

S. HRG. 107-596

**NOMINATION OF JOHN L. HELGERSON TO BE IN-
SPECTOR GENERAL, CENTRAL INTELLIGENCE
AGENCY**

HEARINGS
BEFORE THE
SELECT COMMITTEE ON INTELLIGENCE
OF THE
UNITED STATES SENATE
ONE HUNDRED SEVENTH CONGRESS
SECOND SESSION
NOMINATION OF JOHN L. HELGERSON TO BE INSPECTOR GENERAL,
CENTRAL INTELLIGENCE AGENCY

APRIL 17 AND 25, 2002



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**HEARING ON THE NOMINATION OF JOHN L.
HELGERSON TO BE INSPECTOR GENERAL
OF THE CENTRAL INTELLIGENCE AGENCY**

WEDNESDAY, APRIL 17, 2002

U.S. SENATE,
SELECT COMMITTEE ON INTELLIGENCE,
Washington, DC.

The Committee met, pursuant to notice, at 2:32 p.m., in room SH-216, Hart Senate Office Building, the Honorable Bob Graham (chairman of the Committee) presiding.

Committee Members Present: Senators Graham, Rockefeller, and Shelby.

Chairman GRAHAM. The hearing will come to order.

Today the Committee is meeting in open session to receive testimony from the President's nominee for the position of inspector general of the Central Intelligence Agency, Mr. John L. Helgerson, and we thank you and welcome you, Mr. Helgerson, to our Committee meeting. We are delighted that you are also accompanied by your wife, Martha, and I understand that you've also brought an assistant, Lanetta Watkins. If there are any other guests that you would like to introduce, Mr. Helgerson, we'd be pleased to be introduced to them.

Mr. HELGERSON. No others, Mr. Chairman, but thank you for the welcome.

Chairman GRAHAM. Mr. Helgerson is nominated to be the only third Inspector General in the Central Intelligence Agency since this position was created by the Congress in 1989. Members of this Committee know well the previous two occupants of the Inspector General post, Mr. Fred Hitz and Mr. Britt Snider. The House and Senate Intelligence Committees, in fact, the entire Congress, as well as the American people, rely on the Inspector General to be a strong and tireless overseer of the conduct of the CIA. As chairman of this Committee, I feel a special responsibility to the American people to be their eyes and ears when it comes to oversight of the intelligence community, and I know that Senator Shelby and our other colleagues share that feeling.

The activities of most federal agencies are scrutinized by many, including, in most cases, more than one congressional committee, as well as the media and various other entities which are interested in the activities of that federal agency. However, when it comes to the CIA, there is, by design, little that is available for public view. We as members of this Committee are entrusted with overseeing this crucial government agency, which is at the front

lines of our nation's war on global terrorism, and like the Committee the Inspector General is charged with assuring that the CIA's employees are performing to the highest standards.

As a statutory Inspector General, the CIA Inspector General has the added responsibility of reporting to the Congress any and all problems discovered within the agency. To fulfill this Committee's oversight responsibility, we must rely on the wisdom, the integrity, the diligence and the independence of the person who holds the job of CIA Inspector General. Mr. Helgerson, I look forward to hearing from you and how you would meet these expectations should you be confirmed.

By way of introduction, I will tell the audience that Mr. Helgerson has a long and diverse career within the intelligence community. A native of South Dakota, he holds a bachelor's degree from St. Olaf College in Minnesota and a master's and Ph.D. from Duke University, where I understand he met his wife, Martha.

He began his career as a CIA analyst. He has at varying points headed units responsible for coverage of Russia, Europe, Africa and Latin America. His senior management positions include Deputy Director for Intelligence at the CIA, Deputy Inspector General of the CIA and Deputy Director of the National Imagery and Mapping Agency. In August of 2001, he was appointed Chairman of the National Intelligence Council. Mr. Helgerson has received a number of awards and commendations, including the CIA's Distinguished Intelligence Medal and NIMA's Distinguished Civilian Service Award.

I would now like to call on my friend and colleague, Vice Chairman Senator Shelby for his opening remarks and then we look forward to hearing from Mr. Helgerson.

Vice Chairman SHELBY. Thank you, Mr. Chairman.

Mr. Helgerson, congratulations on your nomination and I want to thank you for your willingness to appear before the Committee today. I know from our discussion yesterday that you're aware of the importance of the position for which you've been nominated. The CIA Inspector General is a Presidentially-appointed, Senate-confirmed position, a very important job. The IG serves at the will of the President, giving him a measure of independence from the Director of Central Intelligence, as it should be.

The CIA Inspector General supervises approximately 160 staff positions and has broad duties and responsibilities. The office independently conducts the inspections, investigations and audits of the CIA's programs and operations to ensure that they're conducted in accordance with applicable laws and regulations.

It is the Inspector General's duty to keep the DCI, the Director of Central Intelligence, and the intelligence committees informed of any violations of law or deficiencies in the CIA programs and to monitor the implementation of corrective actions. The CIA Inspector General is obligated to report to the oversight committees if he's unable to resolve any differences with the Director affecting the execution of his duties on any audits or investigations focused on the Director or acting Director, or if he's unable to obtain significant documentary information in the course of an investigation.

Mr. Helgerson, I believe you have the qualifications necessary to fulfill these duties. Your background at the CIA, the National Im-

agery and Mapping Agency and the National Intelligence Council, gives you a broad perspective on the issues which are encountered by the intelligence community. This experience will serve you well.

In your statement, you described your approach to investigating wrongdoings. You asserted, and I'll quote: "Initiative, integrity and independence should be the cornerstones of any investigation." I could not agree more. I would especially emphasize independence. In the closed society of the intelligence community and of the CIA, in particular, one must, while having an insider's knowledge of the agency as you do, investigate wrongdoings with professional detachment and independence. After you're confirmed, I believe you will exhibit such independence during your tenure.

Again, thank you for being here today and I look forward to your testimony and also to support your nomination. Thank you, Mr. Chairman.

Chairman GRAHAM. Good. Thank you, Senator.
Mr. Helgerson.

**STATEMENT OF JOHN L. HELGERSON, INSPECTOR GENERAL-
DESIGNATE, CENTRAL INTELLIGENCE AGENCY**

Mr. HELGERSON. Thank you, Mr. Chairman, and thank you, Senator Shelby. Mr. Chairman, do you wish to swear me in, or shall I just begin?

Chairman GRAHAM. We have such overwhelming confidence in your integrity that that will not be necessary.

Mr. HELGERSON. Well, Mr. Chairman, I appreciate that and I appreciate the opportunity to make an introductory statement. I am honored, as you would know, to have been nominated by the President for the position of Inspector General of the Central Intelligence Agency. I've looked forward to this exchange with the Committee for some time, and I will be happy to answer any questions you may have about my experience, qualifications and views.

Should I be confirmed for this position, as you have mentioned, I will be the third statutory Inspector General at CIA. I have known well the two previous incumbents, Fred Hitz and Britt Snider, and have learned a great deal from them personally and from their fine example in the performance of their duties. As you are aware, I served from 1998 to 2000 as Britt's deputy, working with him to build on the foundation that Fred had laid as we strengthened still further the capabilities of the office.

Looking back on my time as Deputy IG, I'm proud of the progress we made in several specific areas. We brought the office up to its full personnel strength, including hiring a number of new auditors from outside the agency who had first-class information technology and systems auditing skills. We launched a program of field station audits, implemented a proactive fraud detection effort, expanded staff training, established a formal work plan and undertook a number of joint inspections with other IGs, some at congressional request.

And finally, we crafted and secured DCI approval of an agency regulation that for the first time comprehensively spelled out for all employees the authorities and responsibilities of the statutory IG. During this period, as the Committee is aware, the office also accomplished a large body of substantive work in the form of audits,

investigations and inspections. As Deputy IG, I reviewed and approved most of those. In the case of one key investigation that we conducted, I personally led the team that carried out the investigation and drafted the report. This was the investigation into the bombing in May 1999 of the Chinese embassy in Belgrade. The report on the bombing, I believe, provides the Committee a concrete and revealing look at the approach I bring to investigating wrongdoing—initiative, integrity and independence. The results of this investigation were made available promptly to the DCI, the President and to the Congress. The findings led to important follow-up actions within CIA, in the agency's interaction with the U.S. military and in U.S. diplomatic efforts.

I look forward also, if you would like, to discussing with the Committee my experience in the field of foreign intelligence that's not directly related to the office of the Inspector General. Currently, I am serving in an intelligence community post as Chairman of the National Intelligence Council. As you have mentioned, I've also held senior positions as Deputy Director of the National Imagery and Mapping Agency and as Deputy Director for Intelligence at CIA. My experience in different agencies, both in Washington and overseas, has given me broad exposure to the range of programs that the IG audits, investigates and inspects.

Now, a number of the positions that I've held have honed the skills and perspectives required to do the work of the statutory IG. In my service as CIA's Director of Congressional Affairs, it gave me the high awareness of the agency's reporting requirements to the Congress. My many years as an analyst and supervisor of analysts imbued in me the absolute need to make analytic judgments with integrity, to call them like we see them. During my tenure at NIMA, I worked to strengthen the IG function there. That assignment afforded me also the opportunity of learning how the IGs of the defense intelligence agencies function autonomously and yet under the larger DOD IG umbrella. Finally, Mr. Chairman, my joint service with Britt Snider provided me with valuable on-the-job training.

I am familiar with this Committee's views about the importance of having a statutory IG at CIA and your very high expectations about the experience, integrity and independence of the individual who holds that position. I am aware, in particular, of the IG's reporting responsibilities to the Director of Central Intelligence and to the Congress. Let me assure you, Mr. Chairman, that I am fully committed to meeting the letter and the spirit of these responsibilities in the unambiguous way that they are now embodied in the CIA statute.

I thank you for your attention. I look forward to your questions and, if confirmed, to working with you in the future as Inspector General.

Chairman GRAHAM. Thank you very much, Mr. Helgeson. I would like to ask a few questions, and then I'm certain that Senator Shelby will also have some inquiries.

One of the recurring questions for someone who has spent a substantial amount of your adult life within the intelligence community and now are taking another post which requires you to do evaluation of that same community is the issue of independence.

Can you bring the perspective of objectivity along with the depth of your personal experience within the community? Could you comment as to how you think you will be able to do that and maybe use your previous position as deputy Inspector General as illustrative of some of those challenges of both knowledge of, but also distance from the intelligence community to maintain objectivity?

