders and a major portion of the EOB passholders. These include employees of the following offices:

White House

CEA*

CIEP

Domestic Council

GSA*

Military Assistant***

NSC**

OMB*

OTP

PFIAB

Presidential Papers

Residence

Vice President

White House Communications Agency***

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** NSC inivitates investigation.

*** Military Assistant initiates.

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3. Background Investigation Updates. This project continues through the year on the following basis:

   Personnel and other passholders - every three year.

   Presidential Appointees - every five years for those holding the same appointments for five or more years.

4. Miscellaneous Investigative Activity. The Security Office requests and evaluates full field investigations of the following employees:

   - American Telephone & Telegraph
   - C&P Telephone

- Government Services (GSI)
- Other (e.g., Alderson Reports)
- Other Government AGency (OGA)

  passholders whose requests are initiated and approved by the White House. On all additional requests for passes, the particular department or agency so requesting must provide a current full field investigation.

5. Special Clearances. This office handles requests for certain staff members and Presidential Appointees in close cooperation with NSC Security and subsequent contact with CIA.

6. Social Events/Meetings. For such events in the Complex where a member of the First Family will be attendance, FBI Name Checks are requested. Prior to an event, close liaison is maintained with the Social Office and/or office handling the event. When a potential problem is revealed in the FBI check, we are in constant contact with Secret Service. Counsel is consulted if the problem is a serious one. Following the event, each Name Check result is carded and filed in our master card index. Thus, duplication is avoided on future events. Additionally, files are coded after evaluation to denote possible derogatory information.

7. Liaison. This office is the liaison with department and agency security offices on all security matters.

8. Access List. The Security Office handles requests for access on both temporary and permanent employees with an initial FBI Name Check. No one is placed on the access list without a clear Name Check.

9. Reports - Weekly and Monthly. The various offices within the Complex provide us with a weekly list of their accessions and departures. We then prepare reports for the following offices:

Tour Office. Our weekly report of all departures assists Mr. Farrell in updating Parking Permits.

FBI. Our monthly report of departures from the Complex aids the Bureau in updating their White House list accordingly. On future investigative activity the Bureau will then apprise us immediately of new information (e.g., arrest records) as it develops.

THE WHITE HOUSE OFFICE

PROCEDURES

1. Name Checks. Name Checks are requested for all persons having temporary or permanent access to The White House complex or for persons attending social events or meetings in the complex. Procedures for obtaining Name Checks are as follows.

   1) The Security Office receives notification that a Name Check is desired on someone.

   2) A form letter (Exhibit I attached) to the FBI is initiated and prepared by the Security Office. The form contains the following information:

      a. Subjects name.

      b. Date of birth.

      c. Place of birth.

      d. Present address.

      e. Indication that Name Check is requested.

      f. Why Name Check request.

      g. Attachments, if any.

      h. Remarks, if any.

   3) When an answer is received from the FBI with approval authorized, a request for a temporary pass (30 to 90 days) is initiated and sent to the Secret Service. A copy of the request form is attached (Exhibit II) and contains the following information:

a. Name

b. Title and office

c. Immediate supervisor's title and name

d. Location (room no.)

e. Phone number

f. Indication as to type of security clearance

g. Type of pass requested

h. Indication of approval by Security Office

4) The Secret Service furnishes the pass.

5) The Security Office then makes up a Permanent card and sets up a permanent folder. The card contains the following information:

a) Name

b) Classification

c) Type of report together with dates

(1) Name Check

(2) Full field

d) Supplemental Reports

6) The cards are color coded as follows:

a. White House Employee - Orange

b. Special - Blue

c. Vice President's Office - Pink

d. Presidential Appointment - White

7) These card files save time in the future when checks would otherwise be necessary for the same people.

8) If the original pass time period expires, then the Security Office requests an extension of the original pass. This is done by a form letter to the U.S. Secret Service. A copy of this letter is attached as Exhibit III.

2. <u>Full Field Investigations</u>. Full field investigations are required for all White House passholders, Presidential Appointees and certain other special situations. Procedures for obtaining full field investigations are as follows.

