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THE WHITE HOUSE

WASHINGTON

April 4, 1984

MEMORANDUM FOR THOMAS E. HARVEY
GENERAL COUNSEL
UNITED STATES INFORMATION AGENCY

FROM: FRED. F. FIELDING (100-80000-100)
COUNSEL TO THE PRESIDENT

SUBJECT: Addition of Professor Stanley I. Kutler
to the USIA "Blacklist"

The attached letter to the President, together with a copy of my interim reply, is referred to you for whatever direct reply or other action you consider appropriate.

Attachment

FFF:JGR:aea 4/4/84

cc: FFFielding/JGRoberts/Subj/Chron

THE WHITE HOUSE

WASHINGTON

April 4, 1984

Dear Mr. Belknap:

Your letter of March 8, 1984 to the President, concerning an alleged "blacklist" at the United States Information Agency (USIA), has been referred to the General Counsel of USIA.

Your letter concludes with biographical information on yourself, purportedly supplied because of your misguided belief that your letter might somehow result in the initiation of an investigation of you. Please be advised that the only investigations initiated by the White House, except for possible criminal referrals, are background investigations of candidates for high office in the Administration, and then only after obtaining written consent from the candidate.

Sincerely,

CRS, WHP, JRP

Fred F. Fielding
Counsel to the President

Mr. Michael R. Belknap
The University of Georgia
Department of History
LeConte Hall
Athens, Georgia 30602

FFF:JGR:aea 4/4/84
bcc: FFFielding/JGRoberts/Subj/Chron

THE WHITE HOUSE

WASHINGTON

April 4, 1984

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Sincerely,

Fred F. Fielding
Counsel to the President

Mr. Michael R. Belknap
The University of Georgia
Department of History
LeConte Hall
Athens, Georgia 30602

FFF:JGR:aea 4/4/84
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THE WHITE HOUSE

WASHINGTON

April 4, 1984

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WHITE HOUSE
CORRESPONDENCE TRACKING WORKSHEET

F6298

JR

O - OUTGOING

H - INTERNAL

I - INCOMING

Date Correspondence Received (YY/MM/DD) 1 1

Name of Correspondent: Michael R. Belknap

MI Mail Report

User Codes: (A) _____ (B) _____ (C) _____

Subject: Addition of Professor Stanley I. Kutler to the USIA "blacklist"

ROUTE TO:

ACTION

DISPOSITION

Office/Agency (Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Code	Completion Date YY/MM/DD
<u>WHolland</u>	<u>ORIGINATOR</u>	<u>84103127</u>			<u>1 1</u>
<u>COAT18</u>	<u>D</u>	<u>84103128</u>			<u>84104108</u>
					<u>1 1</u>
					<u>1 1</u>
					<u>1 1</u>

ACTION CODES:

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- D - Draft Response
- F - Furnish Fact Sheet to be used as Enclosure

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- S - For Signature
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DISPOSITION CODES:

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- C - Completed
- S - Suspended

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- Type of Response = Initials of Signer
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Comments: _____

Keep this worksheet attached to the original incoming letter.
Send all routing updates to Central Reference (Room 75, OEOb).
Always return completed correspondence record to Central Files.
Refer questions about the correspondence tracking system to Central Reference, ext. 2590.



AT and Friends
THE UNIVERSITY OF GEORGIA

Department of History
LeConte Hall
Athens, Georgia 30602

(404) 542-2053

March 8, 1984

219344 *U*

President Ronald Reagan
The White House
Washington, D.C. 20500

Dear Mr. President:

I have just learned that the name of my dissertation supervisor at the University of Wisconsin, Professor Stanley I. Kutler, has been added to a foreign speakers blacklist maintained by the United States Information Agency. I wish to express my outrage at this action.

Unfortunately, it reflects the contempt for the Constitution for which your administration in general and Mr. Charles Wick in particular are becoming all too well known.

Professor Kutler's book, The American Inquisition, is an outstanding piece of historical scholarship. If it is flawed at all, it is by his perhaps excessive faith in the Constitution and the rule of law. In light of the conduct of the USIA and its director, that attitude now seems a little naive.

Others have already demonstrated the futility of demands for Mr. Wick's dismissal. Nevertheless, I must add my voice to the chorus. As a lawyer I cannot abide his contempt for constitutional rights. As an historian specializing in the 1950s, I am deeply disturbed by his resurrection of one of the worst features of McCarthyism, the blacklist.

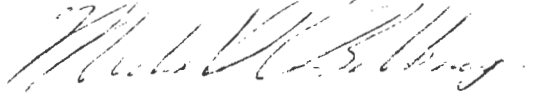
If Mr. Wick retains his post, I, like hundreds of other Americans, will have no choice but to campaign up and down this land of the free for the elimination from the Presidency of a Chief Executive so contemptuous of the principles for which it stands that he would not only appoint such a person to a post like director of the USIA but would retain him in the face of repeated demonstrations of his manifest unfitness for the job.

Since I suspect that this letter is far less likely to result in the removal of Mr. Wick than it is to initiate an investigation of me, let me expedite the latter by informing you (or more accurately the aide who will be given responsibility for dealing with this matter) that I am the author of Cold War Political Justice: The Smith Act, the Communist Party, and American Civil Liberties and the editor of American Political Trials. Unless the pernicious influence of your administration has extended further even than I suspect, both should be available at the Library of Congress. I am also a former Army counterintelligence agent. I am sure the Army will be happy to supply you with the results of its security

President Ronald Reagan
March 8, 1984
Page 2

clearance investigations. For more current information I suggest you consult the FBI, as well as the Georgia Bar Association, which only last summer completed an investigation of my character and fitness to practice law.

Yours very truly,

A handwritten signature in cursive script, appearing to read "Michal R. Belknap".

Michal R. Belknap
Associate Professor

kmc

cc Professor Stanley I. Kutler

THE WHITE HOUSE

WASHINGTON

March 29, 1984

MEMORANDUM FOR FRED F. FIELDING

FROM:

JOHN G. ROBERTS *JGR*

SUBJECT:

Addition of Professor Stanley I. Kutler
to the USIA "Blacklist"

Michael R. Belknap, Associate Professor of History at the University of Georgia, has written a snide letter to the President, objecting to the inclusion of Professor Stanley L. Kutler of the University of Wisconsin on a purported USIA "blacklist." According to Belknap, the continuation of Charles Wick in office reflects the contempt for the Constitution characteristic of this Administration. Belknap provides biographical information on himself in the misguided belief that we would be interested in initiating an investigation of him. (Once you let the word out there's a blacklist, everybody wants to get on.)

This letter should be referred to the USIA General Counsel for response. A referral memorandum and brief acknowledgment to Belknap are attached for your review and signature.

Attachment

THE WHITE HOUSE

WASHINGTON

April 25, 1984

MEMORANDUM FOR FRED F. FIELDING

FROM:

JOHN G. ROBERTS 

SUBJECT:

Request for Information Pertaining
to Inclusion of Mr. & Mrs. Mark A.
Norman on a USIA "Blacklist"

Mark A. Norman, erstwhile Administrative Assistant to Congressman John LaFalce (D-NY) and now an attorney in Cincinnati, has written the President to demand an explanation for the existence of the U.S. Information Agency blacklist, and the inclusion on it of him and his wife. Norman's letter expresses the view that the whole episode must have been the result of a mistake. He asks for an apology and assurances that it will not happen again.

The White House has not been directly involved in the USIA blacklist imbroglio and I recommend continuing to maintain distance from the controversy. This letter should accordingly be referred to the USIA General Counsel for consideration and direct reply. In addition to a memorandum implementing this course of action, I have also attached an interim reply to Norman, advising him of the action we have taken. The interim reply is a bit more sympathetic in tone than others we have sent on this matter, since Norman's letter is itself more restrained and far less confrontational than others we have received.