Mr. HELGERSON. I'd be happy to Mr. Chairman. In fact, as you mentioned, I have had unusual, wonderful opportunities to hold posts in a number of agencies and directorates of CIA, and so on, and this breadth of experience I think does give me a valuable perspective. But another way of looking at it is this is a career spent wholly within the U.S. intelligence community. I would like to say that my experience as deputy Inspector General was the single thing that prepared me best to do this job, including with the independence and the vigor that you and Senator Shelby seek and that I do as well, and that job was very important, and I'll come back to it.

But, frankly, the single most important thing by far was the training and experience I had as an analyst and a supervisor of analysts. We take great pride in drumming into ourselves from the moment we begin that career the integrity of the analytic work we do, the need to dig to get the facts and to accept nothing at face value, and to offer independent conclusions. If anything, frankly, in the analytic cadre, the problem is not that we bend with the winds, but the analysts instinctively want to poke the policymaker in the eye to prove that they know better than they do. So we value independence, independent thinking very highly, and I think that background more than anything gives me the instinct to do this job.

But referring specifically to the deputy IG job, it did, of course, bring home to me in real terms what's involved with audits, investigations, inspections, and, as I've suggested to the Committee, I think the opportunity that arose when I was given the job of inspecting or investigating how did the U.S. government happen to bomb the Chinese embassy in Belgrade is kind of a useful case study. When that incident occurred, the Director of Central Intelligence and the Inspector General said we want somebody to oversee this investigation who knows how it's all supposed to work and yet has the courage to lay it all on the table as to what actually happened.

This Committee, HPSCI and others, saw the results of that work. It did have a very substantial impact, and I don't think you could find anyone inside or outside the intelligence community who said anything other than the unvarnished truth was laid out there with very significant accountability consequences. So I have learned from being an analyst. I've learned from our recent experience in the IG business, and I think the two combine very well.

Mr. Chairman, if I may, it's probably unnecessary, but let me say that I am, of course, aware of the strengths provided to the statutory Inspector General in the statutes, and we may want to come back to that. But if there was ever any doubt about the ability of the Inspector General to be independent and vigorous, those doubts were removed with the tools that Congress provided in the statutory IG Act.

Chairman GRAHAM. There is a special relationship within that Act that you just referred to between the Inspector General and the oversight committees of Congress. The statute, for instance, specifically requires that the DCI forward to the oversight committees semi-annual reports to the Inspector General. The Inspector General is required to summarize his activities and identify to the Committee any significant problems that he or she has uncovered. Could you describe for us what you will define as being a significant problem that warrants being summarized and then specifically referred to the oversight committees of Congress?

Mr. HELGERSON. Mr. Chairman, I can commit that I will continue the practice that Fred Hitz and Britt Snider used, and that was to err in the side of including it all. If there's any problem with our semi-annual reports, frankly, it is that they include too much rather than too little. We list there every investigation, inspection and audit undertaken, and the ones that are of any real importance we provide additional material. Staff of the Committee have not been shy about questioning us if they want additional material. So you are aware literally of everything we do, significant or otherwise.

I might say parenthetically I am aware also, of course, of the provision of law that says that if the Inspector General shall happen upon particularly serious or flagrant problems that we need to inform the DCI immediately and he the Congress within seven days. There one does run into more definitional problems about what's particularly significant or flagrant, but, as a routine matter, you know everything we do.

Chairman GRAHAM. Senator Shelby.

Vice Chairman SHELBY. Thank you, Mr. Chairman.

Mr. Helgerson, last year Britt Snider, the outgoing CIA Inspector General that we've been talking about, described the CIA's financial and management situation as being very poor. According to him, it was, and I'll quote his words, "often impossible to know where money is and how it is actually being spent." He went on to say that "the CIA could not produce uniform and reliable financial data and that they had a personnel evaluation process that defies any effort to weed out poor performers." Furthermore, and I'm quoting the Inspector General, Britt Snider, "There was too little concern about the quality of goods and services which the agency was purchasing with taxpayer money."

In his farewell statement, Mr. Snyder asked a number of fundamental questions about the CIA's ability to plan for the future and concluded, and I'll quote again. "Frankly," he said, "based upon my time here"—and that was a long time—"I don't think the existing corporate structure provides an adequate mechanism for addressing them." All in all, he described the CIA as lacking, quote again, "effective, top down corporate management."

That assessment was made a little over a year ago, January, 2001. Since then, the CIA has lacked both a confirmed Inspector General and a permanent deputy Inspector General. This year, the Agency is about to receive a huge new infusion of funds to help fight the war on terrorism, which we all support. Do you think the problems that your predecessor, Mr. Snider, as an Inspector Gen-

eral identified at the CIA remain problems today, or do you know at this point?

Mr. HELGERSON. Well, Senator Shelby, you've asked a number of questions in one, but let me pick off pieces of it. I am familiar with Britt Snyder's statement that he prepared when he left the job of Inspector General—

Vice Chairman SHELBY. Absolutely.

Mr. HELGERSON. Certain pieces of it I think he's absolutely right, and they are important. Should I be confirmed and take up the job as Inspector General, for example, one thing I intend to concentrate on is the CIA procurement acquisition process for information technology and information systems. This is an area that frankly in any government agency is ripe for waste, fraud and abuse. That's how IGs originally started their work.

Vice Chairman SHELBY. Absolutely.

Mr. HELGERSON. A lot of money is spent in the acquisition, in the operation and the use, or misuse, or security purposes, and so on. So a big challenge I know in the office of the Inspector General when I was there was hiring, training, retaining auditors and investigators who really understood the information technology business. I intend to make this one of a couple priority areas to ensure that we have the capability and the audit and investigations staff to do that.

A second kind of generic capability that I intend to emphasize refers to another part of your question. That is, I am mindful that CIA has received and will be receiving significant additional funds for the programs you mentioned. A great deal of these monies are spent with overseas operations. Mr. Snider and I put in place a field audit capability that I intend to strengthen still further, because in the IG business, frankly, one wants to follow the money. Now, I apologize these are such cryptic answers, but let me leap to the most general question, and that refers to the kind of overall organization, because Mr. Snider was referring not only to the CIA, frankly, but to the intelligence community.

Vice Chairman SHELBY. Absolutely.

Mr. HELGERSON. I won't venture an opinion here about what ought to be the scope of the DCI authorities. You and the DCI and the President will have opinions on that. But as regards the IG business, let me take the occasion to say if you were to ask me should there be a community-wide IG to help deal with these larger problems you've pointed to, my firm answer would be if we reach the day when the DCI's responsibilities and authorities are expanded significantly in some of the ways we're talking about, then it might be appropriate to expand the authorities of the Inspector General to match those of the DCI.

I think if we expanded the authorities of a community IG without having expanded authorities on behalf of the Director, we'd get the cart before the horse and you'd find a weakened IG who couldn't follow up in the way he must, including with our semi-annual reports. So I've just touched on a couple parts of your question. They're important ones. We can come back to them if you like.

Vice Chairman SHELBY. Let me go back to this part of it, and I'll quote Mr. Snider again. He says, "Frankly"—and this about the CIA he's referring to. "Frankly, based upon my time here as the

CIA's Inspector General, I don't think the existing corporate structure provides an adequate mechanism for addressing them." All in all, he described the CIA as lacking, quote, "effective top down corporate management." Are you in a position to comment on that yet or do you want to do this after you get into your job as Inspector General?

Mr. HELGERSON. Well, prudence would suggest I comment at a later stage but that doesn't keep me from having an opinion even now, and that is to point out that a number of others, including the DCI, have recognized that at least some of what Mr. Snider pointed to is the case and the wholly new system that is—

Vice Chairman SHELBY. But you're not saying what Mr. Schneider said is incorrect?

Mr. HELGERSON. Not at all.

Vice Chairman SHELBY. Okay.

Mr. HELGERSON. I'm saying that parts of it he has a real good point, particularly in compensation and personnel management, and the new system that you and staff have heard is being prepared will address some of those issues. Another multi-year program that the IG oversees to help the agency get in a position to prepare truly auditable financial statements is important in addressing another part of this. We have a chief information officer, a chief financial officer, both created relatively recently, particularly on the financial side. It's a multi-year process to get the auditable financial statements but we're making real headway in that progress.

My challenge, and I'll try and be brief here, should I become IG, the challenge there is to hold the Agency's feet to the fire, moving toward the auditable financial statements without getting ourselves in an Enron/Andersen-like situation. That is, in our observations twice a year as to what's wrong and what ought to be done to get it fixed, we inevitably continue then to work with the affected relevant components to see that the follow up is done. I want to be sure that we stick with the auditing and the what ought to be done and the monitoring the follow up and don't, out of goodwill or foolishness, get caught up in the actual implementation and management.

The Enron/Andersen example is something that all IGs and perspective IGs have taken seriously. The Comptroller General has issued updated guidance to the IG community on how to keep yourself out of that problem and I intend to be sure that the IG group at CIA have read that report carefully.

Vice Chairman SHELBY. And also to keep other people out of the problems.

Mr. HELGERSON. Exactly.

Vice Chairman SHELBY. Thank you, Mr. Chairman.

Chairman GRAHAM. Thank you, Senator.

Senator Rockefeller.

Senator ROCKEFELLER. Thank you, Mr. Chairman.

I'm sort of a little bit going to go with the same line of questions but in a slightly different way because I think Senator Shelby was trying to nail something really important here. The need for collaboration and cooperation has obviously got to grow and you just can't go back to the days of the U.S.S. *Liberty* and *Pueblo*, right?

I mean, people have got to be able to talk to each other and there's got to be cooperation in the intelligence community.

Now, more and more programs are going to cut across different intelligence agencies in different places and oversight will continue to increase. It will need to, hopefully constructively and usefully. There are a variety of ways to achieve this goal.

One, the Inspector General at the various intelligence agencies could conduct more joint audits and investigations. Two, the Congress could create an intelligence community Inspector General to handle cross-cutting programs, which is the way the Defense Department operates. Or, three, the CIA Inspector General, as part of the DCI's staff, could take the lead in conducting or coordinating reviews of joint programs.

