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4. Employees will not engage in matters involving the expenditure of government funds to sources of supply or service wherein the employee has a financial interest, stock or equity of any kind, without notification through channels to the Executive, CIA.

5. This policy is not intended to interfere with the receipt of gifts by CIA personnel from persons from whom they would normally receive such gifts were the official relationship not present, nor to interfere with the normal ownership of stock or similar interest or equity in organizations having contractual relations with CIA, provided that such interest is not acquired as a result of contractual relationships arising out of the official position of the employee.

6. This policy is established for the protection of CIA and its individual employees.

STATINTL

  
R. H. HILLENKOETTER  
Rear Admiral, USN  
Director of Central Intelligence

DISTRIBUTION: All CIA Employees

Mar 25, 1948

MEMORANDUM TO: Asst. Director for Reports and Estimates  
Asst. Director for Operations  
Asst. Director for Special Operations  
Asst. Director for Collection and Dissemination  
Chief, ICAPS  
Chief, Advisory Council  
Executive for Inspection and Security  
Executive for Administration and Mgt.  
General Counsel  
Chief, Management Branch, A&M  
Chief, Personnel Branch, A&M  
Chief, Budget and Finance Branch, A&M  
Chief, Services Branch, A&M  
Chief, Reference Center, A&M

SUBJECT: Contract and Procurement Activities

1. No employee of CIA will negotiate or assist in the negotiation of any contract, lease, or procurement matter of any nature involving the expenditure of government funds, with a source of supply or service in which such employee has stock or financial interest of any kind.
2. Officials having supervision over such matters will be held personally responsible for insuring strict compliance with the provisions of this directive.

FOR THE DIRECTOR OF CENTRAL INTELLIGENCE:

E. K. WRIGHT  
Brigadier General, USA  
Deputy Director

STATINTL

██████████ ac 3/24/48

CENTRAL INTELLIGENCE AGENCY  
Washington, D. C.

STATINTL

ADMINISTRATIVE INSTRUCTION  
NO. [REDACTED]

3 February 1950

SUBJECT: Contract and Procurement Activities.

REASON: Memo from Deputy Director, CIA, to Assistant Directors  
and Staff Chiefs, dated 25 March 1948, same subject.

1. It is the policy of CIA that employees will not accept gifts, money or other materials of monetary value from any individual or group of individuals engaged in any aspect of contractual relations with this Agency.

2. Any such gifts, money or materials of monetary value received at any time by CIA employees must be returned immediately to the donor. A complete report concerning any such activity and its surrounding circumstances will be submitted through channels to the Executive, CIA.

3. Violations of this policy will constitute grounds for immediate dismissal from the Agency. Employees so dismissed may be subject to prosecution under the provisions of Public Law 772, 80th Congress. Pertinent provisions of the Criminal Code in connection with bribery and graft provide:

"202. Whoever, being an officer or employee of, or person acting for or on behalf of the United States, in any official capacity, under or by virtue of the authority of any department or agency thereof, . . . asks, accepts, or receives any money, or any check, order, contract, promise, undertaking, obligation, gratuity, or security for the payment of money, or for the delivery or conveyance of anything of value, with intent to have his decision or action on any question, matter, cause, or proceeding which may at any time be pending, or which may by law be brought before him in his official capacity, or in his place of trust or profit, influenced thereby, shall be fined not more than three times the amount of such money or value of such thing or imprisoned not more than three years, or both; and shall forfeit his office or place and be disqualified from holding any office of honor, trust, or profit under the United States."


"216. Whoever, . . . being an officer, employee, or agent of the United States, directly or indirectly takes, receives, or agrees to receive, any money or thing of value, for giving, procuring or aiding to procure to or for any person, any contract from the United States or from any officer, department or agency thereof;" . . . will be punished according to law.

4. Employees will not engage in matters involving the expenditure of government funds to sources of supply or service wherein the employee has a financial interest, stock or equity of any kind, without notification through channels to the Executive, CIA.

5. This policy is not intended to interfere with the receipt of gifts by CIA personnel from persons from whom they would normally receive such gifts were the official relationship not present, nor to interfere with the normal ownership of stock or similar interest or equity in organizations having contractual relations with CIA, provided that such interest is not acquired as a result of contractual relationships arising out of the official position of the employee.