Attachment

THE WHITE HOUSE

WASHINGTON

April 25, 1984

MEMORANDUM FOR THOMAS E. HARVEY
GENERAL COUNSEL
UNITED STATES INFORMATION AGENCY

FROM: FRED F. FIELDING
COUNSEL TO THE PRESIDENT

SUBJECT: Request for Information Pertaining
to Inclusion of Mr. & Mrs. Mark A.
Norman on a USIA "Blacklist"

The attached letter to the President concerning the USIA "blacklist" episode, from an individual who, along with his wife, has been reported to have been on the alleged "blacklist," is referred to you for consideration and direct reply. I have also enclosed a copy of my interim reply, advising the correspondent that he may expect to hear from you in the near future.

Thank you for your assistance in this matter.

Attachment

FFF:JGR:aea 4/25/84

cc: FFFielding/JGRoberts/Subj/Chron

THE WHITE HOUSE

WASHINGTON

April 26, 1984

Dear Mr. Norman:

Thank you for your recent letter to the President concerning the alleged existence of a "blacklist" at the United States Information Agency (USIA). In that letter you requested an explanation of the "blacklist" episode as well as an explanation of the reported inclusion of your name and that of your wife on the alleged list.

Please be assured that we share your concerns about the implications of so-called "blacklists." In order that you may be provided with the whole story, I have taken the liberty of referring your correspondence to Thomas E. Harvey, the General Counsel at the USIA. Mr. Harvey is familiar with the facts surrounding this episode and will be able to provide you with the explanation you have requested and deserve. You may expect to hear from him in the near future.

Thank you again for sharing your understandable concerns with us.

Sincerely,

Fred F. Fielding
Counsel to the President

Mr. Mark A. Norman
1700 Central Trust Tower
Cincinnati, Ohio 45202

FFF:JGR:aea 4/26/84
bcc: FFFielding/JGRoberts/Subj/Chron

THE WHITE HOUSE

WASHINGTON

April 26, 1984

Dear Mr. Norman:

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Counsel to the President

Mr. Mark A. Norman
1700 Central Trust Tower
Cincinnati, Ohio 45202

FFF:JGR:aea 4/26/84
bcc: FFFielding/JGRoberts/Subj/Chron

THE WHITE HOUSE

WASHINGTON

April 25, 1984

Ann

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Please be assured that we share your concerns about the implications of so-called "blacklists." I would note, however, ~~that many of the media accounts of this particular incident have been neither accurate nor complete.~~ In order that you may be provided with the whole story, I have taken the liberty of referring your correspondence to Thomas E. Harvey, the General Counsel at the USIA. Mr. Harvey is familiar with ^{the facts concerning} this episode and will be able to provide you with the explanation you have requested and deserve. You may expect to hear from him in the near future.

Thank you again for sharing your understandable concerns with us.

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Fred F. Fielding
Counsel to the President

Mr. Mark A. Norman
1700 Central Trust Tower
Cincinnati, Ohio 45202

THE WHITE HOUSE

WASHINGTON

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Fred F. Fielding
Counsel to the President

Mr. Mark A. Norman
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Cincinnati, Ohio 45202

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THE WHITE HOUSE

WASHINGTON

April 25, 1984

MEMORANDUM FOR THOMAS E. HARVEY
GENERAL COUNSEL
UNITED STATES INFORMATION AGENCY

FROM: FRED F. FIELDING
COUNSEL TO THE PRESIDENT

SUBJECT: Request for Information Pertaining
to Inclusion of Mr. & Mrs. Mark A.
Norman on a USIA "Blacklist"

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FFF:JGR:aea 4/25/84

cc: FFFielding/JGRoberts/Subj/Chron

JV

JW

**WHITE HOUSE
CORRESPONDENCE TRACKING WORKSHEET**

- O - OUTGOING
 - H - INTERNAL
 - I - INCOMING
- Date Correspondence Received (YY/MM/DD) 1 1

Name of Correspondent: Anne Higgins Mark A. Norman

MI Mail Report User Codes: (A) _____ (B) _____ (C) _____

Subject: Mark A Norman's request for information that pertains to his and his wife's inclusion on a CIA "Blacklist"

ROUTE TO:	ACTION	DISPOSITION
Office/Agency (Staff Name)	Action Code	Tracking Date YY/MM/DD
<u>CUHOLL</u>	ORIGINATOR	<u>840400</u>
<u>COATT8</u>	Referral Note: <u>D</u>	<u>84.04.23</u>
	Referral Note:	<u>S 84.05.03</u>
	Referral Note:	<u>1 1</u>
	Referral Note:	<u>1 1</u>
	Referral Note:	<u>1 1</u>

ACTION CODES:

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FOR OUTGOING CORRESPONDENCE:

- Type of Response = Initials of Signer
- Code = "A"
- Completion Date = Date of Outgoing

Comments: Apr 20 84 Anne Higgins memo to FJJ

Keep this worksheet attached to the original incoming letter.
Send all routing updates to Central Reference (Room 75, OEOB).
Always return completed correspondence record to Central Files.
Refer questions about the correspondence tracking system to Central Reference, ext. 2590.

THE WHITE HOUSE
WASHINGTON

Date:

4-20-84

To:

Fred Felding



ANNE HIGGINS
Special Assistant to the
President and Director
of Correspondence
Room 94, x7610

1700 CENTRAL TRUST TOWER
CINCINNATI, OHIO 45202

352-6778

April 3, 1984

223405 *cu*

CAD

Ronald W. Reagan, The President
United States of America
1800 Pennsylvania Avenue
Washington, D.C. 20500

Dear Mr. President:

I write today to ask for your explanation of an issue that concerns me deeply. The issue is the designation of my wife and I on the United States Information Agency's list of Americans who should not be allowed to speak on our Nation's behalf overseas.

On March 15, I learned that our names were part of the so-called U.S.I.A. "blacklist." A friend living in a distant city called to say that our names were included in a list published by the New York Times under a headline "U.S.I.A.'s 'Blacklist'". Our knowledge of the designation came without explanation or notice from U.S.I.A. or anyone in the federal government.

It also came as a colossal surprise. My wife and I are patriotic Americans who are concerned with the implications of being included on a blacklist. We would like an explanation of how this all came about -- and assurances that it will not happen again.

It is my belief that the origins of this issue can be traced to a June 7, 1983 letter I sent to U.S.I.A. regarding potential future travel abroad. In brief, this letter offered the services of my wife and I during a private trip overseas to visit relatives in India. The topics I offered to discuss included such basic "civics" issues as: American Trade Policy; The American Political Process; Small Business Development; and, the Congressional Budget Process. The letter also noted that I was, at that time, the Administrative Assistant to a U.S. Congressman. My wife's professional experience with museums led me to suggest that her expertise might be of interest to Indians and Ceylonese involved in the Fine Arts.

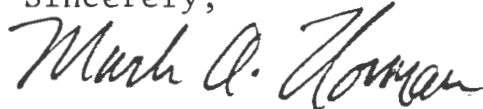
Ronald W. Reagan, The President
April 3, 1984
Page 2

We offered to speak abroad at the suggestion of friends and relatives who thought we might share our love for America with those in India and Sri Lanka. As it turned out, we did not travel abroad, choosing instead to invest our savings in a house in our new home town of Cincinnati. Today, I am an attorney and my wife, Joy T. Norman, is a museum professional.

I have thought about this letter for several days, desiring to not write out of haste. My wife and I would like only an explanation as to how we came to be chosen to be black-listed and, if possible, an apology. As noted earlier, we consider ourselves very patriotic Americans -- and do not wish to be considered anything less. We are certain that this episode must have been the result of a mistake and hope that it may be rectified quickly and easily.

Thank you for your attention to this matter of great personal interest.