I'd like to get your thoughts on each of these, part of which will be repetitious but I think it's very important, and would the establishment, in your judgment, of an intelligence community Inspector General improve the DCI's ability to manage the community? I've questioned him on this. I'm not talking Scowcroft recommendations. That hasn't come out and this isn't about that; this is about commonsense reaction. If you were able to do that would that improve his ability to work the community and hold the community responsible or would it just create chaos? And I have a follow up question.

Mr. HELGERSON. I understand, Senator Rockefeller, thank you.

Let me repeat myself a little bit in saying that I think IG oversight of everybody by somebody is appropriate. I have worried in the past a little bit about whether the intelligence Community Management Staff was exempt from any IG oversight. I know our office of Inspector General traditionally has wondered whether they are within our purview. It's probably a healthy thing that they think decidedly they are. They think not that they're exempt from oversight but they have double oversight because the DOD IG looks at them and we look at them. And the trick of course is whether we look at them together in a coordinated way that covers all the bases, keeps things from falling through the cracks.

Let me double back just a minute. That was just an example. My fundamental point is for an IG to be effective they have to have the backing of the executive who runs whatever the institution is. So, again, I think it very important that one have a strong, independent IG whose turf corresponds to that of the Director. If the Director's turf is expanded with real authorities, then so should an IG, whether it's CIA or otherwise.

But let me take just a minute to say in the meantime we have a system that probably is better than most people realize in the IG forum of which you're doubtless aware. Some four or five years ago, that group was reconstituted, and while I don't want to exaggerate its effectiveness for those who may be not in the middle of this, it's a group made up of the inspectors general of a dozen agencies who have national security responsibilities. All of the IGs go to the President's Council on Integrity and Efficiency which covers the whole of government, but a number have said to me, frankly, the IG forum in the intelligence community is more useful in dealing with the issues that really pertain to us.

Now, interestingly, in terms of formal audits and investigations and inspections, that group has undertaken only a few and they're a little dated now, but when I was deputy IG we had just finished the work on NRO's financial management, we'd done work on foreign intelligence relationships, because all agencies had sharing relationships with other services. We had done a multi-agency look at export control capabilities because we were all involved in it in one way or another.

But what we've found is that certain other projects, like the one we did on POW MIAs at the request of Senator Smith that came through then-Chairman Shelby as I recall, we found there wasn't much use for the Departments of Transportation or Energy or whatever. It was a smaller subset. In any case, what I'm saying here is that there have not been a great many large-scale formal efforts, and my feeling is that where they are truly appropriate one should do them but it isn't easy with 12 cooks in the broth or however many, so you don't want to force things into the community approach unless they really belong there. What does belong there and what goes on more continuously is a system where that forum meets every quarter, chaired alternately by the IGs of Department of Defense and of the CIA, and it has very active working groups which, for example, meet to discuss information assurance issues of the kind I was mentioning earlier. Or now they're working on the issue of are we sharing information on terrorism optimally.

Each year they have an auditors conference. Two or three hundred community auditors get together. So this is the kind of thing, year in and year out, that some of it sounds kind of pedestrian but it is useful in the absence of a larger community IG of the kind you're referring to which, at some point down the road, might be appropriate, but I personally right now think would be premature.

Senator ROCKEFELLER. Okay. Mr. Chairman, can I just follow up very briefly but intelligently. [Laughter.]

Chairman GRAHAM. You'll be judged on that.

Senator ROCKEFELLER. I'll be judged on that. I may never be able to ask another question again.

You've said two things and you strike me as having been very, very careful in the way you answered that question, but I think that there was a feeling coming out of you when you used the words "down the line could make sense." Two factors: one is we're dealing with the way the world used to be and the way the world now is. So to say that something is working much better than people ordinarily think it is, is not necessarily a very impressive statement to me unless it meets the requirements of what's going to be needed in the world that we're going to be facing—and that the IG or the IGs will be facing.

Second, you said at one point that, as I said, people don't realize how well these IGs getting together I guess on a quarterly basis actually works, and then you came back and said in the latter part of your statement in fact that sort of—I forget how you phrased it but you didn't put in a very good light. You can't have it both ways. And if something is a good idea down the road but is premature, that means that it's a good idea which somebody doesn't want to come out for because it's not of the moment, so to speak.

And then I look at Secretary Rumsfeld and what he's done and he had all these people who evidently didn't want to fight—and I don't know this but this has been reported—really didn't want to fight wars the way they're going to have to be fought, and he said to hell with that, we're going to get young people here who know how to take on what has to be done, and I'm going to do it. And he did it, and I assume there's a whole lot of grumbling and I don't think he cares and the country is better served.

So I'm not even going to make you answer that, but I want to put in your mind that I thought that you were being a little careful there and I suspect I think I know where you want this to come out in the end. And I think I may agree with you. But if you simply say that the IG's territory ends at the end of the box where his turf expands to and can go no further, then quarterly meetings of IGs may be better than people think. I just wonder whether it's good enough.

Mr. HELGERSON. Senator Rockefeller, you've kindly offered to make this a rhetorical question, but let me nevertheless, if I may, make a couple of points. One of them is, I don't mean to be too careful here at all. My decided view is that yes, an assertive, capable IG is terribly important but I do believe it needs to correspond again to the scope of the authorities of the director, if it is to work. So my personal position is right now, the CIA IG authorities ought to match those of the DCI. If the DCI's authorities expand, then my personal opinion is some IG ought to have authorities matching his.

On the other side of this though, let me say I wanted to give you as precise an understanding as I could of the usefulness of this quarterly IG forum. I don't mean to overstate it. If your question were to go a little further and say what do I think could be usefully done to make the collective intelligence community of IGs more effective, I believe without a doubt the answer is to continue what the Committee has already done in recent years, which is to give added staff and resources to the autonomous IGs of the other intelligence agencies.

I have recently come off a couple of years as deputy director of NIMA. While there I oversaw the expansion of that IG operation from eight to 24 people and we tripled the budget and we tried to bring in people who had meaningful investigative audit capability, particularly on information systems and information assurance, these kind of issues we've been talking about. I think there's dramatic payoff to that. I thank the Committee for myself and on behalf of NIMA. It's made all the difference in the world.

So the point is, I don't mean to shade any of this and I'd be happy on another occasion to offer still more concrete ideas of what we can do to strengthen the IG business across the community. I do, however, as you correctly understood, have some cautionary views about the conditions under which we ought to go the community IG route.

Senator ROCKEFELLER. Thank you, sir and thank you, Mr. Chairman, for your hearty indulgence.

Chairman GRAHAM. Thank you, Senator. Senator Shelby has a pressing next appointment so I'm going to defer to the Vice Chairman.

Vice Chairman SHELBY. Thank you, Mr. Chairman. Mr. Helgeson, one of the duties of the Office of Inspector General is to report violations of the law, right?

Mr. HELGERSON. Right.

Vice Chairman SHELBY. I am sure we'd all agree that where an obligation set forth in a statute is accompanied by a penalty for non-compliance, a violation of this provision would merit an IG report. Do you want me to say that again?

Mr. HELGERSON. Yes, the latter part. It would probably be safe if you did, yes.

Vice Chairman SHELBY. Well, let me just say I hope you would agree that where an obligation is set forth in statute and it's accompanied by a penalty for noncompliance, and a violation of this provision would merit an IG report.

Mr. HELGERSON. In general, yes, of course.

Vice Chairman SHELBY. The Congress sometimes writes laws to require things without providing a penalty for noncompliance. In your view, would the violation of such a provision be a violation that an Inspector General would have to report? In other words, if it was a violation of a statute.

Mr. HELGERSON. I understand. If I may?

Vice Chairman SHELBY. Yes, go ahead.

Mr. HELGERSON. It is a complicated question, not in the spirit, which is that everybody ought to obey the law and the IG ought to see that they do.

Vice Chairman SHELBY. Absolutely.

Mr. HELGERSON. The implications though, are a little more complicated because normally criminal law, for example, is the violation of those statutes to which a jail term might be attached.

Vice Chairman SHELBY. Or a fine.

Mr. HELGERSON. Or a fine. The statutes that govern what the IG does say that we shall report crimes to the Attorney General and we do it through our Director normally, but pursuant to guidance that the Attorney General has issued. As a practical matter, there is a threshold that involves violation of the law, civil or criminal, and in both cases there are fairly substantial numbers of violations that, after looking at the Attorney General guidelines, we do not in fact formally report to the Attorney General.

We consult with the Eastern District of Virginia or with the Department of Justice, or in some cases we're authorized—I say we, but the CIA's IG—not to consult with anybody if they don't reach a certain threshold. Even though it's a violation of law, the understanding is that they would not be reported formally and that administrative action would be taken within the Agency to deal with whatever—

Vice Chairman SHELBY. It's based on the Department of Justice recommendations too?

Mr. HELGERSON. Yes, it is. Yes.

Vice Chairman SHELBY. Okay. Congress has provided in statute, as you well know, that the Assistant DCI for collection and the Assistant DCI for analysis and production, shall be positions subject to nomination and to Senate confirmation. You're familiar with that?

Mr. HELGERSON. I am familiar.

Vice Chairman SHELBY. These positions continue to be filled by nonconfirmed appointed officials, despite the law that says they shall be positions subject to nomination by the President and Senate confirmation. Would you consider that a violation of the law that an Inspector General would have to report? Or do we already know that?

Mr. HELGERSON. Well, Senator—

Vice Chairman SHELBY. You see where we are coming from?

Mr. HELGERSON. I certainly do. And as you usually do, you've anticipated the answer with that last remark. If I may put this in a few words, the role of the IG normally, classically, is not to serve as prosecutor, judge or jury.

Vice Chairman SHELBY. We know that.

Mr. HELGERSON. Our job is to assemble the facts, as you know. We have here an ironic situation where I approach this and think to myself, my job is to, on any given issue, find the facts and report them where appropriate to the DCI, to the intelligence committees, and, where appropriate, to the Department of Justice and in principle, even the White House, because I work for the President.

Vice Chairman SHELBY. That's right.

Mr. HELGERSON. Now here you've raised a subject—again, here's the irony—where the DCI, the Congress, the Department of Justice and the White House all know the facts to the point where they wish they didn't know the facts. I mean, for four or five years we've been going around this track.

Vice Chairman SHELBY. Absolutely.

