

The Executive

29 August 1949

Office of General Counsel

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Audit Exception No. 302 - [REDACTED]

1. There is returned herewith a memorandum from the Budget officer to you, dated 17 August 1949, concerning the above subject. That memorandum was forwarded to this office for comment and recommendation. Your remarks concerning statements by Mr. [REDACTED] and Mr. [REDACTED] have been noted.

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2. The details concerning this case will not be repeated here, and we should like to comment that no independent investigation has been made by this office to ascertain additional facts. In our opinion, considerable doubt has been cast upon the circumstances surrounding Mrs. [REDACTED] employment and travel to [REDACTED]. It is true there are conflicting statements. However, one salient fact remains, and that fact is, Mrs. [REDACTED] accomplished her expressed desire of joining her husband in [REDACTED] and the Government received no benefit as the result of her employment and travel to [REDACTED]. Since the Government derived no benefit and Mrs. [REDACTED] did receive considerable personal benefit, it is our opinion that the relative benefits, together with the doubts as to the bona fides of the situation, require reimbursement to CIA by Mrs. [REDACTED] of her travel expenses from Washington, D.C. to [REDACTED].

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3. In normal Government audit procedures, the facts of the particular case have considerably more weight than the expressed intentions of individuals which are contrary to such facts. It is not necessary that, as a condition precedent to reimbursement, there be proved an actual fraud on the Government. Where the individual derives all of the benefits and the Government none we do not see how she can escape the obligation of the expenses incident to the gaining of a personal objective.

4. The question of salary refund is not necessarily to be considered in the same category of travel expenses for the same period. In the absence of fraud, we know of no legal requirements which would necessitate refund of salary payments.

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[REDACTED]  
cc: Subject  
Chrono  
Legal Decisions ✓

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