Sincerely,



Mark A. Norman

MAN/cnh



USIA

THE WHITE HOUSE
WASHINGTON

December 14, 1982

MEMORANDUM FOR FRED F. FIELDING

FROM: JOHN G. ROBERTS *JGR*

SUBJECT: Report of USIA General Counsel
on Arthur Imperatore's Allegations

Charles Z. Wick, Director of the United States Information Agency, has sent you a copy of his November 30, 1982 letter to Attorney General Smith, Comptroller General Bowsher, and Council on Integrity and Efficiency Chairman Wright. That letter transmitted a report by USIA General Counsel Jonathon Sloat on the assertion made by former USIA Ombudsman Arthur Imperatore at the time of his resignation that he could "no longer be associated with the mismanagement, waste, inefficiency and concern about the possibilities of corruption and fraud which remain unaddressed and unabated." The ten-page report concluded that Imperatore's allegations were either unsubstantiated or were already being routinely and actively addressed by USIA at the time. Wick's letter refers to this conclusion and notes that "[t]here appears to be no reason to pursue this issue further, and we consider the matter concluded."

Arthur Imperatore served for less than six months as the unpaid Ombudsman for USIA. He resigned within two weeks of the time the Director rejected a reorganization proposal he submitted, which included placing Imperatore in a Presidentially-appointed position as Deputy Director for Organizational Development. His specific allegations, with the General Counsel's findings, were:

- he did not have adequate access to USIA management. The report disagrees, documenting Wick's request for regular reports, which were never received.
- personnel in data processing were under-utilized. The report essentially agrees, but notes that a review of this area was on-going and has since led to needed reforms.
- there is poor management and a morale problem in the Chinese language section of Voice of America (VOA). The report agrees, noting reforms to address the problems.

- VOA's system of procuring talent vendor services has insufficient safeguards against fraud and nepotism. New policies have strengthened the safeguards, including conflict of interest reviews by the General Counsel whenever there are contracts between USIA and Government employees, former employees, or family members.
- there is possible fraud and corruption in the VOA Turkish branch. This charge was referred to the Justice Department Public Integrity Section, which declined prosecution in favor of administrative action. The individual in question is in the process of being separated from USIA.
- there is a "Broadus Report" on fraud and corruption at USIA. The General Counsel's report notes "Broadus" is the Chief Auditor of USIA, who regularly conducts audits of USIA operations.
- there is a morale problem with respect to hiring and promoting foreign nationals at VOA. The General Counsel's report notes that legislative history has been developed to permit greater flexibility in this area.

I do not believe any action by you is necessary or desirable in response to the General Counsel's report. You did not respond to receipt of copies of previous correspondence on the subject of Imperatore's accusations. The Justice Department has received this report and can determine if any law enforcement action, such as further investigation, needs to be undertaken.

✓
→ 12/14

THE WHITE HOUSE

WASHINGTON

December 14, 1982

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FG 298

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CORRESPONDENCE TRACKING WORKSHEET**

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- H - INTERNAL
- I - INCOMING
Date Correspondence Received (YY/MM/DD) 1 1

Name of Correspondent: Charles Z. Wick

MI Mail Report User Codes: (A) _____ (B) _____ (C) _____

Subject: Report of investigation into allegations made by Arthur Imperatore

ROUTE TO:	ACTION	DISPOSITION			
Office/Agency (Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Code	Completion Date YY/MM/DD
<u>W Holland</u>	ORIGINATOR	<u>8212102</u>			<u>1 1</u>
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<u>CUAT 18</u>	A	<u>8212102</u>			<u>1 1</u>
	Referral Note:				
		<u>1 1</u>			<u>1 1</u>
	Referral Note:				
		<u>1 1</u>			<u>1 1</u>
	Referral Note:				
		<u>1 1</u>			<u>1 1</u>
	Referral Note:				

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Comments: See ID 099803 CU

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**International
Communication
Agency**

United States of America

Washington, D. C. 20547



112843 *CU*

USICA

November 30, 1982

The Honorable
William French Smith
Attorney General

The Honorable
Charles A. Bowsher
Comptroller General of the
United States

Mr. Joseph Wright
Chairman
President's Council on
Integrity and Efficiency

*John Roberts -
pls review -
Any action you
recommend I
take?*

→ 12/1/82

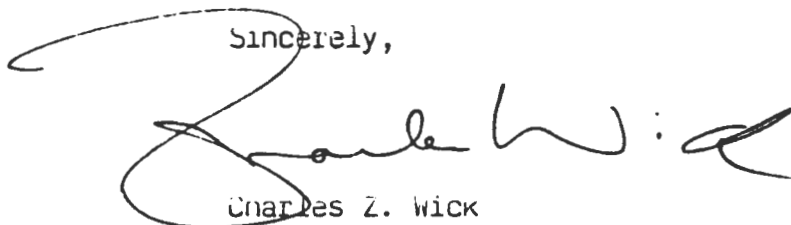
Gentlemen:

Enclosed is a report of the investigation made at my direction by our Agency General Counsel into the allegations made by Arthur Imperatore at the time of his resignation as the Agency's Ombudsman on April 27.

The findings and conclusions are set forth on page three. Of particular note is the finding that all matters mentioned by Mr. Imperatore were already being investigated by the Agency at the time and were routinely and effectively carried out to a successful conclusion:

There appears to be no reason to pursue this issue further, and we consider the matter concluded.

Sincerely,



Charles Z. Wick

cc: Mr. Leonardo Silverstein
Chairman
United States Advisory Commission
on Public Diplomacy

bcc: Mr. Edwin Meese, III
Mr. James A. Baker, III
Mr. William Clark
Mr. Fred Fielding

MSD
6/12/92

November 29, 1982

Memorandum To: D - Charles Z. Wick
From: GC - Jonathan W. Sloat *JWS*
Re: Arthur Imperatore - Report of Investigation

Background

On April 27, 1982, Arthur Imperatore resigned as the Agency's Ombudsman. He served just under six months, having been sworn in on November 3, 1981 after accepting your invitation to join the Agency in this capacity.

Mr. Imperatore's resignation letter contained the following statement:

"After many efforts to assist the Agency and to persuade you of the seriousness of Agency problems, I have concluded that I can no longer be associated with the mismanagement, waste, inefficiency and concern about the possibilities of corruption and fraud which remain unaddressed and unabated."

In view of the allegation about "possibilities of corruption and fraud which remain unaddressed and unabated", the matter was immediately reported to, and discussed with, the President's Council on Integrity and Efficiency, pursuant to your instructions.

In addition, because of the inflammatory nature of the charge, you directed that the matter be brought to the attention of the Attorney General and the Comptroller General. A copy of the resignation letter was forwarded to them on April 29.

Hearing by U.S. Advisory Commission on Public Diplomacy

The U.S. Advisory Commission on Public Diplomacy also received a copy of the letter, and on May 5 the Commission held an oversight hearing into the matter. The hearing included lengthy testimony by Mr. Imperatore, as well as questioning of Agency officials. Thereafter the Commission sent a letter to you on May 10 (Attachment A) which stated the Commission's conclusion that:

"As a result of these hearings, the Commission found no evidence of any corruption and fraud on the part of the Director of ICA or his senior associates. The Commission was advised that concerns about matters involving possible corruption and fraud by ICA employees at a lower level are being handled by the appropriate investigatory offices of the Agency in the regular course of its business."

Investigation by Office of General Counsel and Congressional Liaison

Finally, you asked the General Counsel to undertake an investigation of the charges contained in the letter. In carrying out this task we have conducted interviews, and had discussions with, the Agency's Director, Deputy Director, all of the Associate Directors, the Director of Public Liaison, the Deputy Associate Director for Management, certain members and staff of the Advisory Commission, the Directors of Personnel, the Directors of the Labor and Employee Relations Divisions, the Agency's Chief Inspector, the Chief Auditor, the Director of the Office of Security, and other knowledgeable persons within the Agency.

We also have thoroughly reviewed and analyzed the transcript of the Advisory Commission hearing, and have conducted followup inquiries into the matters alluded to in Mr. Imperatore's testimony. This was frequently a difficult process because of many vague references and generalized statements in Mr. Imperatore's testimony. Even when he was pressed for specifics, Mr. Imperatore often was unable to provide any details on a number of matters or instances which he said he had "heard about" from others. Nevertheless, we examined all of the areas of Agency activities and practices which Mr. Imperatore alluded to in his testimony.