Mr. HELGERSON. Now my own view is that I would approach this if Inspector General, with an eye to protecting the integrity, the power, the credibility of the Office of the Inspector General. And frankly, just as the federal courts or state courts are reluctant to venture into political sands between the other two branches of government, frankly I see this, in very large part—despite the legal issue you rightly point to—in very large part a political issue and I can't help thinking, what could the IG really contribute to this and I am frankly having no fear of the DCI but I'm a little reluctant to get myself crosswise with the White House and with the Congress and so on, when I have little to add.

The other angle to this, from a kind of technical point of view and this is not meant to excuse anybody, is that what the law really provides is that the President shall appoint, for Senate deliberation. I worry that, if I did get into this as Inspector General, what my attorneys would tell me is that the writ of the OIG at CIA does not extend to the President's appointment powers. And I would not really want to get in a situation where I had to sign a report that looked like I was excusing a situation that we all know, frankly, could have been handled better, probably from all sides.

Now on the political side of this, while I'm not in the middle of it, I am aware that the DCI and the Deputy DCI, because there is a vacancy in one of those jobs, will be, I believe, again talking with the Committee about their obligations and next steps. The supreme irony in all this is that the Committee wanted these positions created. They have been filled by people—Charles Allen and John Gannon, who have done a whale of a job over a few years. But this does not leave—this leaves unaddressed this question that

you raised. It's an important one. I have to tell you in all honesty I don't know what the Office of Inspector General can bring to it in the way of resolving it, but you can be sure that we understand the issue.

Vice Chairman SHELBY. Thank you, Mr. Helgerson. You've had a lot of experience in the intelligence community. Are there any particular areas of inefficiency at the CIA, that you would seek to improve, or is this premature at this point? Do you want to get into the job more?

Mr. HELGERSON. Well, a considered answer would demand some time in the job. But I mentioned in response to an earlier question, that the general IS/IT area is one that I know I need to work on and the heightened operational funding is clearly an area where we'll have to follow up. But I don't know of particular areas of problem now, other than those general areas that are challenging. Would be in any department of government, particularly the IS/IT.

Vice Chairman SHELBY. Chairman, thank you for your courtesy.

Chairman GRAHAM. Thank you very much, Senator. I just have one area of further questioning and then I'll call on Senator Rockefeller.

Approximately a year ago we heard a report from one of the national accounting firms relative to the state of the financial records of the CIA. The basic position was that they were not auditable, subject to audit, because they did not reach the threshold which an auditor could then proceed to review and then give an opinion as to the status of the records. Subsequent to that time I have met with the head of the General Accounting Office, who has indicated that the situation at the CIA was not unique to the CIA and that he considers this to be a serious matter, that there needs to be a commitment to move towards having financial records that are subject to generally-acceptable governmental accounting procedures and analysis.

What role do you see the Inspector General's Office playing in facilitating the movement of the CIA towards generally acceptable accounting standard financial records?

Mr. HELGERSON. Mr. Chairman, this is an important area and I am familiar with it because the multiyear effort to which I earlier referred, was begun at the time when Britt Snider and I were both in the IG. We have a substantial crew of very capable auditors, CPAs, certified fraud examiners and others in the IG operation. They were working with the Office of Finance and its successors on the CIA management side to help them get to a stage where CIA's books did have an auditable financial statement.

Now let me underscore the point you made. CIA is not alone in this. I think all our agencies were in this boat and it did not mean in fact that we did not have financial controls in place. Auditable financial statements is a term of art in the auditing profession and I risk getting beyond my level of competence here, but the reason we didn't have auditable financial statements in CIA and the other agencies was in large part that we had never aspired to have. The Government Accounting Office, the Congress and others had not required it of us, and it seemed for many years inappropriate or unnecessary. In recent years, however, including with congressional direction, there is a resolve and I think in the report language,

even a command that we shall, over the next two or three years, get to that stage.

So the Office of Inspector General, with its expertise, already has—and nothing to do with me; I’ve been away a couple of years—been working with the chief financial officer and her staff to bring this about. But it requires the training of their staff. It requires an expertise and a rebuilding of the systems in a way that, if done sensibly, perhaps regrettably, does take still, as I understand it, another two or three years. But we do—I believe you’ve put in the law that we shall do it, each year do an audit of the progress that has been made in this direction. I shall see that that continues.

Chairman GRAHAM. Thank you. Senator Rockefeller.

Senator ROCKEFELLER. Just a quickie, or two quickies. The National Security Act 1947 explicitly says that the DCI, in his role as head of the Central Intelligence Agency, can provide services that are “of common concern to the elements of the intelligence community.” And, one, I’m interested in how you interpret that.

Secondly, do you think that this gives the DCI the authority to use the CIA Inspector General to conduct community-wide investigations? And thirdly, if this were the case, could this be a useful way to proceed? But let’s start with what is in the ’47 Act.

Mr. HELGERSON. Senator Rockefeller, I should say I don’t have an informed view of the true legal aspects of the authorities provided by that Act. Obviously, I’d be happy to look into this. But I—

Senator ROCKEFELLER. It’s pretty clear.

Mr. HELGERSON [continuing]. Could nevertheless answer the question, which is that Act does give the DCI considerable authorities and we have already, in the past, used those authorities to do Inspector General audits, one agency of another, in specific cases, including the one I referred to a moment ago where two or three agencies looked over the NRO’s books. And we’ve done other such things including under the provisions for peer review and so on in the IG community.

I think that if we wanted to do it—that is the Congress, the DCI, Office of Inspector General—considerably more could be done in furtherance of the kind of thing you’re getting at.

My concern with this—a little different angle to this—is I believe the most powerful thing that came out of the statutory IG at CIA—terribly important to us—is that we have a system whereby, semi-annually, we report on what our findings were, what our recommendations were, progress made to date by management in addressing those—and we have an executive director and a DCI to back us up. So again I sound like a broken record, but the forthright answer is that we can, without a doubt, pursuant to the authorities you mention, do considerably more in the IG side if it’s decided we should, in looking into cross-boundary issues.

My concern, as a long-time manager and a kind of realist in this business, is that I want to be sure in the interests of good government that there is some clout behind those findings, so that on a semi-annual basis, a year and a half down the road, I or whoever it is as Inspector General, can go to the other party which in this case might be in another agency, and say have you done what

those recommendations laid out you should do and know that behind me stands somebody.

I don't want to sound at all closed-minded about this. There's a lot we can do. I'm just saying that it's not as—the real payoff is in getting people to do what the IG and/or others believe they should. If we build in somehow the follow up, then I think you've got a very good idea and we're right there with you.

Senator ROCKEFELLER. Thank you, sir.

And my second question is very short but not easy. I always ask when a Cabinet Secretary is up for confirmation, if your budget comes up blatantly short as per your value system with respect to your responsibilities, will you take the President on face to face? Will you go do face time with the President, argue your case directly, or will you cave in to OMB, as so often happens?

My question to you is just a little bit different. If there was an investigation that was requested by this Committee or which was in your judgment clearly needed, and the DCI did not want that to happen, you would have to exercise judgment. Would you be willing to contemplate carrying on with it, in spite of the DCI's objection?

Mr. HELGERSON. Unfortunately, this takes reference to two provisions of law. The statute that set up the statutory IG at the CIA anticipated that there would be differences between an IG and the DCI. And one provision of the Act provides that if there are differences between the two concerning the IG's exercise of his authorities and responsibilities that cannot be resolved, then these differences shall be reported immediately to the intelligence committees.

A different section of the same Act, says specifically—the first one pertained to anything the IG might be doing. The other provision of law says, that if the IG—or put it this way, it says the DCI can, on national security grounds, direct that the IG not initiate, carry out or publish, whatever the word was, an inspection, audit or investigation. In that case, the DCI must report to the Congress within seven days that he has done this and why he has done it and the IG can append his thoughts as well.

Now, if you want to take the really unlikely scenario, if an IG said—so to answer your question, lest you think I've forgotten it, if the Director said you may not do this report for national security reasons, I would say, yes, sir I will desist, but you and I have got to report this to the oversight committee. In an extraordinarily unlikely scenario that a DCI said, no, I'm not going to report it, then I of course, would report it myself under the other provision that said we'd found an issue we can't resolve.

So the DCI—important to know in principle—does have the authority, under certain conditions, to order a stand down. As a practical matter though, for the record, and the Committee should know, that I know very well—Britt Snider and Fred Hitz and we in the IG community of course, talk about this—while this is a terribly important provision of law, as a practical matter these two provisions have never been triggered in the 12 years we've had a statutory IG at the CIA.

I hope they are not triggered but these are among the provisions that give the statutory IG the strength that he or she has to do

the job. It means a lot to me to have that in the back pocket even though I have no expectation that I'd use it, just as it has not been used through ten years and five DCIs and two IGs. But it's a key issue.

Senator ROCKEFELLER. Thank you, sir. Thank you, Mr. Chairman.

Chairman GRAHAM. Mr. Helgeson, thank you very much for your presence. We appreciate you being accompanied by family and friends and your very informative responses to our questions. We will take this matter under advisement and I hope soon, be in a position to have a vote to recommend your confirmation to our colleagues in the Senate.

Mr. HELGERSON. Mr. Chairman, Senator Rockefeller, thank you very much. I appreciate the opportunity.

Chairman GRAHAM. Thank you very much and thank you for your past service and what I'm certain will be distinguished future service.

Mr. HELGERSON. Thank you, sir.

Chairman GRAHAM. Thank you. This concludes the open hearing. We will reconvene in five minutes in SH-219 for the second part of our hearing this afternoon. Thank you.

[Whereupon, at 3:33 p.m., the hearing was adjourned.]

**COMMITTEE BUSINESS MEETING TO VOTE ON
THE NOMINATION OF JOHN L. HELGERSON
TO BE INSPECTOR GENERAL OF THE CENTRAL INTELLIGENCE AGENCY**

THURSDAY, APRIL 25, 2002

U.S. SENATE,
SELECT COMMITTEE ON INTELLIGENCE,
Washington, DC.

The Committee met, pursuant to notice, at 3:45 p.m., in room S-216, The Capitol, the Honorable Bob Graham (chairman of the Committee) presiding.

Committee Members Present: Senators Graham, Rockefeller, Feinstein, Wyden, Bayh, Mikulski, Shelby, Kyl, Inhofe, Roberts, Thompson.

