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PHILADELPHIA, PA.

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May 5, 1943

Mr. W. E. Reynolds
Commissioner of Public Buildings
Public Buildings Administration
Washington, D. C.

Reference: SA:PCU

Dear Mr. Reynolds:

Reference is made to your letter of April 29, 1943, regarding the request to all governmental agencies to certify to Public Buildings Administration as to the loyalty of all employees.

I have been informed that the Functional Priority Classification of the former Penn Athletic Club Building, in which this Commission is now housed, is IV and, because of this, it is not entirely clear that such a certification must be made. However, I shall be glad to make such a certification if it is necessary.

Section 5 of Public Law No. 28, 77th Congress, known as the "Independent Offices Appropriation Act, 1942", provided in part that:

"No part of any appropriation contained in this Act shall be used to pay the salary or wages of any person who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence; Provided, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence:. . . ."

In accordance with the above provision of law, all employees of Securities and Exchange Commission at the time of its enactment executed Standard Form No. 47 (Personnel Affidavit), copy attached. Since then, and until the adoption of Standard Form No. 61 (Oath of Office, Affidavit, and Declaration of Appointee), a copy of which is also attached, and which is now in use, all new employees of the Commission were required to execute Standard Form No. 47.

The policy of this Commission is to make, prior to actual appointment, a comprehensive character investigation of all applicants who are recommended for positions on the staff. These investigations include most, if not all, of the elements set forth in your Directive of April fifteenth. The information given by the applicant is verified for accuracy, and a check is made of police and credit bureau records, as well as of all informational leads. Furthermore, any leads coming to the attention of the Commission after an employee has entered on duty are promptly investigated. As a result of this, the loyalty of all members of the staff has been rather fully investigated and is continually under scrutiny.

In view of federal requirements, the practices of this Commission, and the assignment of Priority Classification IV, it is believed that it is unnecessary at this time to conduct any further investigation to determine the loyalty of members of the staff.

Sincerely yours,

GANSON PURCELL
Chairman

Enclosures