In addition, we thereafter monitored the efforts of Agency personnel over the past several months to deal with specific problems in these areas, in order to observe how and whether they were resolved. This monitoring effort was undertaken because of the charge in Mr. Imperatore's letter that known problem areas within the Agency "remain unaddressed and unabated." The monitoring was conducted without notification to Agency personnel in order to be able to assess the effectiveness of the Agency's existing procedures and mechanisms for dealing with problems arising in the areas cited by Mr. Imperatore.

Charges by Mr. Imperatore

The charges and complaints made by Mr. Imperatore may be categorized under seven general headings, as follows: (1) Mr. Imperatore was not given sufficient access to top USIA officials to discuss problems he perceived in the Agency. (2) There is a manpower waste in the Agency, in that highly competent people are being underutilized, particularly in the electronics data processing (EDP) area, (3) There is poor management and a serious morale problem in the Chinese Language Branch of VOA, (4) VOA's system of procuring talent vendor services contains insufficient safeguards against fraud and nepotism, (5) There are reports of "possible fraud and corruption" in the VOA Turkish language service, (6) There is a "Broadus Report" which reportedly deals with possible fraud and corruption at the Agency and (7) There is a widespread morale problem in regard to hiring and promotion of foreign nationals at VOA, which may take legislation to solve.

The results of our investigation into each of these areas are set forth in the "Reports of Individual Investigations" section of this report.

Comments

Before stating our findings and conclusions, the following comments should be noted. Of the seven items listed, only four (items 2-5) involve specific allegations of possible waste, fraud, corruption or mismanagement. Furthermore, each of these were matters that the Agency not only knew about at the time of Mr. Imperatore's resignation, but, as set forth in our investigation reports, they were all matters that were already under investigation by the Agency. Finally, our monitoring of the Agency's handling of these matters over the past several months showed that each of them was pursued to a successful conclusion and that effective corrective action was taken in each instance.

In regard to item 1 (access to top Agency officials) our investigation revealed that Mr. Imperatore not only had ample access to top management officials, but that he neglected to take advantage of the opportunities that were available to him and even failed to provide pertinent information that was requested of him.

With respect to item 6 (Broadus report), Mr. Imperatore seemed to be under the impression that there was a single "Broadus report" dealing generally with the subject of fraud and corruption in the Agency. Our investigation turned up no such report, however. In this regard, Mr. Imperatore seemed unaware that Mr. Broadus was the Agency's Chief Auditor and that all Agency audit reports would appropriately be termed "Broadus reports".

Finally, the VOA foreign nationals hiring matter (item 7) has been a longtime Agency problem which does not involve any issues of fraud or corruption but has been a serious morale concern to the Agency. As set forth in our investigation report, the issue did require both Congressional action and a creative solution that, after many years of inaction, was worked out by the Office of GC under the current Agency administration.

Findings and Conclusions

As a result of the investigations conducted by the General Counsel and our followup monitoring efforts, we reach the following findings and conclusions:

1. Mr. Imperatore had sufficient access and opportunities for access to top Agency officials to enable him to carry out his duties.
2. The Agency's Inspections and Audits staffs are capably managed and effective.
3. There were no charges, complaints or adverse information presented by Mr. Imperatore which the Agency was not already aware of and with respect to which appropriate action had not already been initiated at the time of his resignation as Ombudsman.
4. All matters alluded to in Mr. Imperatore's charges have been routinely and effectively pursued to a successful conclusion by the Agency.
5. The Agency's present procedures and mechanisms for dealing with instances of possible waste, fraud, corruption or mismanagement are effective.

REPORTS OF INDIVIDUAL INVESTIGATIONS

Following are the results of the General Counsel's investigations into the indicated charges made by Mr. Imperatore following his resignation on April 27, 1982, as Ombudsman for the USIA.

(1) Mr. Imperatore was not given sufficient access to top USIA officials to discuss problems he perceived in the Agency.

Mr. Imperatore claimed that during his 6 months with the Agency he met only 2 or 3 times with the Director, for a total of "about two hours," and never had sufficient access to other top management officials. The Advisory Commission hearings, on the other hand, revealed that Mr. Imperatore had at least eleven scheduled meetings with the Director, six scheduled meetings with the Deputy Director and "better than 35 meetings with top officers in the Agency." In addition, Mr. Imperatore was invited to, and regularly attended, the weekly Monday morning meetings of the Agency's executive management group (15 persons), the monthly Director's executive staff meeting (40 persons) and met twice with the Agency's "issues group."

The Associate Directors and other top management officials questioned on this point universally expressed surprise at this allegation, and all stated emphatically that they had never turned down a request by Mr. Imperatore to meet with him. In fact, one Associate Director reported that Mr. Imperatore initiated only one meeting during the entire six months he served as the Agency's Ombudsman, and Mr. Imperatore asked to see the General Counsel only twice, on administrative matters, during that period.

More particularly, at a meeting on January 27, 1982, with Mr. Imperatore and the Agency's Chief Inspector and Chief Auditor, the Director specifically suggested that Mr. Imperatore get together with them so that he could coordinate his activities with theirs. (Attachment B). The Chief Inspector and Chief Auditor each advised the General Counsel that Mr. Imperatore never thereafter asked to see them. In fact, at the Advisory Commission hearing Mr. Imperatore appeared not to know who the Agency's Chief Auditor was and seemed unaware that he had met him.

On March 25, 1982, the Deputy Director sent a memorandum to Mr. Imperatore asking him to provide regular reports on "the kinds of issues or suggestions that are being brought to your attention." (Attachment C). No such reports were ever received by the Director or Deputy Director, however.

In conclusion, it appears that Mr. Imperatore had ample access and opportunities for access to top management officials in the Agency to discuss concerns that he had, but that he failed to take advantage of such opportunities.

(2) There is a manpower waste in the Agency, in that highly competent people are being underutilized, particularly in the electronics data processing (EDP) area.

Deficiencies in the Agency's electronic data processing (EDP) operations were recognized by Agency management as early as the summer of 1981, and an in-house review was commenced at that time to deal with the problem. This review was brought to Mr. Imperatore's attention by the Agency management.

As a result of the in-house review, an Agency audit of the Office of Systems Technology was undertaken in the Spring of 1982. An Audit Report was issued on September 24, 1982.

Both the management review and the Audit Report confirmed the need for improved leadership of the EDP function. They disclosed a lack of effective planning and failure to utilize personnel to full efficiency.

Corrective administrative action has since been taken. The Director of Technology and the Chief of its Automated Data Processing Division are no longer with the Agency. A highly competent individual was hired in September 1982 from outside the Agency as Division Chief. The Agency is in the final stages of selecting a replacement, again from outside the Agency, as Director for Technology.

As a result of the corrective actions undertaken to date, the Agency has developed administrative and program support applications with immediate payoff. For example, the wireless file can now be transmitted in twelve minutes by a computer-to-computer system over direct dial telephone lines. This capability is systematically being integrated with the slower speed transmissions over dedicated circuits which require six to eight hours at much higher cost. Also, data processing personnel undertook projects to enhance such administrative functions as finance, personnel and property management, and procedures have been implemented to reduce the travel costs of computer and communications technicians.

Since last year the Agency's Office of Technology has been coordinating more closely with the State Department, to obtain use of their computers and communications equipment wherever possible, and to avoid the purchase or lease of redundant equipment at overseas posts. The Agency is also coordinating more closely with its inspection teams to that end.

Furthermore, significant advances in technology systems have been achieved in the news room of VOA. The typewriters have been replaced by word processing terminals which have reduced the news story preparation backlog from three hours to minutes. Also, the evaluation of a text editing system for the Press and Publication Division is being completed for a contract award in December with operational capability next summer.

(3) There is poor management and a serious morale problem in the Chinese Language Branch of VOA

In February 1982 a memorandum was sent from eleven employees in the China Branch of VOA to the Chief of the East Asia and Pacific Division, generally criticizing the supervision of the branch.

In March 1982 investigation of the criticisms was initiated by the Broadcasting Labor and Employee Relations Division of VOA, and a meeting was held with the Division Chief and Deputy Division Chief of the East Asia and Pacific Division to discuss the problems..