Committee Staff Members Present: Vicki Divoll, General Counsel; Kathleen McGhee, Chief Clerk; Paula DeSutter, Melvin Dubee, Bob Filippone, Chris Ford, Jim Hensler, Matt Pollard, Michal Schafer, Linda Taylor, and Jim Wolfe.

Chairman GRAHAM. I call the meeting to order.

The Committee will now consider the nomination of John L. Helgerson for the position of Inspector General of the Central Intelligence Agency. Pursuant to Rule 5 of the Committee rules, I move that the Committee vote to report favorably to the Senate the President's nomination of Mr. John Helgerson to be CIA Inspector General.

Is there a second?

Senator INHOFE. Second.

Chairman GRAHAM. The Clerk will call the roll.

Mrs. MCGHEE. Mr. Levin?

[No response.]

Mrs. MCGHEE. Mr. Rockefeller?

Senator ROCKEFELLER. Aye.

Mrs. MCGHEE. Mrs. Feinstein?

Senator FEINSTEIN. Aye.

Mrs. MCGHEE. Mr. Wyden?

Senator WYDEN. Aye.

Mrs. MCGHEE. Mr. Durbin?

Chairman GRAHAM. Aye by proxy.

Mrs. MCGHEE. Mr. Bayh?

Senator BAYH. Aye.

Mrs. MCGHEE. Mr. Edwards?

Chairman GRAHAM. Aye by proxy.

Mrs. MCGHEE. Ms. Mikulski?

Senator MIKULSKI. Aye.
Mrs. MCGHEE. Mr. Kyl?
Senator KYL. Aye.
Mrs. MCGHEE. Mr. Inhofe?
Senator INHOFE. Aye.
Mrs. MCGHEE. Mr. Hatch?
Senator KYL. I have his proxy. I presume it's an aye.
Mrs. MCGHEE. Mr. Roberts?
Senator ROBERTS. Aye.
Mrs. MCGHEE. Mr. DeWine?
Senator KYL. I have his proxy, presumably an aye.
Mrs. MCGHEE. Mr. Thompson?
Senator THOMPSON. Aye.
Mrs. MCGHEE. Mr. Lugar?
Senator KYL. I have his proxy, presumably an aye.
Mrs. MCGHEE. Mr. Shelby?
Vice Chairman SHELBY. Aye.
Mrs. MCGHEE. Mr. Graham?
Chairman GRAHAM. Aye.
Mrs. MCGHEE. Sixteen ayes.
Chairman GRAHAM. Thank you all.
[Whereupon, at 3.47 p.m., the Committee adjourned.]

SELECT COMMITTEE ON INTELLIGENCE
UNITED STATES SENATE

QUESTIONNAIRE FOR COMPLETION BY
PRESIDENTIAL NOMINEES

PART A – BIOGRAPHICAL INFORMATION

1. Name: John L. Helgerson
2. Date and Place of Birth: February 8, 1944, Madison, SD
3. Marital Status: Married
4. Spouse's Name: Martha W. Helgerson
5. Spouse's Maiden Name: Winders
6. Names and Ages of Children:

<u>Name</u>	<u>Age</u>
Katherine Mary Helgerson	30
Paul William Helgerson	28

7. Education Since High School:

<u>Institution</u>	<u>Dates Attended</u>	<u>Degree Received</u>	<u>Date of Degree</u>
Duke University	9/66-5/70	MA, PhD	5/68, 5/70
Saint Olaf College	9/62-6/66	BA	6/66

8. Employment record (list all positions held since college, including military service. Indicate name of employer, position, title or description, location and dates of employment.)

<u>Employer</u>	<u>Position/Title</u>	<u>Location</u>	<u>Dates</u>
Univ of Cincinnati	Assistant Professor	Cincinnati, OH	1970-71
CIA	Analyst	Washington, DC	1971-77
CIA	Action Officer in Center for Policy Support/DI	Washington, DC	1977-78
CIA	Asst NIO for NESAs	Washington, DC	1978-79
CIA	Chief, North Africa Branch/DI	Washington, DC	1979-81
CIA	Chief, West & Southern Africa Division/DI	Washington, DC	1981-83
CIA	Deputy Director, Near East & South Asian Analysis	Washington, DC	1983-84
CIA	Director, African & Latin American Analysis	Washington, DC	1984-86
CIA	Associate Deputy Director for Intelligence	Washington, DC	1986-87
CIA	Director, Congressional Affairs	Washington, DC	1988-89
CIA	Deputy Director for Intelligence	Washington, DC	1989-93
State	Counselor for Program Coordination, US Embassy	London, UK	1994-97
CIA	Director, Russian & European Analysis	Washington, DC	1997-98
CIA	Deputy Inspector General	Washington, DC	1998-2000
NIMA	Deputy Director, National Imagery & Mapping Agency	Washington, DC	2000-2001
CIA	Chairman, National Intelligence Council	Washington, DC	2001-present

9. Government Experience (indicate experience in or association with federal, state, or local governments, including advisory, consultative, honorary or other part-time service or position. Do not repeat information already provided in question 8):

See #8

10. Indicate any specialized intelligence or national security expertise you have acquired having served in the positions described in questions 8 and 9.

See #14

11. Honors and awards (provide information on scholarships, fellowships, honorary degrees, military decorations, civilian service citations, or any other special recognition for outstanding performance or achievement):

Academic:

BA Magna Cum Laude, Saint Olaf College
 Elected to Phi Beta Kappa
 NDEA Fellowship for graduate work at Duke University
 Shell African Studies Fellowship for research in Zambia
 Woodrow Wilson Dissertation Year Fellowship

From CIA:

Distinguished Intelligence Medal
 Directorate of Intelligence Award
 Senior Intelligence Service Distinguished Officer Award
 Senior Intelligence Service Meritorious Officer Awards
 Certificates of Distinction
 Exceptional Performance Award
 Special Achievement Award
 Certificate of Merit

From NIMA:

Distinguished Civilian Service Award
 NIMA Medallion for Excellence

12. Organizational Affiliations (List memberships in and offices held within the last ten years in any professional, civic fraternal, business, scholarly, cultural, charitable or other similar organizations):

<u>Organization</u>	<u>Office Held</u>	<u>Dates</u>
United Christian Parish, Reston, VA		1972-2001
Church of the Good Shepherd, Vienna, VA	Administrative Council	2001-present
Cosmos Club, Washington, DC		1993-present

13. Published writings and speeches (list the titles, publishers, and publication dates of any books, articles, reports or other published materials you have authored. Also, list any public speeches you have made within the last ten years for which there is a text or transcript. To the extent possible, please provide a copy of each such publication, text or transcript):

Author of Book: *Getting to Know the President: CIA Briefings of Presidential Candidates, 1952-1992*, published by CIA's Center for the Study of Intelligence, 1996

Public Speeches:

Central Intelligence Retiree Association, 27 Feb 99, *Intelligence Challenges in the New Millennium*
 Laffer Associates, 18 Sep 98, *Russia's Economic Crisis: How Did It Happen, Where is it Headed?*
 The Swedish-American Chamber of Commerce, 27 Apr 98, *Security Challenges to the US and Europe*
 The Military Order of the World Wars, 16 Jan 98, *The International Security Situation*

Army War College, Carlisle, PA, 22 Jan 02, *Global Trends to 2015*
 Cosmos Club Tenth Spring Symposium, WDC, 23 Mar 02, *The International Terrorist Threat*

PART B - QUALIFICATIONS

14. Qualifications (describe why you believe you are qualified to serve in the position for which you have been nominated):

I have been fortunate to serve in a large number and wide variety of positions during my 30-year career in public service—in different directorates of CIA, in the US and overseas, and in different agencies and Intelligence Community posts. These experiences have provided me in-depth knowledge of substantive issues worldwide and have enabled me to interact with leaders of the IC and senior policymakers through several administrations. More concretely, these positions have provided me great familiarity with the organization and workings of CIA and the IC. I believe such familiarity is a significant advantage for one who would be leading the Office of the Inspector General in auditing, inspecting, and investigating the full range of Agency programs and personnel. My experience gives me valuable insight into what typically works well and what does not, and where the strengths and weaknesses of the system are.

In these assignments, I learned a number of specific things that I believe would enhance my performance as CIA's statutory IG. For example, having spent the majority of my career doing analysis or supervising analysts, I have long understood and vigorously articulated the need to call the shots like we see them— independence and courage are critical to good analysis. As CIA's Director of Congressional Affairs under Judge William Webster, I gained a high awareness and respect for the Agency's reporting requirements to the Congress and of the need to really dig to assemble all the facts on any given issue. While at NIMA, I had an opportunity to assist in building the OIG at that agency, and to become familiar with how the IG system works in the DOD setting.

Among the most relevant experiences I have had was the time I spent from 1998 to 2000 serving as Deputy to CIA Inspector General Britt Snider. During that period, the OIG completed a large number of audits, inspections, and investigations, almost all of which I, along with Britt, reviewed and approved. I was responsible for the day-to-day management of the OIG, including its career service, budget and program of work. Most important, I personally led the OIG team of investigators, inspectors, and auditors that investigated the circumstances surrounding the role of CIA officers in the accidental bombing of the Chinese Embassy in Belgrade, Yugoslavia. We produced a hard-hitting report for the DCI, the President, and the Congress. Our findings and recommendations had a significant impact within CIA, led to changes in the way the Agency works with the US military on targeting matters, and provided a factual basis for the diplomatic negotiations that ensued. To me, this was a forceful demonstration of how the IG system should work.

In short, I am grateful to have had a career that has allowed me to acquire broad and deep analytic, leadership and management experience, and to exercise the qualities of initiative, independence and integrity that are essential for a statutory Inspector General.

PART C -- POLITICAL AND FOREIGN AFFILIATIONS

15. Political activities (list any memberships or offices held in or financial contributions or services rendered to, any political party, election committee, political action committee, or individual candidate during the last ten years):

None

16. Candidacy for public office (furnish details of any candidacy for elective public office):

None

17. Foreign Affiliations

(Note: Questions 17A and B are not limited to relationships requiring registration under the foreign agents Registration Act. Questions 17A, B, and C do not call for a positive response if the representation or transaction was authorized by the United States Government in connection with your or your spouse's employment in government service.)

A. Have you or your spouse ever represented in any capacity (e.g. employee, attorney, or political/business consultant), with or without compensation, a foreign government or an entity controlled by a foreign government? If so, please fully describe such relationship.

