

C.I.A. Reported on Student Group After Cutting Off Financial Help

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WASHINGTON, Nov. 29 — Although Richard Helms, the former Director of Central Intelligence, conceded in a secret memorandum that "the agency should not be reporting at all on domestic matters of this sort," the Central Intelligence Agency did report on the activities of the United States National Student Association even after it severed its financial ties with the student group, documents released yesterday disclosed.

The papers, which were made public by the student association and the Campaign to Stop Government Spying, a coalition of activist groups, showed that the C.I.A. prepared a report on the 20th National Student Congress, which was held at the University of Maryland from Aug. 13 to 27, 1967.

One day before this meeting, representatives from the agency arranged to hand over to officers of the association the title to the N.S.A.'s national headquarters in Washington and to have the group assume its own mortgage payments. This agreement, which was ratified at the student congress, severed the last financial tie between the agency and the association, which received \$3.3 million from C.I.A. sources from 1952 to 1967.

"Unexpectedly," the agency report on the August meeting noted, the student association's relationship with the C.I.A. "did not materialize as a major Congress issue." The main issues were the Vietnam War, black power and student power.

The report was sent on Sept. 1 to Walt W. Rostow, special assistant to President Johnson, and John W. Gardner, Secretary of Health, Education and Welfare.

In the memorandum accompanying the report, Mr. Helms explained that he had requested it "because I was interested to learn what went on at the recent N.S.A. congress now that the agency has no N.S.A. ties."

"I am not distributing it, except to you

and John Gardner," he continued in his memorandum for Mr. Rostow, "because the agency should not be reporting at all on domestic affairs of this sort. I simply make this exception because I thought you would be personally interested."

The report came to light in a suit under the Freedom of Information Act filed by Morton Halperin, chairman of the Campaign to Stop Government Spying, and John Marks of the Center for National Security Studies, one of the organizations in Mr. Halperin's coalition. They have been seeking more information about C.I.A. activities on college campuses.