Subsequent meetings were held during March and April with former China Branch supervisory personnel, followed by personal interviews with all employees of the China branch. In all, 42 employees were interviewed.

On April 23, 1982, the following results and findings of the investigation were presented:

- a. The division chief lacked credibility and was considered to be unresponsive to the employees.
- b. The branch chief was well liked but considered too weak to counter the negativism of others.
- c. The deputy branch chief was considered autocratic and showed favoritism.
- d. FSIOs in general were considered unstable managers. Due to their frequent rotations they were perceived as uncommitted to both their work and the employees of the branch.
- e. Professional development was lacking. Employees saw few professional choices and limited opportunities for growth.
- f. Working conditions were considered inadequate. It was felt there was a severe space shortage and limited furniture.
- g. Erratic work schedules were observed, with irregular adherence to an eight-hour day and uneven enforcement by management of time and attendance policies.

During the period June-October 1982 the following recommendations and improvements were implemented; others are still in process.

- a. A redefinition of policies and procedures regarding time and attendance at work was set forth, with more consistent enforcement. This was effected immediately.
- b. The Acting Branch Chief has required weekly staff meetings to encourage discussion of employee input and problems. Employees have been encouraged to expand professionally by submitting pilots for new shows that would utilize special interests "Plum" shows now involve more employees. Supervisors have been encouraged to give incentive awards for outstanding performances.
- c. All supervisors were scheduled for USDA Management workshops.
- d. The position of branch chief was vacated in June 1982. VOA management is seeking a well qualified replacement with strong managerial ability.

- e. Plans for the division's move include more space for the China branch.
- f. The Deputy Branch Chief position has been reoriented towards programming matters, thereby reducing supervisory responsibilities over employees.

(4) VOA's system of procuring talent vendor services contains insufficient safeguards against fraud and nepotism.

In early 1978 the Agency's audit staff conducted an in-depth audit of the contractual talent vendor services procured by the Voice of America. The report issued March 29, 1978 contained 14 recommendations for corrective action by VOA management. On September 22, 1978 the Agency issued VOA instruction No. 117 covering "talent vendor services and operations at the Voice of America". This instruction became effective October 1, 1978, and specifically addressed eleven of the fourteen recommendations contained in the report.

There remained three recommendations to be addressed separately. First, that the Agency conduct a manpower utilization study of the broadcasting service, including staff positions and services acquired on a contractual basis. Second, that the broadcasting service periodically reevaluate the need for retaining retired Agency employees in a contractual capacity. Third, that the broadcasting service annually submit a report to the Agency's Office of Management providing pertinent data on all retirees working on a contractual basis.

A number of incomplete manpower studies were done subsequent to the audit report. It was not until the new Office of Personnel was established at VOA by the current USIA Administration that a thorough and comprehensive position management survey was conducted. The survey results are set forth in a July 23, 1982, memorandum to the VOA Director. As a result of this survey, management now has comprehensive information on which to base decisions regarding realignment and maximum use of all manpower resources. It is anticipated that there will be a reduction of some 25-50 talent vendors as the manpower and staffing improvements planned by VOA's Office of Personnel take hold.

A report from VOA on contracting with retired employees and relatives of employees was submitted to the USIA Office of Management on August 24, 1982. This was a comprehensive report containing submissions from each of VOA's programming divisions. The report indicates that use of certain talent vendors is essential to many of VOA's language broadcasting operations, since in some cases no suitable alternative talent can be found.

On August 5, 1982 the Agency issued Agency Announcement No. 166 requiring conflict of interest review of contracts between the Agency and Government employees, former employees, or their family members. It is designed to prevent prohibited or unacceptable employment arrangements from occurring. The announcement requires the General Counsel to rule favorably on, and management to approve, each proposed contract or purchase order with any of these individuals before the procurement may become legally effective.

An additional Agency announcement issued on October 18, 1982 (Announcement No. 227) severely restricts the employment of relatives and subjects contractual arrangements with relatives as talent vendors, even when approved, to an annual financial ceiling of no more than \$10,000.

These new procedures should serve to eliminate any residual problems identified as remaining in the administration of the talent vendor program.

A recent GAO Report dated August 10, 1982, recommended inter alia, that the Director of this Agency instruct VOA officials to anticipate retirements and provide for the orderly and timely replacement of full time employees rather than continuing to rely on purchase order vendors. A memorandum issued by the Director on October 5, 1982, directs all top Agency officials to implement the recommendations of the GAO Report. (Attachment D).

(5) There are reports of "possible fraud and corruption" in the VOA Turkish language service.

Allegations concerning irregularities in VOA's Turkish Service were first made to Agency Security officials by an employee of that Service on November 13, 1981. After several interviews, over a three-month period the employee submitted a lengthy written complaint on February 26, 1982.

In essence, the employee alleged that Agency nepotism regulations had been violated because the wife of the Service chief worked for the Service as a purchase order vendor and that irregularities were occurring in the certification of vouchers submitted by purchase order vendors, including the Service chief's wife. Specifically, it was alleged that the chief was approving vouchers submitted by his wife for work he knew she did not do. Instead, it was alleged that certain translation work the wife claimed to have done was actually done by her sister.

The Office of Security conducted an extensive investigation, together with the Office of Audits, between December 1981 and April 1982, and issued a report and recommendation on May 24, 1982. Several individuals were interviewed and an audit was made of vouchers submitted by purchase order vendors. The Office of Security recommended that the Office of the General Counsel review the matter for possible violations of criminal law and Agency regulations.

As a result of its review, the Office of the General Counsel referred the case to the Justice Department's Public Integrity Section for possible criminal prosecution on June 11, 1982. This referral was followed up by letters from the General Counsel to the Justice Department in August and September, 1982 requesting expedited review of the allegations.

In the meantime, in July 1982, the Agency ceased contracting for work provided by the Service chief's wife, and in September 1982 the Service chief was detailed for 120 days to a writer position pending resolution of the matter.

On November 1, 1982 the Justice Department informed the Agency that it was declining prosecution "in favor of administrative action" by the Agency. The Agency presently is processing separation proceedings against the Service chief.

(6) There is a "Broadus Report" which reportedly deals with possible fraud and corruption at the Agency.

When Mr. Imperatore was asked for instances of "possible fraud and corruption" during the Advisory Commission hearing he made several references to a "Broadus report" that he said he had heard about. For example: "There is a fellow named Broadus somewhere, who has done a report; "I have been told about a Broadus report... I think Mr. Broadus works for Mr. Hackett (Associate Director for Management); "there are other very highly sophisticated people who told me about the Broadus work;" etc.

Mr. Broadus is, in fact, the Chief Auditor of the USIA. The Auditor's Office continually conducts audits of various aspects of the Agency's operations. Reports of auditing investigations are routinely submitted by Mr. Broadus as Chief Auditor, to the Associate Director for Management. Thus there is no one single "Broadus report," and all Agency audit reports may properly be termed "Broadus reports."

As previously mentioned in item (1), Mr. Imperatore did meet Mr. Broadus on January 27, 1982, in the Director's office. He was urged at that time to coordinate his work with Mr. Broadus, but at the hearing he apparently couldn't remember who Mr. Broadus was.

During the course of our investigation and our monitoring of the operations of the Agency's Office of Audits over the past several months, we have reached the conclusion that the Office is capably managed and effective. It pays good attention to details and issues a monthly report of the status of audit investigations. In fact, our conclusions are borne out by recent comments of GAO auditors who, while conducting a routine audit of the USIA Inspection and Audit staffs, stated that they were "very impressed" with the work of these staffs. (Attachment E).

(7) There is a widespread morale problem in regard to hiring and promotion of foreign national employees at VOA, which may take legislation to solve.

In December 1981, the USIA Director authorized the Office of General Counsel and Congressional Liaison to seek legislation to correct a longstanding legal inequity which required VOA to replace highly qualified foreign nationals, hired to perform vital translation and narration services, with minimally qualified U.S. citizens who might seek to displace them.