No

B. Have any of your or your spouse's associates represented, in any capacity, with or without compensation, a foreign government or an entity controlled by a foreign government? If so, please fully describe such relationship.

No

C. During the past ten years, have you or your spouse received any compensation from, or been involved in any financial or business transactions with, a foreign government or any entity controlled by a foreign government? If so, please provide details.

No

D. Have you or your spouse ever registered under the foreign agents registration act? If so, please provide details.

No

18. Describe any lobbying activity during the past ten years, other than in an official U.S. Government capacity, in which you or your spouse have engaged for the purpose of directly or indirectly influencing the passage, defeat or modification of federal legislation, or for the purpose of affecting the administration and execution of federal law or public policy.

None

PART D – FINANCIAL DISCLOSURE AND CONFLICT OF INTEREST

19. Do you intend to sever all business connections with your present employers, firms, business associates and/or partnerships or other organizations in the event that you are confirmed by the Senate? If not, please explain.

No; I am a career CIA staff employee and would continue to be employed by CIA while serving as Inspector General.

20. Describe the financial arrangements you have made or plan to make, if you are confirmed, in connection with severance from your current position. Please include severance pay, pension rights, stock options, deferred income arrangements and any and all compensation that will or might be received in the future as a result of your current business or professional relationships.

None

21. Do you have any plans, commitments or agreements to pursue outside employment, with or without compensation, during your service with the government? If so, please provide details.

No

22. If you are presently in government service, during the past five years of such service, have you received from a person outside of government an offer or expression of interest to employ your services after you leave government service? If yes, please provide details.

No

23. Is your spouse employed? If yes and the nature of this employment is related in any way to the intelligence community, please indicate your spouse's employer, the position and the length of time the position has been held. If your spouse's employment is not related to the position to which you have been nominated. Please so state.

Yes, my spouse is employed. Her employment is in no way related to the Intelligence Community or to the position to which I have been nominated.

24. List below all corporations, partnerships, foundations, trusts, or other entities toward which you or your spouse have fiduciary obligations or in which you or your spouse have held directorships or other positions of trust during the past five years.

Mary J. Winders Family Trust. My wife, Martha W. Helgeson, and I are both trustees and have been since March 1998.

25. List all gifts exceeding \$250 in value received during the past five years by you, your spouse, or your dependents. (Note: Gifts received from relatives and gifts given to your spouse or dependents need not be included unless the gift was given with your knowledge and acquiescence and you had reason to believe the gift was given because of your official position.)

None

26. List all securities, real property, partnership interests, or other investments or receivables with a current market value (or, if market value is not ascertainable, estimated current fair value) in excess of \$1,000. (Note: The information provided in response to Schedule A of the disclosure forms of the office of government ethics may be incorporated by reference, provided that current valuations are used.)

<u>Description of Property</u>	<u>Value</u>	<u>Method of Valuation</u>
Residence at 1849 Post Oak Trail, Reston, VA	\$400,000	Comparison with recent sales in Reston, VA Fairfax County assessment is \$326,000.

All other assets are listed on SF278, attached.

27. List all loans or other indebtedness (including any contingent liabilities) in excess of \$10,000. (Note: The information provided in response to Schedule D of the disclosure form of the office of government ethics may be incorporated by reference, provided that contingent liabilities are also included.)

<u>Nature of Obligation</u>	<u>Name of Oblige</u>	<u>Amount</u>
Mortgage on residence	Bank of America	\$141,000

All others listed on SF278, attached

28. Are you or your spouse now in default on any loan, debt, or other financial obligation? Have you or your spouse been in default on any loan, debt, or other financial obligation in the past ten years? Have you or your spouse ever been refused credit or had a loan application denied? If the answer to any of these questions is yes, please provide details.

No

29. List the specific sources and amounts of all income received during the last five years, including all salaries, fees, dividends, gifts, rents, royalties, patents, honoraria, and other items exceeding \$200. (Copies of U.S income tax returns for these years may be substituted here, but their submission is not required.)

	1997	1998	1999	2000	2001
Salaries					
John L. Helgerson from CIA	126,165	125,378	126,236	129,273	130,902
Performance Award from NIMA				10,000	10,000
Martha W. Helgerson					
Salary from W.F. Winders	4,694	15,603	16,069	16,892	18,582
Fees					
	0	0	0	0	0
Royalties					
	0	0	0	0	0
Dividends					
(as listed on IRS Schedule B)					
MCI Corp	3				
Nations Securities	1,087				
Charles Schwab	4	2,271	2,841	4,976	4,784
Nations Funds	1,616				
Nations-Trust	1,271				
National Financial Services Corp.		727	3,552	179	49
Coca Cola Corp			203	864	914
Nations Bank Investments		2,417			
Nations Prime Fund		56			
Nations Capital Growth Fund		139			
Mary J. Winders Estate		2,366			
Interest					
(as listed on IRS Schedule B)					
Northwest Federal Credit Union	161	241	214	164	52
Crestart/Sun Trust	93	45	24	16	12
Charles Schwab		517	1,704	630	192
National Financial Services		23	91	95	97
Constellation Credit Union				1	10

Nations Bank	95				
Nations Bank-Trust	362				
Nations Fund		69			
Mary J. Winders Estate		6			
Gifts	0	0	0	0	0
Rents					
(as listed on IRS Schedule E)	2,500	0	0	0	0
Other					
Capital gains					
(as listed on IRS Schedule D)	64,011	1,652	32,105	54,084	39,823
Total	202,062	151,510	183,039	217,174	205,417

30. If asked, will you provide the committee with copies of your and your spouse's federal income tax returns for the past three years?

Yes

31. List all jurisdictions in which you and your spouse file annual income tax returns.

US, Virginia

32. Have your federal or state tax returns been the subject of an audit, investigation or inquiry at any time? If so, please provide details, including the result of any such proceeding.

No

33. If you are an attorney, accountant, or other professional, please list all clients and customers whom you billed more than \$5,000 worth of services during the past five years. Also, list all jurisdictions in which you are licensed to practice.

N/A

34. Do you intend to place your financial holdings and those of your spouse and dependent members of your immediate household in a blind trust? If yes, please furnish details. If no, describe other arrangements for avoiding any potential conflicts of interest.

No. Potential conflicts of interest will be avoided in a manner agreed to by me, the Office of Government Ethics, and CIA's Office of General Counsel as described in the attached 28 February 2002 memorandum by CIA's Acting General Counsel to the Director of the Office of Government Ethics, and elaborated in the attached 26 March 2002 memorandum from the Acting General Counsel to the SSCI.

35. If applicable, attach the last three years of annual financial disclosure forms you have been required to file with your agency, department, or branch of government.

Financial disclosure forms for 1999, 2000 and 2001 are attached.

PART E – ETHICAL MATTERS

36. Have you ever been the subject of a disciplinary proceeding or cited for a breach of ethics or unprofessional conduct by, or been the subject of a complaint to, any court, administrative agency, professional association, disciplinary committee or other professional group? If so, provide details.

No

37. Have you ever been investigated, held, arrested, or charged by any federal, state, or other law enforcement authority for violation of any federal, state, county, or municipal law, regulation, or ordinance, other than a minor traffic offense, or named as a dependant or otherwise in any indictment or information relating to such violation? If so, provide details.

No

38. Have you ever been convicted of or entered a plea of guilty or nolo contendere to any criminal violation other than a minor traffic offense? If so, provide details.

No.

39. Are you presently or have you ever been a party in interest in any administrative agency proceeding or civil litigation? If so, please provide details.

Yes. Case of Jennifer Harbury v. John Deutch et al. Ms. Harbury filed suit against me and 25 other senior US Government officials in connection with the disappearance of her husband, Efrain Bamaca Velasquez, in Guatemala. Actions taken on 8 August 1999 and 3 April 2000 dismissed the claims against me and substituted the US Government as the defendant.

40. Have you been interviewed or asked to supply any information as a witness or otherwise in connection with any congressional investigation, federal, or state agency proceeding, grand jury investigation, or criminal or civil litigation in the past ten years? If so, please provide details.

I have testified many times at committee hearings on substantive intelligence issues, but not in connection with any formal congressional investigation.

41. Has any business of which you are or were an officer, director, or partner been a party to any administrative agency proceeding or criminal or civil litigation relevant to the position to which you have been nominated? If so, provide details. (With respect to a business of which you are or were an officer, you need only consider proceedings and litigation that occurred while you were an officer of that business.)

No.

PART F-SECURITY INFORMATION

42. Have you ever been denied any security clearance or access to classified information for any reason? If yes, please explain in detail.

No.

43. Have you been required to take a polygraph examination for any security clearance or access to classified information? If yes, please explain.

Yes; multiple CIA polygraphs over 30 year career.

44. Have you ever refused to submit a polygraph examination? If yes, please explain.

No

PART G – ADDITIONAL INFORMATION

45. Describe in your own words the concept of congressional oversight of U.S. intelligence activities. In particular, characterize what you believe to be the obligations of the Director of Central Intelligence, the Deputy Director of Central Intelligence, the Deputy Director of Central Intelligence for Community Management, and the Intelligence Committees of the Congress respectively in the oversight process.

Intelligence activities of the US Government, for the most part, are necessarily classified and therefore are not subject to public scrutiny in the manner of most other Government programs. As a consequence, the statutes that govern the functioning of the US Intelligence Community provide for oversight of the intelligence agencies and their activities by two specially designated committees of the Congress: the Senate Select Committee on Intelligence and the House Permanent Select Committee on Intelligence. The Defense Subcommittees of the Senate and House Appropriations Committees also play key roles in the oversight of the IC, in addition to their many other responsibilities. Relevant statutes require the President to keep the Congress, through these committees, fully and currently informed of the intelligence activities of the United States, including significant anticipated intelligence activities. The DCI, the DDCI, and the DDCI/CM establish the procedures and lead the IC in keeping the Congress informed in fulfillment of the President's obligations. There are in the law specific requirements promptly to inform the Congress of any significant intelligence failures or any illegal intelligence activity, and of any corrective action taken. Detailed provisions of the law outline how and when the Congress is to be informed of all planned covert actions and of any significant anticipated changes to previously approved covert actions. Additionally, it is provided in law that Congress will be provided documents and other materials necessary for them to carry out their oversight responsibilities. Beyond the statutes, years of experience have put in place well-established practices pursuant to which the intelligence agencies provide to the Congress large amounts of budget-related information necessary for the committees to carry out their responsibilities in the normal authorization and appropriation cycle. The committees also undertake a wide variety of other reviews of IC agencies' programs and production. Briefings and substantive materials are provided upon request to support these studies. Obligations of the Congress in

this process include primarily the responsibilities of the relevant committees to authorize the activities and appropriate the funds necessary for IC agencies to carry out their missions. Additionally, the statutes specifically charge the oversight committees to work with the DCI to establish procedures to protect from unauthorized disclosure all classified information, and all information relating to intelligence sources and methods, that is furnished to the committees or to Members of Congress as part of the oversight process.