   1) Name Checks are requested using the procedures outlined above and a temporary pass is issued.

   2) The Security Office initiates the security check by having the person sign, prepare and complete the following:

      a. Letter expressing consent for FBI to make investigation. A copy of this letter is attached (see Exhibit IV attached).

      b. Authority to release information to the FBI. A copy of this form is attached (see Exhibit V attached).

c. Form 86 - Security Investigative Data for Sensitive Position.

3) Upon receipt of the above from the individual, the letter expressing consent for investigation is filed in the permanent file folder. Authority to release information and Form 86 are transmitted to the FBI with a form letter (see Exhibit I attached) requesting a full field investigation.

4) Then, a Request for Investigative Report card is prepared and kept in an open file (card box). This file represents all field investigations in process. The investigations usually take about a month if there is no problem. When the report is received from the FBI, the card is pulled and put in the permanent file.

5) The Staff Assistant for Security then evaluates the report by reviewing it in its entirety and this person then indicates the action to be taken.

   a. If there is no problem, a permanent pass is requested (Exhibit II attached) from the U.S. Secret Service and the White House Personnel Office is notified. Notification is made by form letter prepared by the Security Office for Counsel's

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signature. A copy of this letter is attached (Exhibit VII).

3. Investigation Updates. Investigation Updates are performed using the same procedures as for Full Field Investigations as outlined above.

4. Special Clearances. Special clearances are performed using the same procedures as for Full Field Investigations as outlined above.

5. Maintenance of Security Files. The White House Security Office maintains physical control over all security files which are stored in a vault. No one has access to these files except the Counsel to the President's Office.

6. Liaison: The White House Security Office maintains liaison with the security offices of the other agencies. Most agencies call the White House to check on people. The White House Security Office will not release any information from its files except:

   1) The date of the Full Field investigation, if one was done.

   2) Whether the person has Top Secret clearance.

   If the other agency needs a copy of the report, they must send a letter requesting such information together with the reason for the request. The White House Security Office will then authorize the FBI to release the information. The above type liaison activity happens daily, sometimes one inquiry, sometimes ten inquiries per day.

7. Report Preparation. The White House Security Office acts as the focal point for summarizing accessions and departures from all the offices within the complex. These reports are prepared for the Tour Office and FBI from information provided by the various offices.

EXHIBIT I

MEMORANDUM

THE WHITE HOUSE
Washington

TO: ROBERT MOORE, FBI

FROM: JANE DANNENHAUER

SUBJECT: FBI INVESTIGATIONS

Subject's Name ____________________

Date of Birth ____________ Place of Birth ____________

Present Address: ____________________

We request: ________ Copy of Previous Report

________ Name Check

________ Full Field Investigation

________ ____________

The person named above is being considered for:

________ White House Staff Position

________ Presidential Appointment

________ ____________

Attachments:

________ SF 86 (in duplicate)

________ SF 87, Fingerprint Card

________ Biography

Remarks:

EXHIBIT II

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

TO: TECHNICAL SECURITY DIVISION
U. S. SECRET SERVICE

SUBJECT: Request for Pass

NAME: ____
(Last) (First) (Middle)

Title and Office ____

Immediate Supervisor's Title and Name ____

Location (room number) ____________________ (Phone) ____________________

Type of Security Clearances:

FBI (A) Completed ____

(B) Other ____

(C) Waived ____

Type of Pass requested (check one):

__________ Temporary Executive Offices (30) __________ (60) __________ (90) _____

__________ Permanent Executive Offices

__________ Temporary White House (30) __________ (60) __________ (90) _____

__________ Permanent White House

__________ ____________________

Approved by: ______________________________
Jane Dannenhauer
Staff Assistant-Security

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EXHIBIT III

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

TO: TECHNICAL SECURITY DIVISION
U.S. SECRET SERVICE

SUBJECT: Request for Extension of Pass

Previous Memo sent to you on ______________________

FOR ______________________

EXTEND ______________________ PASS FOR ______________________

REQUESTED BY ______________________

APPROVED BY ______________________
Jane Dannenhauer
Staff Assistant-Security

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EXHIBIT IV

THE WHITE HOUSE

WASHINGTON

This letter confirms in writing your express consent for the Federal Bureau of Investigation to make an investigation of your background as part of the consideration for your application for employment.

