EXECUTIVE OFFICE OF THE PRESIDENT
BUREAU OF THE BUDGET
WASHINGTON, D. C.

MEMORANDUM FOR THE PRESIDENT

JAN 7 1949

SUBJECT: Change in loyalty investigation procedure

At present Executive Order 9835, providing for the employee loyalty program, requires the Civil Service Commission to make specific name and record checks of nine sources of possible information regarding applicants for positions.

Data was secured from the Commission regarding the extent to which each of such sources yielded information indicating necessity for full-field investigations by the Federal Bureau of Investigation. It was found that approximately 85 percent of all the loyalty cases referred to the FBI arose from information secured from four sources and only 15 percent arose from the five remaining sources. That 15 percent of cases involved approximately 45 percent of the total cost of record checks. Accordingly, it appears that the mandatory checking by the Civil Service Commission should be limited to four major sources and that the checking of the remaining five sources should thereafter be discretionary with the Commission. The funds for this function in the Commission's 1950 budget request were reduced on that basis. Consequently, additional funds were included in the budget of the Civil Service Commission for the purpose of reimbursing the Federal Bureau of Investigation for investigating applicants for the so-called sensitive positions in the Government; the Commission has no funds for such investigations in the current fiscal year.

There is attached a draft of Presidential letter to the President of the Civil Service Commission which would limit the mandatory name and record check investigations to the four most productive sources and make the remaining five check optional. The letter draft was prepared by the Attorney General. While the Commission is somewhat lukewarm to the change in investigation procedure, the budgetary decision referred to above requires a modification of the present elaborate procedure and the Commission agrees that a letter such as the attached would accomplish such modification.

I recommend transmittal of the attached proposed letter.

E. Weiss
Director

Attachment
January 6, 1943

By dear Mr. Mitchell:

In the administration of its duties under the
Employees Loyalty Program the Civil Service Com-
mission is hereby authorized and directed to fol-
low the procedures described below with respect to in-
vestigations of applicants to be made by it under
section 3 of Part I of Executive Order No. 9090:

1. An investigation shall be made of all ap-
licants at the following sources of information:

   (a) Federal Bureau of Investigation files,
   (b) Civil Service Commission files,
   (c) The files of the intelligence services
       of the armed forces of the United
       States, as appropriate, and
   (d) The files of the House of Representa-
       tives Committee on Un-American Activities.

2. An additional investigation shall be made
   at any one or more of the following sources of in-
   formation, as determined by the Civil Service Com-
   mission, in the case of each applicant with respect
   to whom the Commission deems such additional investi-
gation necessary:

   (a) The files of any other appropriate Govern-
       ment investigative or intelligence agency,
   (b) Local law-enforcement files at the place of
       residence and employment of the applicant,
       including municipal, county and state law-
       enforcement files,
   (c) Schools and colleges attended by the appli-
       cant,
   (d) Former employers of the applicant,
   (e) References given by the applicant, and
   (f) Any other appropriate source.

Loyalty Review Board

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3. Whenever derogatory information with respect to the loyalty of an applicant is revealed, the matter shall be referred to the Federal Bureau of Investigation, and the Bureau shall conduct a full field investigation of the applicant.

Sincerely yours,

(Signed) HARRY S. TRUMAN

Honorable Harry S. Mitchell
President, United States Civil Service Commission
Washington 25, D. C.