46. Explain your understanding of the responsibilities of the Inspector General of the Central Intelligence Agency.

The Central Intelligence Agency has an independent, statutory Inspector General who reports directly to the DCI and is accountable to the Senate Select Committee on Intelligence and the House Permanent Select Committee on Intelligence. The IG is responsible for conducting audits, inspections, and investigations to ensure the economy, efficiency and effectiveness of Agency programs and operations; identifying and guarding against fraud, waste, and abuse; and proposing and monitoring the implementation of appropriate corrective actions. The IG reports his findings and recommendations to the DCI and, through the DCI, to the Congress. These reports are routinely made semiannually, but particularly serious or flagrant problems are to be reported immediately. The IG also notifies the intelligence committees immediately if an investigation, inspection, or audit focuses on certain designated senior agency officers. The IG leads the Office of the Inspector General and manages its career service system, non-personnel resources, and annual work program. With the DOD IG, he co-chairs the Intelligence Community IG Forum, which coordinates policies and undertakes selective substantive undertakings that involve multiple agencies. He is a member of the President's Council on Integrity and Efficiency and, in that capacity, is involved with government-wide management improvement programs.

47. Explain your understanding of the responsibilities of the Assistant Director of Central Intelligence for Collection.

The Assistant Director of Central Intelligence for Collection (ADC/C) reports to the DDCI for Community Management. His responsibility is to assist the DCI and the Intelligence Community in bringing strategic focus to IC-wide collection efforts. He and his staff work to ensure the most effective and efficient use of collection resources and platforms, and he necessarily devotes considerable attention to day-to-day collection management and crisis support activities. His role is most concretely felt in decision-making on how to use technical collectors, where decisions on collection priorities often have immediate and significant opportunity costs. On behalf of the DCI, the ADC/C makes the final decision in infrequent cases where the inter-agency mechanisms cannot agree on how to task certain collectors. The ADC/C charts periodic assessments and evaluations of both specific and generic collection capabilities to help the IC make the best possible use of existing collectors. These studies and other strategic planning efforts that he oversees are also intended to form a common base of information and understanding upon which the DCI and IC program managers can make more well-informed decisions. The intent is to ensure that future system acquisitions are part of a single, integrated plan, according to which the intelligence collected from each of the collection disciplines would complement that collected by the others.

48. Explain your understanding of the responsibilities of the Assistant Director of Central Intelligence for Analysis and Production.

The Assistant Director of Central Intelligence for Analysis and Production (ADCI/AP) reports to the DDCI for Community Management. The responsibility of this officer is to assist the DCI and the Intelligence Community by providing systematic oversight and transparency to the production and analytic efforts of the IC agencies. The ADCI/AP charts and leads assessments and evaluations of Community analytic capabilities and of the adequacy of intelligence support to customers. Based on the findings of such studies, he recommends to program managers steps to improve the quality of production by promoting best practices, including IC-wide standards, analyst training and rotational programs, and competitive analysis. He monitors and reports on the quantitative analytical strength and workforce deployments of the various agencies with the aim of minimizing redundancies, gaps and shortfalls in coverage. Working with the ADCI/C, he seeks to ensure that the IC's collection efforts and its analytical and production resources are deployed in mutually supportive ways and that both work in tandem to serve the highest priority requirements of important consumers for quality, relevant, and timely intelligence. He has also worked to promote cooperation and efficiency among IC analytic elements by fostering the development of interagency electronic connectivity, collaborative analytic tools, and analytic reserve capabilities.

49. Explain your understanding of the responsibilities of the Assistant Director of Central Intelligence for Administration.

The Assistant Director of Central Intelligence for Administration (ADCI/A) serves as deputy to the Deputy Director of Central Intelligence for Community Management (DDCI/CM). In this capacity, his primary responsibility is to provide advice to the DDCI/CM on all issues relating to community management. The ADCI/A chairs the Mission Requirements Board (MRB). The MRB is the formal process that evaluates long-term intelligence requirements. Based on the MRB's cross-disciplinary analysis, the ADCI/A recommends prioritized funding decisions for future years to the DDCI/CM. This process ensures intelligence resources are allocated toward the most promising new capabilities. The ADCI/A oversees major systems acquisitions to ensure the community is procuring assets that are properly aligned with intelligence requirements sanctioned by the MRB. The ADCI/A also oversees personnel and security practices across the intelligence community.

AFFIRMATION

I, John L. Helgerson, do swear that the answers I have provided to this questionnaire are accurate and complete.

3/26/02
(Date)

J. Helgerson
(Name)

Deborah M. Bunnell
(Notary)

My Commission Expires June 30, 2004

Notary Public for the State of Michigan
No. 26 - 1st Mar 2002

TO THE CHAIRMAN, SELECT COMMITTEE ON INTELLIGENCE

In connection with my nomination to be Inspector General of the Central Intelligence Agency, I hereby express my willingness to respond to requests to appear and testify before any duly constituted committee of the Senate.

Signature J. Helgeson

Date: 3/24/02



United States
Office of Government Ethics
1201 New York Avenue, NW., Suite 500
Washington, DC 20005-3917

SSCI# 2002 - 1159
10/02-0077

March 4, 2002

The Honorable Bob Graham
Chairman
Select Committee on Intelligence
United States Senate
Washington, DC 20510-6475

Dear Mr. Chairman:

In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by John L. Helgerson, who has been nominated by President Bush for the position of Inspector General for the Central Intelligence Agency.

We have reviewed the report and have also obtained advice from the Central Intelligence Agency concerning any possible conflict in light of its functions and the nominee's proposed duties. Also enclosed is a letter dated February 28, 2002, from the Department's ethics official, outlining the steps that Mr. Helgerson will take to avoid conflicts of interest.

Based thereon, we believe that Mr. Helgerson is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,


Amy L. Comstock
Director

Enclosures

CENTRAL INTELLIGENCE AGENCY
WASHINGTON, D.C. 20505

Office of General Counsel

28 February 2002

The Honorable Amy L. Comstock
Director
Office of Government Ethics
1201 New York Avenue, N.W.
Suite 500
Washington, D.C. 20005-3919

Dear Director Comstock:

I have reviewed the Public Financial Disclosure Report (SF-278), dated December 12, 2001, submitted by John L. Helgerson in connection with President Bush's nomination of Mr. Helgerson to serve as Inspector General to the Central Intelligence Agency (CIA). As part of my review of Mr. Helgerson's report, I have examined the duties and responsibilities of the Inspector General as reflected in various statutes and Executive Orders. An Inspector General Position Description, which summarizes the statutory duties and responsibilities of the Inspector General, is enclosed with this letter and submitted for your review.

Based on my review of Mr. Helgerson's report and upon specific commitments he has made, it is my opinion there is no conflict of interest under the applicable laws and regulations, and I have so certified. The specific commitments made by Mr. Helgerson are discussed below.

Federal Government Positions

Mr. Helgerson presently serves as Chairman, National Intelligence Council, a position he has held since August 2001. He will leave this position upon confirmation.

Non-Federal Government Positions

Mr. Helgerson holds one position outside the Federal Government. As indicated on Schedule D, Part I of his SF-278, Mr. Helgerson serves as trustee of the Mary J. Winders Family Trust. The assets of the trust are disclosed on Schedule A of the form. Mr. Helgerson's position as trustee poses no conflict with his duties as Inspector General.

Honorable Amy L. Comstock

Assets Held or Income Received

I have reviewed Mr. Helgerson's assets and income during the reporting period, as well as the assets of the trust discussed in the preceding paragraph, to determine whether Mr. Helgerson's ownership of those assets or position as trustee would pose a financial conflict of interest with Mr. Helgerson's duties as Inspector General. In conducting this review, I directed a search be undertaken of relevant office records and case files to determine whether the Office of the Inspector General has current contractual relationships or investigations involving any of the companies in which he holds common stock, as listed on Schedule A. Specifically, files were searched for contracts or investigations involving the following companies:

American Home Products
America Online Time Warner
Am South Bank Corporation
Bank of America
Bell South
Coca Cola
Eastman Kodak
Exxon Mobil
First Union
Home Depot
Intel Corporation
International Paper
Merck & Company
Microsoft
Minnesota Mining & Manufacturing
Oracle
Royal Dutch Shell
Target
Wachovia
Worldcom

No current contractual or investigative relationships were identified with any of the entities listed above.

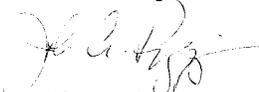
Mr. Helgerson has pledged to inform me promptly, as the Designated Agency Ethics Official, of any acquisitions of securities or other interests that he, his spouse, or the Mary J. Winders Family Trust may make in any companies after he files his annual financial disclosure statements. I, or my

Honorable Amy L. Comstock

successor DAEO, will then determine whether any of these entities are involved in investigations conducted by the Office of the Inspector General or have contractual relationships with the Office of the Inspector General. In the event of a conflict of interest, Mr. Helgerson will disqualify himself, in writing, from taking any official action that would have a direct and predictable effect on the financial interests of those companies; or, if I, as DAEO, determine that recusal and screening is not a viable option to preclude a conflict of interest under applicable Office of Government Ethics regulations, he will divest himself of the conflicting interest.

Please contact me on (703) 482-1954 if you need additional information concerning either the enclosed report or my opinion based on my review of that report.