You should understand that such an investigation will include the collection and use of relevant information in the files of various Federal departments and agencies. In order to complete this investigation, it is necessary that you authorize the distribution to the FBI of such information by these departments and agencies.

If you consent to such an investigation, and to the disclosure of relevant information by other Federal departments and agencies to the FBI, please sign your name below and return this original letter to Jane Dannenhauer, Room 43, EOB (ext. 2345).

Thank you.

Sincerely,

Jane Dannenhauer
Staff Assistant, Security

Approved: ______________________________ ______________________________
(Signature) (Date)

EXHIBIT V

AUTHORITY TO RELEASE INFORMATION

TO WHOM IT MAY CONCERN:

I hereby authorize any Special Agent or other authorized representative of the Federal Bureau of Investigation bearing this release, or copy thereof, within one year of its date, to obtain any information in your files pertaining to my educational records including, but not limited to, academic, achievement, attendance, athletic, personal history, and disciplinary records. I hereby direct you to release such information upon request of the bearer. This release is executed with full knowledge and understanding that the information is for the official use of the Federal Bureau of Investigation. Consent is granted for the FBI to furnish such information, as is described above, to third parties in the course of fulfilling its official responsibilities. I hereby release you, as the custodian of such records, and any school, college, university, or other educational institution, including its officers, employees, or related personnel, both individually and collectively, from any and all liability for damages of whatever kind, which may at any time result to me, my heirs, family or associates because of compliance with this authorization and request to release information, or any attempt to comply with it. Should there be any question as to the validity of this release, you may contact me as indicated below.

Full Name: ______________________________
(Signature)

Full Name: ______________________________
(Type or Print Name)

Parent or Guardian:
(If required) ______________________________

Date: ______________________________

Current Address: ______________________________

Telephone Number: ______________________________

EXHIBIT VI

Budget Bureau No. 50-R208

Standard Form 86
August 1954
U.S. CIVIL SERVICE COMMISSION
(F.P.M. CHAPTER 736)
86-137

SECURITY INVESTIGATION DATA FOR SENSITIVE POSITION

CASE SERIAL NO. *(CSC use only)*

INSTRUCTIONS.—Prepare in triplicate, using a typewriter. Fill in all items. If the answer is "No" or "None," so state. If more space is needed for any item, continue under item 28.

1. FULL NAME (LAST NAME) (FIRST NAME) (MIDDLE NAME)

(Initials and abridgments of full name are not acceptable. If no middle name, show "(NMN)"; if initials only, show "(no given or middle name)")

OTHER NAMES USED. *(Maiden name, names by former marriages, former names changed legally or otherwise, aliases, nicknames, etc. Specify which, and show dates used.)*

2. DATE OF BIRTH

3. PLACE OF BIRTH

4. ☐ MALE ☐ FEMALE

5. HEIGHT | WEIGHT | COLOR EYES | COLOR HAIR

6. ☐ SINGLE
☐ MARRIED
☐ WIDOW(ER)
☐ DIVORCED

7. IF MARRIED, WIDOWED, OR DIVORCED, GIVE FULL NAME AND DATE AND PLACE OF BIRTH OF SPOUSE OR FORMER SPOUSE. INCLUDE WIFE'S MAIDEN NAME. GIVE DATE AND PLACE OF MARRIAGE OR DIVORCE. *(Give same information regarding all previous marriages and divorces.)*

8. DATES AND PLACES OF RESIDENCE. *(If actual places of residence differ from the mailing addresses, furnish and identify both. Begin with present and go back to January 1, 1937. Continue under item 28 on other side if necessary.)*

FROM	TO	NUMBER AND STREET	CITY	STATE

9. ☐ U.S. CITIZEN

☐ BY BIRTH ☐ NATURALIZED ALIEN REGISTRATION NO. DATE, PLACE, AND COURT

CERT. NO. PETITION NO.

