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Inquiry on Possible F.B.I Fund Abuses Reported to Focus on a Retired Official

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WASHINGTON, Jan. 11—A nearly completed inquiry into possible financial mismanagement within the Federal Bureau of Investigation has reportedly focused on John P. Mohr, the bureau's retired administrative chief, who was for years one of the F.B.I.'s most powerful, if little-known, executives.

Officials familiar with the inquiry, which is being carried out by the bureau's internal Inspection Division, said that its findings would be furnished within a few days to Justice Department lawyers, who want to study the case for possible violations of Federal law.

One Justice Department source said that Mr. Mohr had declined the bureau's request to testify under oath in an investigation of his relationship with a private company that since 1938 has procured electronic eavesdropping equipment for the bureau.

Prices Reported Raised

The concern under investigation is the U.S. Recording Company, which was set up to act as a "front for purchasing such equipment for the F.B.I. from private manufacturers to try to hide from eavesdropping targets the type of wiretaps and bugs in use by the bureau.

The current inquiry was ordered by the bureau's director, Clarence M. Kelley, after one producer of electronic equipment, Martin L. Kaiser, told the House Select Committee on Intelligence Activities last year that the prices of some equipment he sold to the bureau through U.S. Recording had been increased by nearly a third before being passed on to the F.B.I.

The House committee is conducting a separate investigation

into whether officials of the bureau might have been receiving kickbacks from Joseph X. Tait, the head of U.S. Recording. A well-placed Government source said that the Internal Revenue Service was evaluating the net worth, or personal holdings, of Mr. Mohr and possibly other F.B.I. officials.

In addition, the Justice Department is looking into an assertion by the House select panel that F.B.I. agents involved in the bureau's inquiry had attempted to encourage Mr. Kaiser to repudiate portions of his testimony before the committee.

The interest of House investigators in Mr. Mohr, whose administrative duties included overseeing the purchasing of electronic equipment from U.S. Recording, was piqued by the recent disclosure in a court proceeding that he had enjoyed a close relationship with Mr. Tait.

According to documents on file in a civil court case here, Mr. Mohr was one of those in attendance at weekend poker parties held for high F.B.I. and Central Intelligence Agency officials by Mr. Tait at a mountain retreat in Virginia.

Financing of Outings

Although one individual who attended the parties insisted that all of those present had paid their own way, committee investigators are attempting to learn whether Mr. Tait financed the weekend outings.

Mr. Mohr declined to talk about his knowledge of U.S. Recording's operations on the advice of his lawyer, Brian Gettings, who is also representing Mr. Tait before the House panel.

Mr. Gettings would say only

that Mr. Mohr had been involved in no wrongdoing.

The Blue Ridge Lodge, the retreat where the card games took place, was named by Time magazine recently, in a report that is so far unconfirmed, as the site where some of the 35 drawers full of personal files kept by J. Edgar Hoover, the late F.B.I. director, were taken and burned after his death in 1972.

Mr. Mohr said in a recent telephone interview that he had never had any of Mr. Hoover's personal files in his possession and dismissed as "ridiculous" the assertion that anyone interested in destroying them would have carted the bulky documents into Virginia.

Immediately after Mr. Hoover's death, Mr. Mohr received instructions from then-Attorney General Richard G. Kleindienst to seal off the director's office.

Mr. Mohr said that he did have the lock changed on Mr. Hoover's main office but left open the rest of his eight-room suite, from which the personal files were subsequently removed by Mr. Hoover's secretary to the late director's Georgetown home.

Senate investigators have established that one of those personal files contained information about sensitive F.B.I. practices, including burglaries of foreign embassies. But Mr. Hoover's secretary, Helen W. Gandy, has testified that she saw nothing of an official nature among the correspondence and other personal documents she culled, and which she eventually ordered destroyed, as she said Mr. Hoover had instructed.

Mr. Mohr rejected the suggestion that Mr. Kleindienst's order had been intended to apply to the seven other rooms



Associated Press
John P. Mohr

and to preserve Mr. Hoover's records for his successor.

Mr. Kleindienst, Mr. Mohr said, had told him to seal the director's office, not his suite.

The controversy over the destruction of Mr. Hoover's files and the dealings involving U.S. Recording are not the only troubles that have beset Mr. Mohr in recent months.

His disclosures about the Virginia poker parties, for example, were made in connection with a challenge brought against him by relatives of Clyde A. Tolson, for years the F.B.I.'s No. 2 executive and Mr. Hoover's close personal friend.

Mr. Tolson inherited Mr. Hoover's estate of a half-million dollars in 1972, and when he himself died last year it was discovered that he had disinherited his relatives and left the combined estate to charity and to several former F.B.I. employees, including \$26,000 to Mr. Mohr.

Hillary Tolson, the late Mr. Tolson's brother, has charged in court that Mr. Mohr had employed "fraud and deceit" in coercing the physically and mentally weakened Mr. Tolson to exclude his relatives from the will.