6. This policy is established for the protection of CIA and its individual employees.

STATINTL

  
R. H. HILLENKOETTER  
Rear Admiral, USN  
Director of Central Intelligence

DISTRIBUTION: All CIA Employees

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SPECIAL FUNDS BRANCH

DRAFT - [redacted] - 1/26/50

STATINTL

ADMINISTRATIVE INSTRUCTION  
NO. [redacted]

SUBJECT: Contract and Procurement Activities

RESCISSON: Memo from Deputy Director, CIA, to Assistant Directors and Staff Chiefs, dated 25 March 1948, same subject.

1. It is the policy of CIA that employees will not accept <sup>of their</sup> gifts, money or materials of monetary value from any individual or group of individuals engaged in any aspect of contractual relations with this Agency.

2. Any such <sup>gifts</sup> money or materials of monetary value received at any time by CIA employees must be returned immediately to the donor, with a complete report concerning <sup>any</sup> such activity <sup>and its source</sup> submitted through channels to the Executive, CIA.

3. Violations of this policy will constitute <sup>grounds for</sup> immediate dismissal from the Agency, <sup>and</sup> employees so dismissed <sup>may</sup> be subject to prosecution under the provisions of Public Law 772, 80th Congress. Pertinent provisions of the Criminal Code in connection with bribery and graft provide:

"202. Whoever, being an officer or employee of, or person acting for or on behalf of the United States, in any official capacity, under or by virtue of the authority of any department or agency thereof, . . . asks, accepts, or receives any money, or any check, order, contract, promise, undertaking, obligation, gratuity, or security for the payment of money, or for the delivery or conveyance of anything of value, with intent to have his decision or action on any question, matter,

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cause, or proceeding which may at any time be pending, or which may by law be brought before him in his official capacity, or in his place of trust or profit, influenced thereby, shall be fined not more than three times the amount of such money or value of such thing or imprisoned not more than three years, or both; and shall forfeit his office or place and be disqualified from holding any office of honor, trust, or profit under the United States."

"216. Whoever, . . . being an officer, employee, or agent of the United States, directly or indirectly takes, receives, or agrees to receive, any money or thing of value, for giving, procuring or aiding to procure to or for any person, any contract from the United States or from any officer, department or agency thereof; . . . will be punished according to law. *jud 8/21*

*5* ~~3~~. This policy is not intended to interfere with the receipt of gifts by CIA personnel from persons from whom they would normally receive such gifts were the official relationship not present,

*4* ~~2~~. Employees will not engage in matters involving the expenditure of government funds with sources of supply or service wherein the employee has a financial interest, stock or equity of any kind, without notification, through channels, to the Executive, CIA.

*FO* ~~1~~. <sup>NOIR</sup> ~~It is not the intent of this policy to interfere with the normal ownership of stock or similar interest or equity in organizations having contractual relations with CIA, provided that such interest is not acquired as a result of contractual relationships arising out of the official position of the employee.~~

~~FOR THE DIRECTOR OF CENTRAL INTELLIGENCE:~~ *DCI*

*6* - This policy is established for the protection of CIA and its individual employees

DISTRIBUTION: All CIA Employees

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FORM NO. 30-4  
SEP 1947



1st Draft 10 January 1950

1. The acceptance of any money or thing of value from any individual, company, firm, or corporation, or official representative thereof, which has engaged in, is presently engaged in, or is seeking to engage in contractual relations with this Agency for the furnishing of supplies, materials or services for monetary consideration, by any CIA employee, who has or may have such matter brought before him in his official capacity, <sup>or his subordinate,</sup> is prohibited.

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2. Any such money or thing of value actually received at any time by any such CIA employee should be returned immediately to the donor, and report of the gift and surrounding circumstances made through official channels to the Executive.

3. Employees who violate this policy will be dismissed from the Agency.

4. This policy is not intended to interfere with the receipt of gifts by CIA personnel from persons from whom they would normally receive such gifts were the official relationship not present.

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5. a. No employee of CIA will negotiate, assist in the negotiation of, or review any contract, lease, or procurement matter involving the expenditure of government funds, with a source of supply or service in which such employee has a stock or financial interest or equity of any kind, without first informing the Executive through official channels in each instance.