☐ DERIVED-PARENTS CERT. NO(S).

☐ ALIEN — REGISTRATION NO. | NATIVE COUNTRY | DATE AND PORT OF ENTRY

10. EDUCATION. *(All schools above elementary.)*

NAME OF SCHOOL	ADDRESS	FROM *(Year)*	TO *(Year)*	DEGREES

11. THIS SPACE FOR FBI USE. *(See also item 29.)*

12. SOCIAL SECURITY NUMBER

13. MILITARY SERVICE *(Past or present)*

SERIAL NO. *(If none, give grade or rating at separation)*	BRANCH OF SERVICE *(Army, Navy, Air Force, etc.)*	FROM *(Yr.)*	TO *(Yr.)*

14. HAVE YOU EVER BEEN DISCHARGED FROM THE ARMED FORCES UNDER OTHER THAN HONORABLE CONDITIONS? ☐ YES ☐ NO.
(If answer is "Yes," give details in item 28.)

15. EMPLOYMENT. *(List ALL employment dates starting with your present employment. Give both month and year for all dates. Show ALL dates and addresses when unemployed. Give name under which employed if different from name now used.)*

FROM	TO	NAME OF EMPLOYER *(Firm or agency)* AND SUPERVISOR *(Full name, if known)*	ADDRESS *(Where employed)*	TYPE OF WORK	REASON FOR LEAVING

16. HAVE YOU EVER BEEN DISCHARGED (FIRED) FROM EMPLOYMENT FOR ANY REASON? ☐ YES ☐ NO.

17. HAVE YOU EVER RESIGNED (QUIT) AFTER BEING INFORMED THAT YOUR EMPLOYER INTENDED TO DISCHARGE (FIRE) YOU FOR ANY REASON? ☐ YES ☐ NO.
(If your answer to 15 or 17 above is "Yes" give details in item 23. Show the name and address of employer, approximate date, and reasons in each case. This information should agree with the statements made in item 15—EMPLOYMENT.)

18. HAVE YOU EVER BEEN ARRESTED, TAKEN INTO CUSTODY, HELD FOR INVESTIGATION OR QUESTIONING, OR CHARGED BY ANY LAW ENFORCEMENT AUTHORITY? *(You may omit: (1) Traffic violations for which you paid a fine of $30 or less; and (2) anything that happened before your 16th birthday. All other incidents must be included, even though they were dismissed or you merely forfeited collateral.)* ☐ YES ☐ NO.

IF YOUR ANSWER IS "YES," GIVE FULL DETAILS BELOW:

DATE	CHARGE	PLACE	LAW ENFORCEMENT AUTHORITY	ACTION TAKEN

U.S. GOVERNMENT PRINTING OFFICE 1968 O—299-784

Budget Approval No. 50-R208

19. HAVE YOU EVER HAD A NERVOUS BREAKDOWN OR HAVE YOU EVER HAD MEDICAL TREATMENT FOR A MENTAL CONDITION? ☐ YES ☐ NO.
(If your answer is "Yes," give details in item 28.)

20. FOREIGN COUNTRIES VISITED (SINCE 1930). *(Exclusive of military service.)*

COUNTRY	DATE LEFT U.S.A.	DATE RETURNED U.S.A.	PURPOSE

21. ARE YOU NOW, OR HAVE YOU EVER BEEN, A MEMBER OF THE COMMUNIST PARTY, U.S.A., OR ANY COMMUNIST OR FASCIST ORGANIZATION? ☐ YES ☐ NO.

22. ARE YOU NOW OR HAVE YOU EVER BEEN A MEMBER OF ANY FOREIGN OR DOMESTIC ORGANIZATION, ASSOCIATION, MOVEMENT, GROUP, OR COMBINATION OF PERSONS WHICH IS TOTALITARIAN, FASCIST, COMMUNIST, OR SUBVERSIVE, OR WHICH HAS ADOPTED, OR SHOWS, A POLICY OF ADVOCATING OR APPROVING THE COMMISSION OF ACTS OF FORCE OR VIOLENCE TO DENY OTHER PERSONS THEIR RIGHTS UNDER THE CONSTITUTION OF THE UNITED STATES, OR WHICH SEEKS TO ALTER THE FORM OF GOVERNMENT OF THE UNITED STATES BY UNCONSTITUTIONAL MEANS? ☐ YES ☐ NO.