On March 18, 1982, the Agency submitted to Congress, as part of an amended authorization request for FY 1983, a request for legislation which would amend section 804(1) of the United States Information and Educational Exchange Act of 1948 (Smith-Mundt Act) to clarify the Agency's authority to employ aliens for translation and narration or preparation and production of foreign language programming. The Agency specifically requested an amendment to this law to enable the Agency to employ aliens when "equally or better" qualified U.S. citizens were not available.

In subsequent conversations between Agency representatives and the staff of the Senate Foreign Relations and House Foreign Affairs Committees it became apparent that the Committees felt the authority already existed to do what the Agency wanted done, and they therefore agreed to include language in the reports accompanying the authorization bill which would spell out such intent on the part of the Committees.

Thereafter, the reports of both Committees contained language which stated: "Under existing law, ICA may employ aliens when 'suitably qualified' U.S. citizens are unavailable for employment. The phrase 'suitably qualified' has, because of the lack of legislative history on the issue, been interpreted by the Agency as 'minimally qualified,' mandating employment of U.S. citizens over more highly skilled foreign nationals. ...The term should be interpreted to mean, in effect, that the person who best fulfills the job requirements would be hired, and that only in those cases where the American and the foreign national are equally qualified should preference be given to an American.... It is the view of the Committee that the phrase 'suitably qualified' is adequate to protect the staffing needs of VOA, if interpreted correctly."

The Conference Report on the Agency's authorizing legislation for FY'82-83 preserved the language of the two Committee reports on this issue, and the bill was signed into law by the President on August 24th. Thereafter the Office of the General Counsel and Congressional Liaison issued a lengthy memorandum on October 13, 1982 in response to a series of questions posed by the VOA Director of Personnel regarding proper interpretation of the new authority. The new policy is now being implemented by the VOA Personnel Office and is having a very beneficial effect on morale, since it affects many employees who are key to the effectiveness of VOA's vital programming and broadcasting operations.

United States Advisory Commission
on Public Diplomacy

Washington, D.C. 20547

Office of the Chairman

May 10, 1982

The Honorable
Charles Z. Wick
Director
International Communication Agency
Washington, D.C. 20547

Dear Charlie:

On April 29 Mr. Arthur Imperatore provided the U.S. Advisory Commission on Public Diplomacy with a copy of his letter of resignation as Ombudsman of the International Communication Agency.

This Commission, in keeping with its statutory oversight responsibilities, met in closed session on May 5 with Mr. Imperatore and thereafter with you and several of your colleagues to review the points raised in the letter.

As a result of these hearings, the Commission found no evidence of any corruption and fraud on the part of the Director of ICA or his senior associates. The Commission was advised that concerns about matters involving possible corruption and fraud by ICA employees at a lower level are being handled by the appropriate investigatory offices of the Agency in the regular course of its business.

Sincerely,

Leonard L. Silverstein
Leonard L. Silverstein
Chairman



MEMORANDUM OF CONVERSATION

TO: The Director

FROM: MGT - James T. Hackett *JTH*

SUBJECT: Meeting with the Chief Inspector and Chief Auditor - January 27, 1982 in the Office of the Director

PARTICIPANTS: The Director, Mr. Hackett, Mr. Shirley, Mr. Winkler, Mr. Broadus, Mr. Imperatore, Mr. Kimiecik, Mr. Fitz

The Director asked for a meeting with the Chief Inspector and Chief Auditor, and suggested that the Ombudsman also attend.

Before the meeting, Tom O'Connor told the participants that Mr. Wick wanted to discuss matters he should look for in his upcoming European trip, with regards to any audit or inspection problems in Germany. He also thought it would be useful for the Ombudsman to meet the Agency's senior inspection personnel, and to see how he could best coordinate his efforts with theirs.

Mr. Winkler referred to the Inspection report on Austria, noting that the report included the suggestion that the Agency, given the very high cost of doing business in Austria and the high salaries of foreign national employees, should consider substantially reducing the size of the post to a level of two officers and 3 or 4 locals. Mr. Winkler noted that the suggestion was made on the basis of Austria's relative importance to USG interests. He said the former Area Director, Terry Catherman, was very interested in this idea and had planned to try this kind of approach in the future in Austria and perhaps in some other European countries.

Mr. Shirley then footnoted this by explaining that in Europe as well as elsewhere our managers at the posts continue to function with post structures inherited from a generation ago. Mr. Shirley said it was important for the Agency to begin a review of the organization of our posts and to consider appropriate modifications if these reviews indicate they are necessary.

Mr. Winkler went on to note that the Agency has some two dozen "arrows in its quiver"--the variety of activities and programs that are offered to the posts and that many posts try to "shoot all of the arrows." Mr. Winkler said that it was time for the field managers to begin identifying the relatively few activities and programs that are really essential to communicate the Agency's basic messages, and then to concentrate on these essentials. He added that in Austria the most significant things we are doing are international educational and cultural exchanges and the arrangement of TV cooperatives.

Mr. Winkler went on to note that in a recent inspection of USICA posts in Germany, it appeared that the many America Houses, the inheritance of the past, had questionable relevance for our activities in contemporary Germany and that a basic review of our organizational structure in Germany was warranted.

Mr. Broadus informed the Director that the Audit staff worked closely with the Inspectors during the review in Germany and that there were no audit related matters in Germany that required the Director's attention. Mr. Broadus also mentioned the recent audit of the BBC contract with the Voice of America, referring to the question of excess charges being made by the BBC for the use of their facilities. He indicated that Mr. Poirier of GC was preparing a paper on this subject for the Director's meeting with BBC officials during his stop in London.

Mr. Winkler said the next inspection would be a major review of our operations in India and China. He invited the Ombudsman to join the inspection trip as an observer if he wishes to do so. Mr. Imperatore seemed interested, but was non-committal.

The Director thanked Mr. Winkler and Mr. Broadus for their comments and expressed his support for what they are doing. He suggested that Mr. Imperatore get together with them to coordinate their efforts to identify and uncover waste, fraud or any activities which may be improper. Mr. Imperatore said he intended to do so.

**Communication
Agency**

United States of America

Washington, D. C. 20547

March 25, 1982

US

MEMORANDUM FOR: Arthur E. Imperatore
Ombudsman

FROM: Gilbert A. Robinson
Deputy Director

You will recall that I talked to you about how valuable it would be for the Director and me to receive regular reports from you about the kinds of issues or suggestions that are being brought to your attention.

By now you should be familiar with the Agency, and I assume enough people have either written or come to see you that you could categorize matters and suggestions drawn to your attention. I think it would be very helpful if you could begin immediately to recapitulate some of these items and note the character of them.

Of course, we would not want to violate the confidentiality of those people who have either written or come to see you. That is not our concept of your position, since the Ombudsman should provide an opportunity for people to come to him directly, without revealing the source. However, for proper management of the Agency, we need to have the benefit of: 1. what is happening, 2. your observations, and 3. your recommendations. Also, it would be helpful if you would categorize the issues and let us know how many people use your services.

Enclosed is a copy of the memorandum I sent to the Director after which he asked me to have the reports start on a regular basis. The reports should be written to the Director and me. We also desire these reports so that the appropriate parties recognize the value and accomplishments of the office of the Ombudsman.

October 5, 1982

MEMORANDUM FOR: The Counselor
The Associate Directors
The General Counsel and Congressional Liaison
The Office of Public Liaison

FROM : Charles Z. Wick *CW*

SUBJECT : GAO Recommendations Concerning USIA Procurement Practices

Forwarded for your attention is a copy of a GAO Report on this Agency's procurement practices. The report addresses two areas of weakness which need top management attention. The areas singled out are (1) lack of competition in negotiated procurements and (2) the Voice of America's use of talent vendors.

It is imperative that this Agency adhere to sound procurement practices established under statutes enacted by Congress, approved by the President, and their implementing government-wide regulations.


Therefore I direct your attention to the recommendations set out on pages 6 and 8 of the report and request that you take all necessary steps to implement them in your area of responsibility. You are further requested to distribute this memorandum to your senior managers and other officials involved in procurement.

