

# Other Prosecutors Planning

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Investigations of kickbacks from architects and engineers to politicians, similar to the probe that toppled former Vice President Spiro T. Agnew last week, either have be-

gun or are planned by at least a half-dozen federal prosecutors around the nation.

In addition, U.S. Attorney George Beall said in Baltimore yesterday that since Agnew's conviction on a tax fraud charge last Wednesday he has received calls from several fellow federal prosecu-

tors who have indicated that they are interested in launching investigations in their own states similar to the corruption probe in Maryland.

Beall declined to say which of his 93 fellow U.S. attorneys had called him or what parts of the country the calls came from.

Sources familiar with the investigations, including those planned and those underway, said they are aimed at uncovering a persistent pattern of corruption that has grown up in recent years between consultants and politicians.

The suspected corruption centers on the system in

## Kickback Probes in U.S.

which lucrative public contracts to architecture and engineering firms are awarded by public officials ostensibly on the basis of professional competence and without competitive bidding. Bidding for work among architects and engineers has long been considered unprofessional. But the prosecutors and others believe that in many instances contracts are awarded to such firms on the basis of how much they pay rather than their professional capabilities.

Donald A. Buzzell, executive director of the American Consulting Engineers Council, said, "My personal opinion is that this practice is widespread." William Slayton, executive vice president of the American Institute of Architects, said, "The system stinks."

Interviews by The Washington Post indicate that:

- The U.S. attorney for the southern district of Louisiana is looking into possible payoffs from architects and engineers to federal, state and local officials in connection with contracts for federally insured housing construction.

- A preliminary investigation is under way by the U.S. attorney's office in the western district of Pennsylvania into allegations that architects and engineers paid off state and federal officials for highway contracts.

- The Delaware U.S. attorney's office has subpoenaed nearly 300,000 records from that state's Department of Transportation and the office of the state controller and

treasurer relating to a probe into alleged kickbacks from consultants for highway work.

- The U.S. attorney's office in Chicago has begun investigating possible kickbacks by contractors to local officials in suburban Wheeling Township.

- In New Jersey the U.S. attorney has obtained over the past four years 68 indictments and 46 convictions of public officials and engineering firms charged in connection with kickback schemes.

Nearly all the federal probes appear to center on the well-established practice of architectural and engineering consultants contributing large sums of money to politicians who award contracts.

"It's very hard these days to distinguish between a legitimate political contribution and a down payment on a contract," said George J. Gallinghouse, the U.S. attorney for the southern district of Louisiana.

Gallinghouse's office has an intensive investigation under way, according to sources, into alleged campaign contributions made by a small number of architectural and engineer firms that have cornered most of the state's consultant work during the past six years.

During one period of time in recent years, the sources said, an architectural firm from New Iberia, La., received half of the state contracts awarded and at the same time made large contributions to state and local political races. Part of the focus of the Louisiana investigation has centered recently, according to the sources, on alleged pay-

offs by architects to federal officials and others who award contracts for federally insured housing in southern Louisiana.

Agents from the FBI and the Internal Revenue Service have been taking part in the federal probe, which sources said could involve millions of dollars in construction work.

According to the sources the allegations center around the possible inflation of the size of contracts given to architects and kickbacks given in return to both sponsors of the housing and politicians.

Gallinghouse acknowledged that his office is looking into the contracts but declined to say which firms or officials might be involved.

Gallinghouse's office has already got indictments of David G. Volkert and James Faulkner, executives of the Washington-based consulting firm of David Volkert & Associates, and three state and local politicians in an alleged payoff scheme. The case is expected to go to trial in January.

In Pittsburgh, Richard Thornburgh, U.S. attorney for the western district of Pennsylvania, said yesterday "we have received information that there may be a pattern in awarding public contracts possibly similar to that in Maryland. There may be nothing to it," he said, "and it will take a long time to check out."

But, Thornburgh said, his information indicated that the pattern related to the award of "both state and local contracts." Thornburgh said his investigations had just begun and that no subpoenas have yet been issued.

In Delaware, when U.S. Attorney Ralph F. Geil and his five-man staff of attorneys subpoenaed virtually all the state's highway records from 1969 to the present, state officials were caught off guard.

Keil has refused to disclose but the records subpoenaed cover contracts awarded by the state to consultants also implicated in the federal probe in Maryland.

The method used by Keil—sweeping up all files that might possibly contain shred of a pattern of payoffs—is one that Beall has used in Maryland and which has also been used extensively in New Jersey by U.S. attorneys.

In Chicago there is an "ongoing investigation" into possible kickbacks to public officials, according to Samuel K. Skinner, assistant U.S. attorney. He declined to comment on the targets, but sources said that records of both contractors in Wheeling Township municipal government, a fast-growing area north of Chicago, had been subpoenaed.

New Jersey's record of convictions stands at 46 and its record of indictments at 68 in a continuing probe of alleged kickbacks to public officials. Most of the individuals who made the payments were engineers.

According to Jonathan Goldstein, assistant U.S. attorney evidence at the trials of those convicted showed that the going rate for receiving public contracts was 10 per cent.

Among those convicted include a former congressman two former mayors, and two former secretaries of state.