23. IF YOUR ANSWER TO QUESTION 21 OR 22 ABOVE IS "YES," STATE THE NAMES OF ALL SUCH ORGANIZATIONS, ASSOCIATIONS, MOVEMENTS, GROUPS, OR COMBINATIONS OF PERSONS AND DATES OF MEMBERSHIP. IN ITEM 28 OR ON A SEPARATE SHEET TO BE ATTACHED TO AND MADE A PART OF THIS FORM, GIVE COMPLETE DETAILS OF YOUR ACTIVITIES THEREIN AND MAKE ANY EXPLANATION YOU DESIRE REGARDING YOUR MEMBERSHIP OR ACTIVITIES.

NAME IN FULL	ADDRESS	FROM	TO	OFFICE HELD

24. MEMBERSHIP IN OTHER ORGANIZATIONS. *(List all organizations in which you are now a member or have been a member, except those which show religious or political affiliations.)* *(If none, so state.)*

NAME IN FULL	ADDRESS	TYPE	FROM	TO	OFFICE HELD

25. RELATIVES. *(Parents, spouse, divorced spouse, children, brothers, and sisters, living or dead. Name of spouse should include maiden name and any other names by previous marriage. If person is dead, state "dead" after relationship and furnish information for other columns as of time of death.)*

RELATION	NAME IN FULL	YEAR OF BIRTH	ADDRESS	COUNTRY OF BIRTH	PRESENT CITIZENSHIP

26a. REFERENCES. (*Name three persons, not relatives or employers, who are aware of your qualifications and fitness.*)

NAME IN FULL	HOME ADDRESS	BUSINESS ADDRESS	YEARS KNOWN

26b. CLOSE PERSONAL ASSOCIATES. (*Name three persons, such as friends, schoolmates or colleagues, who know you well.*)

NAME IN FULL	HOME ADDRESS	BUSINESS ADDRESS	YEARS KNOWN

27. TO YOUR KNOWLEDGE, HAVE YOU EVER BEEN THE SUBJECT OF A FULL FIELD OR BACKGROUND PERSONAL INVESTIGATION BY ANY AGENCY OF THE FEDERAL GOVERNMENT? ☐ YES ☐ NO. (***If your answer is "Yes," show in item 28, (1) the name of the investigating agency (2) the approximate date of investigation, and (3) the level of security clearance granted, if known.***)

28. SPACE FOR CONTINUING ANSWERS TO OTHER QUESTIONS. (***Show item numbers to which answers apply. Attach a separate sheet if there is not enough space here.***)

29. REPORT OF INFORMATION DEVELOPED. (***This space reserved for FBI use.***) DATE:

Before signing this form check back over it to make sure you have answered all questions fully and correctly.

CERTIFICATION

I CERTIFY that the statements made by me on this form are true, complete, and correct to the best of my knowledge and belief, and are made in good faith.

False statement on this form is punishable by law.

(DATE) (SIGNATURE—*Sign original and first carbon copy*)

INFORMATION TO BE FURNISHED BY AGENCY

INSTRUCTIONS TO AGENCY: See Federal Personnel Manual Chapter 736 and FPM Supplement 296-31, Appendix A, for details on when this form is required and how it is used. If this is a request for investigation before appointment, insert "APPL" in the space for Date of Appointment and show information about the *proposed* appointment in the other spaces for appointment data. The *original* and the *first* carbon copy should be signed by the applicant or appointee. Submit the *original* and the *unsigned* carbon copy of the form, Standard Form 87 (Fingerprint Chart), and any investigative information about the person received on voucher forms or otherwise, to the United States Civil Service Commission, Bureau of Personnel Investigations, Washington, D.C., 20415. If this is a request for full field security investigation, submit these forms to the attention of the Division of Reimbursable Investigations; if this is a request for preappointment national agency checks, submit these forms to the attention of the Control Section.

