

Ernst Firm Gave \$16,000 To Aid Nixon

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Top officers of Ernst & Ernst, the national accounting firm whose recent audit of Washington police statistics affirmed Republican claims that crime plunged here in the last three years, have contributed more than \$16,000 to the Nixon re-election campaign and served as key organizers.

Campaign finance and other records show that:

- At least 20 Ernst & Ernst employees, most of them high-ranking partners and other executives, donated \$16,900 between early April and mid-October this year.

- Richard T. Baker, managing partner of Ernst's national headquarters office in Cleveland, is chairman of the volunteer Certified Public Accountants Committee for the Re-election of the President. As such, Baker coordinates 50 state CPA committees to drum up support for Nixon among CPAs.

- Julian O. Kay, head of Ernst's 100-employee office in Washington, is treasurer of the "Victory '72 Dinner Committee," which organized fund-raising galas in 29 cities last Sept. 26, bringing in at least \$4.6 million to Nixon coffers.

Washington Police Chief Jerry V. Wilson ordered the Ernst & Ernst audit of the crime figures here early this year after newsmen and independent statisticians questioned his claim that serious crime has dropped 50 per cent since late 1969.

Police had been noting the generally downward trend of reported crime in the city since 1969. By the middle of this year, it became a campaign issue with Republican spokesmen claiming that get-tough Nixon policies and special federally funded anti-crime programs had helped turn the crime tide after an upward surge of reported crime in the middle and late 1960s under President Johnson.

Chief Wilson denied that his department deliberately underreported crime to fit GOP strategy. He contended that crime has been reduced by increased police force strength, streamlined courts, improved

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street lighting and new anti-narcotics programs.

To counter criticism of his statistics, Wilson ordered an independent audit, and Ernst was awarded the \$32,000 contract.

Ernst accountants worked

on the audit all summer and, 14 days late, issued a report on Sept. 15 generally supporting Wilson's claim of declining crime but also finding that thousands of crimes were never reported in the department's published statistics.

A House Government Operations Subcommittee headed by Rep. John S. Monagan (D-Conn.) launched an investigation into both the police figures and Ernst's auditing procedures. It noted among other things that Kay, Ernst's Washington chief, is a key Nixon re-election official.

Wilson has said he would not have hired the firm if he had known of Kay's Republican connections.

He said he did not know about Kay's connection or that Ernst has had several contracts with the Republican National Committee in the past.

The Monagan Subcommittee issued a report last May on procedures of the Law Enforcement Assistance Administration (LEAA) containing strong criticism of what it called "consulting abuses" by private firms using LEAA funds to assist in police department planning. It singled out Ernst & Ernst, which it described as having a record of sloppiness, inadequacy, tardiness and plagiarism.

Financial records required by federal campaign disclosure laws show that at least 17 Ernst employees, including Kay, bought tickets totaling \$15,400 for the Sept. 26 "Victory" galas organized by Kay's committee. Kay and his wife were listed as giving \$1,000 together. Other records show Baker, managing partner of the Cleveland office, gave \$1,000 to the campaign on June 12. Two other employees gave a total of \$500, records show.

Baker could not be reached for comment. Tony McDonald, a press spokesman for the Committee for the Re-election of the President, said Baker assured him that Ernst's Washington office had sole control of the D.C. police audit and Baker "had zero to do with it."