Attachment: GAO Report on Weaknesses in Procurement Practices
to Obtain Outside Professional Talent Services



May 18, 1982

MEMORANDUM FOR: The Director

FROM: MGT - James T. Hackett 

SUBJECT: GAO Comments on Our Inspection and
Audit Staffs

I met this morning with the GAO investigators who have been reviewing our Inspection and Audit staffs for the past two months. They told me they were greatly impressed with our Inspection staff, which they consider the best they have seen in a foreign affairs agency (they specifically said we have a higher quality inspection corps than either State or AID). They commended our Inspectors for doing their homework before beginning an inspection, and said they are very thorough in their work.

The GAO team found our inspection reports to be too long, but they noted that we had already reduced the length of the reports by 90% which made them much more useful to management. The GAO wanted particularly to commend our Inspectors, Auditors and Security Investigators for their close, cooperative coordination. They said they found much better coordination between our investigative units than exists in most agencies.

The main problem that requires attention is follow-up on the Inspectors' recommendations. There is no problem in implementing non-controversial recommendations. However, when recommendations are opposed by the post or by one part of the Agency, the GAO investigators suggest that you or the Deputy Director decide the issue.

I suggested the possibility of authorizing the Inspectors to oversee the implementation of their recommendations when and if they are approved by top management. The GAO investigators endorsed this idea as a logical follow-on in the inspection process.

The GAO investigation will continue for several more months, after which a report and recommendations will be submitted to us and to the Congress.

cc: C - The Counselor



**International
Communication
Agency**

United States of America
Washington, D.C. 20547

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Office of the Director

May 12, 1982

The Honorable
William French Smith
Attorney General

The Honorable
Charles A. Bowsher
Comptroller General
of the United States

Mr. Joseph Wright
Chairman
President's Council on
Integrity and Efficiency

Gentlemen:

Following up on Gil Robinson's letter to you of April 29, 1982 regarding the recent resignation of Arthur Imperatore, the Agency's Ombudsman, I enclose for your information additional letters relevant to this matter:

(copy attached)

1. Letter to me from the U.S. Advisory Commission on Public Diplomacy dated May 10, 1982;
2. Letter from me to Mr. Imperatore, dated May 7, 1982; and
3. Letters to me from Mr. Imperatore, dated May 5 and 6, 1982, re his meeting with Congressman LeBoutillier.

We will keep you advised of any further developments.

Sincerely,

Charles Z. Wick

Charles Z. Wick
Director

cc: Mr. Fred Fielding
Mr. Leonard Silverstein

Handwritten notes and signatures

Comments: ... folder, 9.2.82 ... ID 115941

United States Advisory Commission
on Public Diplomacy

Washington, D.C. 20547

Office of the Chairman

May 10, 1982

The Honorable
Charles Z. Wick
Director
International Communication Agency
Washington, D.C. 20547

Dear Charlie:

On April 29 Mr. Arthur Imperatore provided the U.S. Advisory Commission on Public Diplomacy with a copy of his letter of resignation as Ombudsman of the International Communication Agency.

This Commission, in keeping with its statutory oversight responsibilities, met in closed session on May 5 with Mr. Imperatore and thereafter with you and several of your colleagues to review the points raised in the letter.

As a result of these hearings, the Commission found no evidence of any corruption and fraud on the part of the Director of ICA or his senior associates. The Commission was advised that concerns about matters involving possible corruption and fraud by ICA employees at a lower level are being handled by the appropriate investigatory offices of the Agency in the regular course of its business.

Sincerely,

Leonard L. Silverstein
Leonard L. Silverstein *per [signature]*
Chairman

May 7, 1982

Dear Arthur:

Thank you for your letters of May 5 and May 6 regarding your meeting with Congressman LeBoutillier and proposed meeting with Congressman Howard.

I am glad your meeting with Congressman LeBoutillier went well, and I appreciate the report.

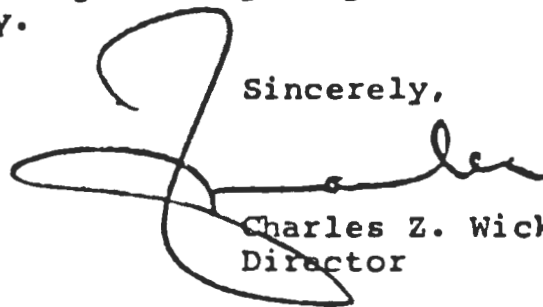
Arthur, I am very grateful for the many contributions you made to this Agency during the time you served as our Ombudsman. You have set in motion a number of improvements which will be of benefit to the Agency.

In view of your recent resignation as the Agency Ombudsman, however, I feel I should express my concern to you as to the appropriateness of your continuing to make visits to Congressional or other government offices regarding Agency matters. Though I understand that your intentions are to be helpful, I believe confusion may arise as to whether you are acting as a representative of the Agency.

I would appreciate hearing from you if you have any question or different viewpoint in this regard.

Again, I wish to thank you for your many helpful contributions to this Agency.

Sincerely,



Charles Z. Wick
Director

Mr. Arthur E. Imperatore
President
A-P-A Transport Corporation
2100 - '88th Street
North Bergen, New Jersey 07047



A-P-A TRANSPORTATION CORP.

2100 18th Street, North Bergen, New Jersey 07047 • 201-869-6600

May 5, 1982

MEMORANDUM FOR: Charles Z. Wick

FROM: Arthur E. Imperatore *AEI*

I will meet with Congressman John LeBoutillier today at 3 p.m. Because this appointment predates my resignation, I believe it would be judicious for me to attend this meeting.

I plan to suggest to the Congressman that he consider meeting with some VOA people who have some strong opinions about his misconceptions concerning the Voice and its mission. I also will suggest that he consider meeting with Bernie Kamenske. I believe it would be helpful to the organization if the Congressman agreed to speak with Kamenske or a VOA spokesperson who could help set the record straight.

While on the Hill, I also will attempt to see Congressman James Howard. I met with him last week concerning the Agency's lease on the new building.

I will report back to you with details relating to both meetings.

May 6, 1982

The Honorable
Charles Z. Wick
Director
International Communication Agency
Washington, D.C. 20547

Dear Charlie:

Yesterday I had a long conversation with LeBoutillier and his legislative director, Gerald Campbell. I spoke positively about your commitment to uphold President Reagan's policies in messagery in USICA, particularly at VOA. I also encouraged the Kamenske meeting, and that may happen. Kamenske is interested and will call the Congressman's office for an appointment. They also asked about John Hughes. I told them I thought he could and would do a very fine job at VOA.

Sincerely,

Arthur E. Imperatore

cc: Mr. Hughes, VOA

P.S. I did not meet with Congressman Howard because I ran out of time. I plan to do so next week.

*file
ICA*

May 5, 1982

The Honorable Fred F. Fielding
Counsel to the President
The White House
Washington, D.C. 20500

Dear Fred;

Enclosed are copies of letters to Director Wick from Mr. Arthur Imperatore, dated April 27 and April 30, 1982, Deputy Director Robinson's letter to William French Smith et al dated April 29, 1982, and Director Wick's reply letter to Mr. Imperatore dated April 30, 1982.

I understand that Gil Robinson has discussed this matter with you personally.

We will keep you advised of further developments.

Sincerely,

Jack

Jonathan W. Sloat
General Counsel and
Congressional Liaison

April 30, 1982

Dear Arthur:

Thank you for your letter of April 30. I regret that you were unable to keep our luncheon meeting "away from the office" today which I had agreed to in response to your offer to re-visit Wednesday morning to try to be of help to the Agency. I look forward to receiving the longer letter which you state you will be sending me.

As I hope I have made clear, Gil Robinson and I are just as desirous as you to correct any perceived problems in the Agency of the kind characterized in your letter of April 27. We continue to stand ready to receive any specific information in writing or to discuss any problems with you personally, as we have repeatedly indicated and requested of you.