RETAIN THE CARBON COPY OF STANDARD FORM 86 (SIGNED BY THE APPLICANT OR APPOINTEE) FOR YOUR FILES

DATE OF APPOINTMENT	TYPE OF APPOINTMENT ☐ EXCEPTED ☐ COMPETITIVE (*Include indefinite and temporary types of competitive appointments.*)	CIVIL SERVICE REGULATION NUMBER OR OTHER APPOINTMENT AUTHORITY	TITLE OF POSITION AND GRADE OR SALARY

DEPARTMENT OR AGENCY	DUTY STATION	SEND RESULTS OF PREAPPOINTMENT CHECK TO:

THIS IS A SENSITIVE POSITION

(SIGNATURE AND TITLE OF AUTHORIZED AGENCY OFFICIAL)

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EXHIBIT VII

THE WHITE HOUSE

WASHINGTON

Date: ______________

MEMORANDUM FOR: DOUG BENNETT

FROM: KEN LAZARUS

SUBJECT: ______________________________

____

This is to notify you that the Counsel's Office has taken the following action with respect to the above-named individual:

1) Statement of Employment and Financial Interests, approved ______________

2) Security Clearance, approved ______________

3) Special Clearances, approved ______________

4) National Security Clearances,
   approved ______________
   required and pending ______________
   not required at this time ______________

Comments:

cc: Jim Connor
Bob Linder

Facsimile Cover Sheet

KELEHER & McLEOD, P.A.
Mailing Address: P.O. Drawer AA
Albuquerque, New Mexico 87103

Date: 06/21/96
Client/Case No.: 00001-052

To: Robert J. Lipshutz Esq.
Company: Lipshutz, Frankel
Phone: 1-404-688-2300
Fax: 1-404-588-0648

From: Patrick V. Apodaca Esq.
Company: Keleher & McLeod, P.A.
Phone: 505-884-8282
Fax: 505-889-8579

Pages including this cover page: 6

Originals will follow by mail: Yes ______ No X

Comments: As you requested, attached is a briefing memo on my recollection of policies and practices relating to FBI background records. Please call when you have a chance.

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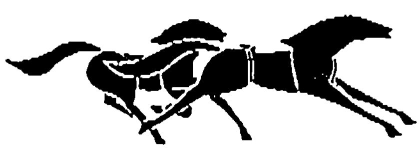

"*RUNNING HORSES*" Copyright, Artist: Gray Mercer, 1989, a sculpture provided for the City of Albuquerque's Public Art Collection at the Albuquerque International Airport by the law firm of Keleher & McLeod, P.A.

6990

Memorandum for Robert J. Lipshutz, Esq.

FROM: Patrick V. Apodaca, Esq.

DATE: June 21, 1996

RE: FBI Background Investigation Policies

Pursuant to your request, this memorandum will set forth my recollection of the policies and practices relating to FBI background records in the Carter White House. As you will recall, from February, 1977 to January, 1981, I served as an Associate Counsel to President Carter. In that capacity I was the attorney in the White House Counsel's Office with immediate supervisory responsibility for the White House Security Office, the unit within the Counsel's Office that processed and maintained FBI background investigations.

FBI Background Investigations and Their Purpose.

This memorandum covers so-called "full-field" FBI background investigations (hereinafter, a "BI").[1] A BI is a comprehensive FBI investigation of an individual's background that includes, among other things, a check for any arrest and criminal record; a check for information in the files of government agencies including the FBI's own files (usually relevant if the subject has been previously employed by the federal government or if any agency has national security information on the subject); reports of FBI field agents' interviews of the subject's business associates, friends and neighbors; and, as I recall, an IRS check. As I recall, the IRS check was actually performed by the IRS personnel, who in turn reported the results of that investigation to the FBI for inclusion in the BI. The FBI prepared a narrative summary of the BI (hereinafter, a "BI Summary"). It was the BI Summary, not the FBI's raw file of the BI, that was delivered to the White House Security Office upon completion of the investigation.