Sincerely,



John A. Rizzo
Acting General Counsel
Designated Agency Ethics Official

Executive Branch Personnel PUBLIC FINANCIAL DISCLOSURE REPORT

SEP 96 (6) (03/96)
U.S. Office of Government Ethics
OMB No. 3296-0001

Reporting Status (New, Re-elected, Resigned, or Reappointed)		Calendar Year Covered by Report		Termination Date, If Applicable (DD/MM/YYYY)	
<input type="checkbox"/> Incumbent	<input checked="" type="checkbox"/> New Election, Nominee, or Candidate				
Reporting Individual's Name Last Name: Helgerson		First Name and Middle Initial John L.		Agency Use Only	
Position for Which Filing Inspector General		Department or Agency (If Applicable) Central Intelligence Agency			
Location of Present Office (or dwelling address) Langley, VA 22101		Telephone No. (Include Area Code) 703-482-8724			
Position(s) Held with the Federal Government During the Preceding 12 Months (If Not Same as Above) Deputy Director, National Imagery and Mapping Agency, 3000-801, Chairman, National Intelligence Council, 801-present					
Presidential Nominee Subject to Senate Confirmation		Do You Intend to Continue in Office or Qualify for Reappointment?		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Name of Congressional Committee, Conference, or Subcommittee		Senate Select Committee on Intelligence			
Signature of Reporting Individual <i>J. Helgerson</i>		Date (Month, Day, Year) 12 Dec 2001			
Other Reviewer (If desired by agency)		Signature of Other Reviewer			
Agency Ethics Official's Opinion On the basis of information contained in this report, I conclude that the filer is in compliance with applicable laws and regulations, and I have no comments to make in this box below.		Signature of Designated Agency Ethics Official (Reporting Official)		Date (Month, Day, Year) 2/28/02	
Office of Use Only		Signature		Date (Month, Day, Year) 3/04/02	
Comments of Reviewing Officials (If additional space is required, use the reverse side of this sheet)					

Supersedes Form EEO-28, Which Cannot Be Used. Form Described in Microfilm Excel 2000
278-112
NSN 7540-01-0790 8444

SF 278 (Rev. 03/2004)
 U.C.P.R. Form 2514
 Reporting Individual's Name

John Helgeson

SCHEDULE A continued
 (Use only if needed)

Page Number 3

BLOCK A	BLOCK B										BLOCK C									
	Valuation of Assets at close of reporting period										Income type and amount. If "None" (or less than \$201)* is checked, no other entry is needed in Block C for that item.									
Assets and Income	BLOCK B										BLOCK C									
	None (or less than \$1,001)	\$1,001 - \$15,000	\$15,001 - \$50,000	\$50,001 - \$100,000	\$100,001 - \$250,000	\$250,001 - \$500,000	\$500,001 - \$1,000,000	Over \$1,000,000*	Over \$1,000,000*	Over \$5,000,000	None (or less than \$201)	Capital Gains	Interest	Dividends	Heart and Royalties	Other Income (Specify Type & Amount)	Date (Mo., Day, Yr.)			
1 <input type="checkbox"/> None																				
1 <input type="checkbox"/> Fidelity VIP Overseas (Stock Mutual Fund)																				
2 <input type="checkbox"/> PBHG Growth II (Stock Mutual Fund)																				
3 <input type="checkbox"/> PBHG Large Cap. Select 20 (Stock Mutual Fund)																				
4 <input type="checkbox"/> Nations Bank Virginia Inter. Municipal Bond Fund																				
5 <input type="checkbox"/> Nations Bank Capital Growth Stock Mutual Fund																				
6 <input type="checkbox"/> Schwab Funds Market Stock Mutual Fund																				
7 <input type="checkbox"/> American Home Products																				

* This category applies only if the asset/income is solely that of the filer's spouse or dependent children. If the asset/income is either that of the filer or jointly held by the filer with the spouse or dependent child/ren, mark the other highest category of value, as appropriate.
 PHS: Edition 1/04/04 UC:04

NEFA (Rev. 03/2000)
 U.S. Form 706
 U.S. Estate Tax Return
 Reporting Individual's Name

Page Number 5

SCHEDULE A continued (Use only if needed)

Assets and Income BLOCK A	Valuation of Assets at close of reporting period BLOCK B										Income type and amount. If "None (or less than \$201)" is checked, no other entry is needed in Block C for that item.										Date (Mo., Day, Yr.) Only if Honorary				
	BLOCK B										BLOCK C														
Name	BLOCK B										BLOCK C										Other Income (Specify Type & Actual Amount)				
	None (or less than \$1,001)	\$1,001 - \$15,000	\$15,001 - \$50,000	\$50,001 - \$100,000	\$100,001 - \$250,000	\$250,001 - \$500,000	\$500,001 - \$1,000,000	Over \$1,000,000*	Over \$1,000,000*	Over \$50,000,000	Over \$1,000,000*	Over \$1,000,000*	Over \$100,001 - \$1,000,000	\$50,001 - \$100,000	\$15,001 - \$50,000	\$5,001 - \$15,000	\$1,001 - \$2,500	\$201 - \$1,000	None (or less than \$201)	Dividends		Interest	Capital Gains	None (or less than \$201)	Other Income (Specify Type & Actual Amount)
1 Merck & Co.																									
2 Microsoft																									
3 Minnesota Mining and Manuf.																									
4 Oracle																									
5 Royal Dutch Shell																									
6 Target																									
7 Wachovia																									
8 Worldcom																									
9																									

* This category applies only if the asset/income is solely that of the filer's spouse or dependent children. If the asset/income is either that of the filer or family held by the filer with the spouse or dependent child, mark the other higher category.

Price Edition: Cannot be Used

SCHEDULE A continued
(Use only if needed)

Page Number 7

SP788 Rev. 03/2000
S-C Form 1041
Reporting Individual's Name
John Helgeson

Assets and Income BLOCK A	Valuation of Assets at close of reporting period BLOCK B										Income: type and amount. If "None (or less than \$201)" is checked, no other entry is needed in Block C for that item. BLOCK C										Date (Mo., Day, Yr) Only if Historical								
	BLOCK B										BLOCK C																		
	None (or less than \$1,001)	\$1,001 - \$15,000	\$15,001 - \$50,000	\$50,001 - \$100,000	\$100,001 - \$250,000	\$250,001 - \$500,000	\$500,001 - \$1,000,000	Over \$1,000,000 *	Over \$1,000,000 *	\$1,000,001 - \$5,000,000	\$5,000,001 - \$25,000,000	\$25,000,001 - \$50,000,000	Over \$50,000,000	None (or less than \$201)	Capital Gains	Dividends	Interest	None (or less than \$201)	\$201 - \$1,000	\$1,001 - \$2,500		\$2,501 - \$5,000	\$5,001 - \$15,000	\$15,001 - \$50,000	\$50,001 - \$100,000	\$100,001 - \$1,000,000	Over \$1,000,000*	Over \$5,000,000	Other (Mo., Day, Yr) Type & Amount
None <input type="checkbox"/>																													
1 Am South Bank Corp																													
2 Bank of America																													
3 Coca Cola																													
4 Eastman Kodak																													
5 Exxon Mobil																													
6 Home Depot																													
7 International Paper																													
8 Merck																													
9 Minnesota Mining and Manuf.																													

* This category applies only if the asset/income is solely that of the filer's spouse or dependent children. If the asset/income is either that of the filer or jointly held by the filer with the spouse or dependent children, the other higher category should be used.

Print Estimated Capital Gains

SP-278 (Rev. 07/2009)
 U.S. Civil Service Commission
 U.S. Government Printing Office

Reporting Individual's Name
 John Helgeson

Page Number 11

SCHEDULE D

Part I: Positions Held Outside U.S. Government

Report any positions held during the applicable reporting period, whether or not you were compensated, as an officer, director, trustee, general partner, promoter, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise or any non-profit organization or educational institution. Exclude positions with religious, social, fraternal, or political entities and those solely of an honorary nature.

	Organization (Name and Address)	Type of Organization	Position Held	None	
				From (Mo., Yr.)	To (Mo., Yr.)
Examples:	Bar/Assn. of Regs. Collectors, N.Y., NY	Nonprofit, examples	President	09/97	Present
	Doe Jones & Smith, Hometown, State	Law firm	Trustee	7/85	1/00
1	Mary J. Winfield's Family Trust	Trust		3/98	Present
2					
3					
4					
5					
6					

Part II: Compensation In Excess Of \$5,000 Paid by One Source

Report sources of more than \$5,000 compensation received by you or your spouse or dependent child from any business affiliation for services provided directly by you during the reporting period. This includes the names of clients and customers of any corporation, firm, partnership, or other business enterprise, or any other non-profit organization, when you directly provided the services generating a fee or payment of more than \$5,000. You need not report the U.S. Government as a source.

	Source (Name and Address)	Brief Description of Duties	None	
			Termination Filer, or Vice Presidential or Presidential Candidate	None
Examples:	Doe Jones & Smith, Hometown, State	Legal services		<input checked="" type="checkbox"/>
	Metro University (client of Doe Jones & Smith), Hometown, State	Legal services in connection with university construction		
1				
2				
3				
4				
5				
6				

Print Editions Cannot Be Used.

Central Intelligence Agency



Washington, D.C. 20505

Office of General Counsel

26 March 2002

Mr. Don Stone
Chief Auditor
Select Committee on Intelligence
United States Senate
Washington, DC 20510-6475

SUBJECT: Nomination of John L. Helgerson to Serve as
CIA Inspector General

Dear Mr. Stone:

In response to your recent oral request, this will serve to supplement my 28 February 2002 letter to the Director, Office of Government Ethics.

In my 28 February letter, I noted my review of Mr. Helgerson's assets and income, as well as the assets of the Mary J. Winders Family Trust, as disclosed in his Public Financial Disclosure Form (SF-278). In addition to the pledges set forth in my letter, Mr. Helgerson pledges to promptly inform me, or my successor Designated Agency Ethics Official (DAEO), if he learns that any of the entities in which he holds an interest has become involved in an investigation conducted by the Office of the Inspector General (OIG) or enters, or seeks to enter, into a contractual relationship with the OIG. In the event of a conflict of interest, Mr. Helgerson will disqualify himself, in writing, from taking any official action that would have a direct and predictable effect on the financial interests of these companies. If I, as DAEO, determine that recusal and screening is not a viable option to preclude a conflict of interest under applicable Office of Government Ethics regulations, he will divest himself of the conflicting interest.

Mr. Don Stone

Please contact me on (703) 482-1954 if you have additional questions or concerns.

Sincerely,



John A. Rizzo
Acting General Counsel
Designated Agency Ethics Official

cc: Office of Government Ethics

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