Sincerely,

Charles S. Wick
Director

Mr. Arthur F. Inzeratore
President
A-F-A Transport Corporation
1100 - 18th Street
North Bergen, New Jersey 07047

Arthur E. Imperatore
President



A-P-A TRANSPORT CORP.

April 30, 1982

The Honorable
Charles Z. Wick
Director
International Communication Agency
Washington, D.C. 20547

Dear Mr. Wick:

I have decided on deep and careful reflection that I should decline your invitation for lunch today.

I will deliver, within the next few hours, a longer letter which contains some of my recent thinking about our conversations of last week, and the detailed reasons underlying my resignation.

It seems to me that no further useful purpose can be served by our meeting, unless you wish to discuss the letter you will receive very soon, and ways to approach its recommendations. I would be willing to meet you privately at your convenience as soon after you receive the letter, as you may wish.

I regret very much your obvious distress over these recent events, but I think you are better served by the truth, and by a demonstration of a higher loyalty to the country, the President and the Administration, than you are by that lesser loyalty that would encourage you to remain oblivious to the maelstrom evolving in USICA. The Agency and its extraordinarily competent people and their capabilities are being destroyed.

Please do not hesitate to advise me if you wish to discuss these matters in person.

Sincerely,

Arthur E. Imperatore

April 29, 1982

The Honorable
William French Smith
Attorney General

The Honorable
Charles A. Bowsher
Comptroller General of the
United States

Mr. Joseph Wright
Chairman
President's Council on
Integrity and Efficiency

Gentlemen:

The attached letter was handed by Mr. Imperatore, the volunteer unpaid USICA Ombudsman, to Mr. Wick at a meeting in my office at 5:45 p.m. on April 27.

The next morning I was telephoned by Director Wick, who had gone out of town, and instructed to report this matter directly to Mr. Joseph Wright, Chairman of the President's Council on Integrity and Efficiency. I called Mr. Wright immediately, and we arranged for our Associate Director for Management to meet with Mr. Wright's Deputy on the Council, Mr. Harold Steinberg, who is also an Associate Director of OMB. We also notified other key aides at the White House.


I discussed the matter further with Director Wick by long distance telephone this morning. The Director decided that, because of the inflammatory nature of the charges, this matter should be brought to the attention of the Comptroller General and the Attorney General of the United States, in addition to the Chairman of the President's Council on Integrity and Efficiency.

For your information, during the April 27 meeting Mr. Imperatore was vituperative and particularly resentful that his recent request to change his status from that of Ombudsman to a senior management position with USICA (see copy of letter to Director Wick dated April 15, 1982, attached) had not been granted. The decision that Mr. Imperatore not be given a management position nor recommended for a Presidential appointment was made by the Director in consultation with all of top management.

We have no reason to believe there is any material accuracy to the charges contained in the April 27 letter. However, we are undertaking an investigation of the matter to determine whether there is any merit to such charges.

If you would like any further information, please feel free to contact Director Wick or myself.

Sincerely,



Gilbert A. Robinson
Acting Director

cc: Mr. Leonard Silverstein
Chairman
United States Advisory Commission
on Public Diplomacy

bcc: The Honorable
James A. Baker III
Chief of Staff and Assistant
to the President

The Honorable
Judge William P. Clark
Assistant to the President for
National Security Affairs

The Honorable
Edwin Meese III
Counsellor to the President

April 27, 1982

USICA

The Honorable
Charles Z. Wick
Director
International Communication Agency

Dear Mr. Wick:

Herewith I tender my resignation as Ombudsman effective immediately.

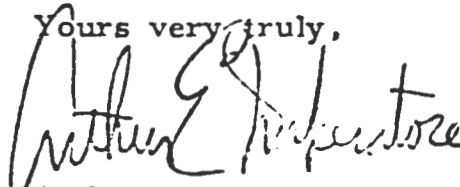
After many efforts to assist the Agency and to persuade you of the seriousness of Agency problems, I have concluded that I can no longer be associated with the mismanagement, waste, inefficiency and concern about the possibilities of corruption and fraud which remain unaddressed and unabated.

My conversations with you and your Management team convince me that the President's goals for the Federal Government cannot be well served in the atmosphere which now prevails in the Agency.

When I accepted the position of Ombudsman, it was with the understanding that its mandate was one of good faith, and not cosmetic. My commitment to those who shared my view of this work as a good-faith effort will not permit me to continue.

I hope that history and events will persuade you and the Agency to take the President's goals very seriously and more effectively in the future.

Yours very truly,



Arthur E. Imperatore

Arthur E. Imperatore

(Typewritten copy of handwritten letter from Arthur Imperatore to the Director of USICA, Charles Z. Wick, dated April 15, 1982)

April 15, 1982

Dear Charlie,

I enclose a job description of a managerial structure to which I have given utmost thought. It represents what both you, your family and the Agency need to enable you to function at the highest level of efficacy and healthful and productive enjoyment. You really must trust that I know how to help you, and I will devote myself totally loyally to you and USICA. I will win the support of all the Associate Directors because frankly I know how to use power very skillfully -- and effectively. And I must have power -- in this way -- if I am to help. The manning in the Agency is very wasteful, even in MGT, and in each of the other major groupings. Millions are wasted annually. Also, we can learn and implement a greatly improved management structure. We could even relegislate some old outworn manning practices with new ideas we can learn here in the next 2½ years. I know some people will be hesitant, even obstructive of an expanded role for me. My track record proves I can work with smart, honest hard working managers. Phonies either straighten out, or get out. Is that not what Charles Wick wants -- and deserves? I can do it. Only if you let me. This requires "Presidential approval!" You must decide you are willing to commit it. I will discuss each point with you as to why I have included the various areas of jurisdiction and what I plan to accomplish.

I am available at once to discuss it. I cannot be effective without your full support. Trust me.

Sincerely,

Arthur Imperatore /s/

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~~HR~~
File



USICA

Dear Charles, April 14, 1962

I enclose a description of a management structure which has your utmost thought. It represents what both you, your family and the Agency need to enable you to function at the highest level of efficiency and productivity. You must trust that I know how to help you, and I will devote my-
 self totally, loyally to you and the Agency. I will have the support of all the Associate Director because



USICA

frankly I know how to work
 very skillfully - and effectively but
 I must have power in the
 way of I am to help. The
 primary on the agency is very
 needed, even in MCT, and in such
 as the other major projects. Millions
 are needed annually. Also, we can
 learn and implement a greatly improved
 management structure. This will give
 responsibility to me and put down maximum
 pressure with new ideas and can learn
 how in the next 2 1/2 years. If you have
 people will be interested in construction of
 an approved schedule. My thanks



USICA

Record, prove I can work with
smart, honest hard working
managers. Please either straighten
out, or get out. Is that not what
Charles Wick wants - no discussion?
I can do it. Only if you let me.
This requires Presidential approval.
You must decide your own destiny
to commit. I will discuss each
point with you as to why I have
included the various items of discussion
and what I plan to accomplish.
I am available at any time to discuss it
and will be effective without expense fully support
Sincerely,
William J. ...

Deputy Director for Organizational Development

Reports to Director*

(For a term not to exceed three years/Serves at pleasure of Director)

Objectives:

- Interpersonal communications
- Productivity improvement
- Team building
- Technology/relationships to human resources
- Planning
- Training
- Conflict resolution

Objective is to remove barriers between human relationships and organizational, technological and procedural management aspects in order to achieve the most effective and productive accomplishment of the Agency's mission.

Specific Responsibilities:

- Agency Code of Conduct
- Reviewing Table of Organization
- Manning and productivity goals
- Management by objectives program
- Personnel Review Committee
- Management training skills
- Internal communications
- Personnel rewards and review

Would Function as Follows:

- Be member of the Director's staff with broad charter to look into and take action on any matter restricting ability of Agency and its employees to get the job done.
- Help define goals and objectives of the Agency.
- Conduct Agency policy reviews.
- Act as general trouble shooter and problem solver.

Reporting to the Deputy Director for Organizational Development:

- Associate Director for Management
- Personnel Directors
- Ombudsman

*Requires Presidential Designation