To the best of my knowledge and recollection, any request to the FBI to initiate a BI or to obtain a copy of a BI Summary prepared for a prior administration (hereinafter, a "Prior BI") had to be made through the Counsel's Office. To the best of my knowledge, a request to begin a BI was made by the Counsel's Office only in the following instances:

1. A BI was requested on each prospective presidential appointment. The successful review of a completed BI Summary by the Counsel's Office was one of the last

[1] The Security Office also processed other types of security checks, including "name checks." A name check is an NCIC computer check for an arrest record based on an individual's name, date of birth and social security number. My recollection is that the check was run by the FBI upon a request from the Security Office. As I recall, the results of the check were shared with the Secret Service. The checks were run primarily to clear a person for access to the White House on a limited basis (e.g., guests at White House social functions and issuance of a temporary White House pass).

steps before a candidate for office was nominated (if the appointment required Senate confirmation) or appointed by the President.

2. A BI was requested on all prospective permanent employees of the White House Office and the White House Residence.

3. A BI was requested on any person not included in 1 and 2 who was a candidate for a permanent White House pass. Requests in this category were few in number since White House passes were generally issued only to White House Office employees and high-level presidential appointees.

4. As I recall, the BIs on presidential appointees and White House employees in continuous service were "updated" at five-year intervals. As I recall, the update was comparable in scope to an initial BI. Since Carter served only one term, updates were generally limited to the few White House Office and Residence employees who continued to be employed from administration to administration.

The BI primarily served to identify information in a subject's background that might render the individual unsuitable for a high-level, presidential appointment, senate confirmation or employment in the White House. It also provided the check necessary to grant the prospective appointee or employee security clearances.

Lines of Responsibility for BI Functions

The Counsel's Office had responsibility within the White House for requesting BIs and maintaining custody of BI Summaries and other BI records. With limited exceptions discussed below, only attorneys within the Counsel's Office had authority to review the files.

Within the Counsel's Office, the lines of responsibility for the BI functions were as follows. The Counsel to the President (Lipshutz or Cutler) had ultimate responsibility for all functions. I had responsibility for direct, "hands-on" supervision of the Security Office and its personnel. I also had primary responsibility for reviewing BI Summaries and spotting potential problems with respect to a prospective appointment or employee. I generally reported to the Counsel to the President on matters relating to BIs. During the early part of the Carter Administration, Michael Cardozo also had responsibilities for dealing with BI and conflicts-of-interest issues that arose from time to time. In practice, therefore, I often reported to Cardozo on matters relating to supervision of the Security Office as well as presidential appointment issues that surfaced from my review of the BI Summaries.

Other attorneys in the Counsel's Office also reviewed BI Summaries from time to time to the extent they had responsibilities for particular appointees. For example, Doug Huron had some responsibility for judicial appointments.

Jacqueline Dinwiddie, who reported to me, had responsibility for operating the Security Office and processing all paperwork on BI's. During the first year of the Carter Administration, when the volume of presidential nominations was very high, one or two additional people were assigned to Dinwiddie's office. Physically located on the ground floor of the Old Executive Office Building, the Security Office was the place in the White House where the BI paperwork was processed and maintained. The FBI would routinely deliver completed BI Summaries to Dinwiddie's office. My recollection is that the summaries, once delivered to the Security Office, were normally stored within a vault in the Security Office, except when a summary was transferred to one of the attorneys in the Counsel's Office for review.

Requests for BIs and BI Records.

The FBI would normally initiate a BI upon receiving a request from Dinwiddie. This request was accompanied by a standard FBI form that had been filled out and signed by the subject, providing detailed, historical information about the subject. As I recall, other forms accompanied the package that went to the FBI, including a privacy act waiver authorizing the IRS to provide tax information to the White House and possibly a release signed by the subject authorizing the FBI to obtain information from various sources. The blank forms were provided to prospective appointees and White House employees at the beginning of the appointment process, either by the Security Office or the White House Personnel Office. As I recall, the signed forms were usually delivered to Dinwiddie by the Presidential Personnel Office or the prospective appointee/employee. Dinwiddie would then request a BI from the FBI through the FBI liaison officer. As I recall, the FBI was reluctant to begin a BI until the signed forms had been actually received.