*Handwritten initials*

b. In situations arising under paragraph 5. a, the Executive will determine in each individual case whether the nature of the interest or equity of the employee in such case is of such a nature that it would be improper for the employee

*Handwritten initials*

- 2 -

to participate or assist in the negotiations or review of the particular action involved.

c. This policy is established for the protection both of CIA and its individual employees. It is not intended to interfere with the normal ownership of stock or similar interest or equity in organizations having contractual relations with CIA, provided that such interest is not acquired as a result of contractual relationships arising out of the official position of the employee.

6. Attention is also called to pertinent provisions of the Criminal Code in connection with bribery and graft. Particular attention is directed to Sections 202 and 216 of Public Law 772, 80th Congress, which provide that:

"202. Whoever, being an officer or employee of, or person acting for or on behalf of the United States, in any official capacity, under or by virtue of the authority of any department or agency thereof, . . . asks, accepts, or receives any money, or any check, order, contract, promise, undertaking, obligation, gratuity, or security for the payment of money, or for the delivery or conveyance of anything of value, with intent to have his decision or action on any question, matter, cause, or proceeding which may at any time be pending, or which may by law be brought before him in his official capacity, or in his place of trust or profit, influenced thereby, shall be fined not more than three times the amount of such money or value of such thing or imprisoned not more than three years, or both; and shall forfeit his office or place and be disqualified from holding any office of honor, trust, or profit under the United States."

\* \* \* \*

"216. Whoever, . . . being an officer, employee, or agent of the United States, directly or indirectly takes, receives, or agrees to receive,

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any money or thing of value, for giving, procuring  
or aiding to procure to or for any person, any  
contract from the United States or from any officer,  
department or agency thereof; . . . *Will be punished*  
*according to law.*

*See page*

7. The memorandum from the Deputy Director to the Assistant  
Directors and Staff Chiefs, dated 25 March 1948, Subject:  
Contract and Procurement Activities, is recinded.

DRAFT - - 1/26/50

ADMINISTRATIVE INSTRUCTION  
NO.

SUBJECT: Contract and Procurement Activities

RESCISSION: Memo from Deputy Director, CIA, to Assistant Directors  
and Staff Chiefs, dated 25 March 1948, same subject.

1. It is the policy of CIA that employees will not accept <sup>(gifts)</sup> money or materials of monetary value from any individual or group of individuals engaged in any aspect of contractual relations with this Agency.

2. Any such money or materials of monetary value received at any time by CIA employees must be returned immediately to the donor, with a complete report concerning such <sup>gift will be</sup> activity submitted, through channels, to the Executive, CIA. <sup>(summarizing circumstances grounds for</sup>

3. Violations of this policy will constitute <sup>immediate</sup> dismissal from the Agency, and employees so dismissed will be subject to prosecution under the provisions of Public Law 772, 80th Congress. Pertinent provisions of the Criminal Code in connection with bribery and graft provide:

"202. Whoever, being an officer or employee of, or person acting for or on behalf of the United States, in any official capacity, under or by virtue of the authority of any department or agency thereof, . . . asks, accepts, or receives any money, or any check, order, contract, promise, undertaking, obligation, gratuity, or security for the payment of money, or for the delivery or conveyance of anything of value, with intent to have his decision or action on any question, matter,

cause, or proceeding which may at any time be pending, or which may by law be brought before him in his official capacity, or in his place of trust or profit, influenced thereby, shall be fined not more than three times the amount of such money or value of such thing or imprisoned not more than three years, or both; and shall forfeit his office or place and be disqualified from holding any office of honor, trust, or profit under the United States."

"216. Whoever, . . . being an officer, employee, or agent of the United States, directly or indirectly takes, receives, or agrees to receive, any money or thing of value, for giving, procuring or aiding to procure to or for any person, any contract from the United States or from any officer, department or agency thereof; . . . will be punished according to law."

4. This policy is not intended to interfere with the receipt of gifts by CIA personnel from persons from whom they would normally receive such gifts were the official relationship not present;

5. Employees will not engage in matters involving the expenditure of government funds with sources of supply or service wherein the employee has a financial interest, stock or equity of any kind, without <sup>prior</sup> notification, through channels, to the Executive, CIA.

~~6. It is not the intent of this policy~~ <sup>to</sup> interfere with the normal ownership of stock or similar interest or equity in organizations having contractual relations with CIA, provided that such interest is not acquired as a result of contractual relationships arising out of the official position of the employee.

FOR THE DIRECTOR OF CENTRAL INTELLIGENCE:

DISTRIBUTION: A.