£B75 000

£B75 STUDENTS-CIA 300 WASHINGTON (AP)-THE NATIONAL STUDENT ASSOCIATION ANNOUNCED TODAY A PLAN TO TAKE TITLE TO ITS HEADQUARTERS BUILDING HERE, SEVERING ALL RELATIONSHIPS WITH THE CENTRAL INTELLIGENCE AGENCY. DISCLOSURE LAST FEBRUARY THAT THE CIA SECRETLY HAD SUBSIDIZED THE STUDENT GROUP AND OTHER PRIVATE ORGANIZATIONS RAISED A FUROR. W. EUGENE GROVES, PRESIDENT OF NSA, TOLD A NEWS CONFERENCE THE BUILDING HAD BEEN APPRAISED AT \$135,000. IT IS MORTGAGED FOR \$65,000, HE SAID. MORTGAGE PAYMENTS, WITH INSURANCE AND TAXES, OF ABOUT \$9,000 A YEAR WILL COME FROM THE NSA BUDGET, HE SAID. THE STUDENT GROUP MOVED INTO THE BUILDING TWO YEARS AGO, A SPOKESMAN SAID, UNDER A 15-YEAR LEASE THAT CALLED FOR NO RENT PAYMENTS. THE AGREEMENT WITH THE CIA WILL TERMINATE THAT LEASE.

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THE AGREEMENT MUST BE RATIFIED BY THE NATIONAL SUPERVISORY BOARD AND NATIONAL STUDENT CONGRESS OF NSA, GROVES SAID.
UNDER IT, HE SAID, TITLE TO THE BUILDING WILL BE TRANSFERRED TO NSA, SUBJECT TO THE MORTGAGE; THE CIA WILL TERMINATE ITS CONNECTIONS WITH THE MORTGAGE AND NSA WILL ASSUME THE MORTTGAGE AND MAKE PAYMENTS.
GROVES SAID ALL RELATIONSHIPS, ARRANGEMENTS AND TRANSACTIONS THAT HAVE EXISTED BETWEEN NSA AND THE CIA ARE "CANGELLED, TERMINATED AND ANNULLED" UNDER THE AGREEMENT.
"THERE IS NO MONEY TRANSFER WHATSOEVER," HE SAID.
GROVES, ANSWERING QUESTIONS, SAID THE ASSOCIATION WAS DOING QUITE WELL AND HAD ADDED 54 MEMBER SCHOOLS IN THE PAST YEAR, BRINGING THE TOTAL TO 334.
ITS FUNDS, HE SAID, COME FROM DUES AND SERVICES, FOUNDATIONS AND GRANTS FROM GOVERNMENT AGENCIES FOR PROJECTS AND PROGRAMS. ITS BUDGET THIS YEAR IS ABOUT \$700,000, HE SAID, ESTIMATING THAT PROBABLY 50 TO 60 PER CENT CAME FROM FEDERAL GRANTS. HE MENTIONED A \$250,000 GRANT FROM THE OFFICE OF ECONOMIC OPPORTUNITY FOR TUTORIAL PROJECTS. NN1218PCD AUG.11 (767)