To the best of my recollection, requests for BIs generally were initiated through this process. On rare occasions, usually because time was of the essence, a request might go to the FBI from Cardozo or me, rather than through Dinwiddie.

Prior to completing a BI, the FBI might deliver copies of any Prior BI to Dinwiddie. This usually occurred at our request, for presidential appointments on an expedited schedule. Although I was not present at the White House during the first few days of the Carter Administration, I understand that no files from the previous administration were left in the Security Office when the Carter personnel arrived. Therefore, Counsel's Office could only obtain Prior BIs by requesting a copy from the FBI.

Between the time our office initiated a request for a BI and the FBI's delivery of a completed BI Summary to the Security Office (a process that might take anywhere from 15 days to several months), our office might be in contact with the FBI liaison officer. These communications generally would be between the FBI liaison office and Dinwiddie, Cardozo or myself regarding the status and timing of the investigation. As I recall, on such occasions the FBI liaison officer or other FBI personnel involved in the background investigation would communicate substantive information regarding the investigation only to Cardozo or myself to brief us on whether any issues had developed. This was generally done only on appointments requiring expedited treatment.

The BI Summary included relevant information obtained from Prior BIs or a copy of the Prior BI itself. Except as stated in the next sentence, I do not recall any instances in which I or any member of our office requested a copy of a Prior BI on an individual independently of a request that the FBI begin a current BI. Although my memory is vague on this point, I believe that at the very beginning of the Carter Administration our office requested, obtained and reviewed Prior BI Summaries on the small number of White House Office and Residence hold-over employees from the Ford White House. On occasion, the FBI would provide a copy of a Prior BI as soon as a request to begin a current BI had been made. As I recall, this was done in cases where time was of the essence and we had a need to review background information as it became available.

Access to BI Records

As I recall, BI Summaries were not stamped with a security classification. However, due to the nature of the summary, BI Summaries were maintained and treated as highly classified materials. Therefore, unless a file had been delivered to one of the lawyers in the Counsel's Office for review, the files were maintained in the vault inside the Security Office. The lawyers kept the BI Summaries in secure file cabinets. The door to the Security Office was locked after business hours.

Access to BI records was on a need to know basis. This generally meant that only lawyers within the Counsel's Office had authority to view the files. I personally reviewed the vast majority of BI Summaries completed for the Carter White House. To the best of my recollection and knowledge, providing BI information to another member of the White House staff for review was extremely rare and in any event tightly controlled by our Office. I seem to recall, but I am not certain, that in a few isolated instances a senior White House staff member may have been given access to a BI Summary for the purpose of giving him or her an opportunity to make an independent judgment and recommendation regarding the subject's suitability for government employment.

The Counsel's Office provided certain Senators an opportunity to review the BI Summary on an individual nominated for an appointment requiring Senate confirmation. I would usually hand-carry the BI to a member of the Committee to which the nomination had been referred. The Committee member would review the file in his or her office and in my presence. After the review, I would carry the file back to the White House. The Senator was not allowed to keep or copy the file or show it to congressional staff.

Normally, lawyers in our office reviewed a BI Summary in connection with the initial nomination or appointment decision. Once that decision had been made we rarely had any reason to review the file again and it was returned to the Security Office vault. However, on some occasions a BI Summary might be rereviewed if specific issues arose with respect to the subject of the investigation. For example, when Bert Lance's banking practices became a public issue and the subject of Senate Committee hearings, I recall that the file was retrieved for review.

Miscellaneous Matters

My recollection is that written policies relating to BIs and the Security Office were compiled by the Carter-Ford transition teams. I have a vague recollection that there may have been some kind of memorandum between the White House and the FBI relating to BI procedures.

I hope this information is helpful. Please feel free to call me at 505-248-9119 if I can be of further assistance.

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