

# STUDENTS TO CUT LAST TIE TO C.I.A.

Association to Forgo Funds  
for Capital Headquarters

Special to The New York Times 67

WASHINGTON, Aug. 11

Leaders of the National Student Association have reached an agreement with the Central Intelligence Agency to sever their last remaining tie with the agency.

W. Eugene Groves, the student organization's president, announced today that under the agreement the association would take over the title and mortgage payments on its national headquarters buildings here.

A spokesman for the intelligence agency had no comment on the new announcement.

The agreement must be ratified by the 20th congress of the student association, which started today in College Park, Md. The two-week congress has drawn 1,500 delegates from the 350 member schools to elect officers and to decide policy for the organization.

Three scheduled participants in a discussion at the congress on the C.I.A. relationship said today that they would withdraw from the discussion.

The three are Andrew Kopkind, a freelance writer; Sol Stern, an editor of Ramparts magazine, and Michael Wood, a former director of development of the student association, who disclosed the C.I.A. connection to Ramparts last February.

The student association moved its headquarters from

Continued on Page 10, Column 7

# Students to Cut Last C.I.A. Tie, Losing Funds for Headquarters

Continued From Page 1, Col. 2

Philadelphia into the Washington buildings in 1965, when their value was estimated at \$135,000.

The C. I. A. made a down payment on the buildings and took out a \$70,000 mortgage with the First National Bank of Washington, which still holds it. The student association is taking over the \$65,000 unpaid balance on the mortgage, plus insurance and tax payments.

It will cost the student association about \$9,000 a year over the next 12 years to make the remaining payments. The money will come from its general operating expenses. The total budget for the association this year is about \$700,000.

The agreement with the intelligence agency will nullify a student association in 1965 by the Independence Foundation of Boston, which served as a conduit for C. I. A. funds. The foundation had leased the buildings from the C. I. A., which held title as an undisclosed owner.

The building relationship, according to Mr. Groves, is the association's last tie with the intelligence agency, which had helped finance the association since 1952.

The association, the largest United States student organization, representing 2 million students on 350 campuses, has received approximately \$3.3-mil-

lion from C. I. A. sources since then.

The student association used the money to finance international student conferences to counter Soviet influence. Mr. Groves has referred to the international activities and the C.I.A.'s interest in them as "cold war game-playing."

Since the disclosure of the relationship with the C.I.A., the student association has expanded its domestic activities and cut back on the international ones.

The disclosure last February of the C.I.A. funding resulted in an increase in membership from about 320 schools to 354. Only two schools quit the student association after the disclosure.

To counter the loss of C.I.A. funds and to promote the new domestic emphases, the association has found several new sources of financing. This year its \$700,000 budget will be helped by grants from the National Institute of Mental Health, the Office of Economic Opportunity and the State Department.

The grants are for various research projects ranging from a nationwide drug study to campus educational reform.

Last year's \$800,000 budget included an estimated total of \$28,000 from the C.I.A. In past years, C.I.A. funding accounted for as much as 75 per cent of the student association's budget. In attempting to sever the C.I.A. tie, the student group has run a deficit of several thousand dollars for the last two years.

12 K56-  
1967