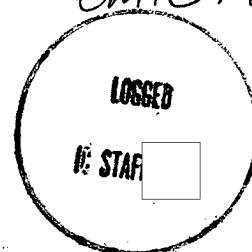


Agency

7 NOV 1988

Director
Intelligence Community Staff
Washington, D.C. 20505

ICS 4752-88



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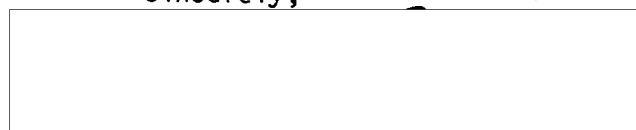
The Honorable Louis Stokes, Chairman
Permanent Select Committee on Intelligence
House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

Enclosed is the Central Intelligence Agency's response to the Congressionally directed action relating to the administration of CIA's Undergraduate Training Programs (UTP). The request was made on pages 15 and 16 of the unclassified report (Number 100-591) associated with the House version of the Intelligence Authorization Act for FY 1989.

Copies of this letter and the CIA response have been provided to the Senate Select Committee on Intelligence as well as the Subcommittees on Defense of the House and Senate Appropriations Committees.

Sincerely,



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Edward J. Heinz
Lieutenant General, USAF

Enclosure: As stated

THIS DOCUMENT IS UNCLASSIFIED
IN ITS ENTIRETY

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UNDERGRADUATE TRAINING PROGRAM

This report responds to a request for a report on differences between the CIA and NSA undergraduate training programs. Specifically, the unclassified report accompanying the House version of the Intelligence Authorization Act for FY 1989 directed us to reconcile differences between the two agencies in payments to students and work obligations. The report also addresses Committee concerns that not enough effort has been made to recruit high school students.

Program Administration

In light of Committee concerns, we have re-examined the CIA's under-graduate training program--the Undergraduate Scholar Program--and have assessed the significance of differences with the NSA's program. In our view, the two programs meet the intent of the FY 1987 Intelligence Authorization Act as each:

- Recruits nationwide for minority high school students who have demonstrated the capability to develop skills critical to our missions.
- Offers similar benefits that include identical salaries, the payment of college tuition, books, fees and supplies, and round-trip travel expenses from school to each Agency for the summerwork period.

The two programs are marginally different in the following areas:

Student Payments. Unlike NSA, CIA pays room and board during the academic year. However, CIA does not pay students for housing during summer work periods as NSA does. We understand that our per diem rate during the summer is considerably lower than NSA's per diem payments. Despite these differences, we believe that both programs comply with the Authorization Act, which authorizes payment of certain expenses but does not limit payments to the expenses listed.

The CIA has structured the minority undergraduate program to meet the objectives of the legislation. As such, our intent in paying the students room and board during the academic year was to ensure that promising minority students would not be excluded from the program because they or their family could not meet the financial burden of paying for room and board. Such payments also enable the student, who might otherwise have to work during the academic year, to devote their full attention to academic excellence.

Student Service Obligation. Both the CIA and NSA compute the student's service obligation as one and half years for each year of academic sponsorship. The CIA, however, credits summer tours toward that obligation, consistent with the Agency policy of giving summer employees (e.g., cooperative students and summer only employees) credit for government service.

We believe our policy is consistent with other Agency programs and does not conflict with the legislation or any written guidance from the Committee. We also view the crediting of summer tours toward obligated service as a wise investment because we anticipate that employees from the Undergraduate Scholar Program will work far beyond their "payback period" by making their careers with the Agency.

Program Recruitment Efforts

To get a quick start on the program in 1987, we used our college contacts to identify high school applicants who might need financial assistance. During 1988, we initiated an aggressive recruitment program on high school campuses to attract the bright minority students, especially those needing financial assistance. We sent letters to high schools informing them of our program, established relationships with high school guidance counselors, and contacted the Southeastern Regional Office of the National Scholarship Fund for Negro Students, which assists black high school students in finding scholarships and other financial aid.

We believe our program is a success. We exceeded the 1987-1988 academic year recruitment target by six students and have hired 17 students for the 1988-1989 school year. Our student participants had grade point averages (GPA) of 3.6 and average Scholastic Aptitude Test (SAT) scores of 1160, both of which exceed CIA's minimal qualification requirements--a 2.75 GPA and a 900 SAT score--that are documented in the program's recruitment brochures. Senior Agency management views the Undergraduate Scholar Program as an excellent means of enhancing our minority recruitment efforts and of attracting talented young people with the critical skills we need.

In conclusion, we have made considerable progress in building a program that meets the goals of the FY 1987 Intelligence Authorization Act. We believe that the marginal differences between our program and NSA's reflect justifiable discretionary choices by managers.

SUBJECT: CIA's Response to CDA

DCI/ICS/LL [REDACTED] (10/27/88)

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Distribution: (ICS 4752-88)

Original - Chmn/HPSCI (Stokes)

1 - Chmn/SSCI (Boren)

1 - Chmn/Subcommittee on Defense/HAC (Chappell)

1 - Chmn/Subcommittee on Defense/SAC (Stennis)

1 - D/ICS

1 - PBO/CIA Program Monitor [REDACTED]

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1 - C/ED/PBO [REDACTED]

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1 - LL CDA File

1 - ICS Registry