

Nixon Fundraisers To Be Investigated

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The Nixon administration will investigate President Nixon's chief campaign finance committee for "possible criminal violations" following a federal audit citing about a dozen "apparent" breaches of the law.

The General Accounting Office, Congress' auditing agency, yesterday issued its report focusing on an apparently secret \$350,000 cash fund kept in the office safe of GOP Finance Chairman Maurice Stans. GAO said that \$114,000 from the fund had passed through the bank account of Bernard Barker, a suspect in the break-in of the Democrats' Watergate offices here last June 17.

Full details about the secret fund could not be learned, the GAO report said, because all the records dealing with it apparently had been destroyed.

Among the possible violations found

THE LAW INVOLVED

Here are the portions of the Federal Campaign Spending Act of 1971 which the General Accounting Office feels may have been violated by the Finance Committee to Re-elect the President:

- All campaign fund spending by political committees must be done by the committee's chairman, or treasurer or their authorized representatives (Sec. 302 a).
- All campaign donations must be kept in accounts separate from personal funds of the committee's officers and members (Sec. 302 b).
- The treasurer of a political com-

mittee is required to keep an exact account of all contributors, contributions and how the contributions are spent (Sec. 302 c).

• The treasurer of a political committee is required to register names, address and occupations of donors and the amounts of their donations with the Office of Federal Elections (Sec. 304 b).

• A supervisory officer of a political committee must make routine audits of campaign funds and report apparent violations to the Office of Federal Elections (Sec. 308 a).

by GAO and referred to the Justice Department were:

- As many as five violations for failing to keep records and file official

reports on a controversial \$25,000 contribution from Minneapolis investment executive Dwayne Andreas.

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- About three irregularities in failing to record and report on the spending of \$39,000 which passed from anonymous Texas donors, through a Mexico City bank, to Barker and to the committee.

(The GAO conceded that the Nixon committee had no legal duty to disclose who contributed the \$39,000.)

- As many as three violations in the handling of the \$350,000 cash fund in Stans' office safe.

• Perhaps one irregularity in spending money from the fund without proper authorization.

- Possibly one violation because of evidence that some committee officials mixed campaign contributions with their own personal funds.

• And, perhaps one violation for failure to notify the committee treasurer of every contribution taken in by committee officials or aides.

To Seek Decision

A spokesman for Atty. Gen. Richard G. Kleindienst said the GAO report would be submitted to the Justice Department's Criminal Division "for appropriate action to determine whether there have been possible criminal violations."

In its official review, the Justice Department could decide there is enough evidence to send the case to a grand jury immediately or decide that more information is needed. In the latter case, GAO or the FBI could be asked to provide more information.

If the report is submitted to a grand jury, the depart-

ment spokesman said, "It is not inconceivable that it would go to the same grand jury which is currently investigating the Watergate bugging case."

Barker and four others, including James McCord, former security chief of the Nixon campaign committee, were arrested inside the Watergate headquarters of the Democratic National Committee. Authorities believe the headquarters had been bugged for some time and an attempt was being made to remove the bugs.

Indictments Expected

A grand jury has been probing the break-in, and indictments are expected in a few weeks. In addition, a \$1 million civil damage suit has been filed against the five break-in suspects.

A spokesman for the Nixon campaign committee said the GAO report is "inaccurate." The spokesman said the audit is "incomplete in that it omits mentioning important information given to the GAO by the Finance Committee bearing on the transactions. It also disregards the fact that some of the actions of the Finance Committee . . . are supported by legal opinions furnished to GAO."

The spokesman offered no specifics on the "inaccuracies." He said a more detailed reply would be issued later. At San Clemente, Calif., a spokesman for President Nixon said there would be no comment from the White House.

Leaders of the Nixon committee have said previously that G. Gordon Liddy, fired as finance counsel for refusing to cooperate with the

FBI, played a key role in the transactions discussed in the GAO report. However, GAO efforts to probe Liddy's role failed because, GAO said, he refused to discuss it with investigators.

First Confirmation

Although there have been published reports of a secret campaign fund, the GAO report marks the first definite confirmation of its existence. GOP officials have repeatedly said lawyers advised them not to discuss committee financing because of pending legal action.

GAO said the former committee treasurer, Hugh W. Sloan Jr., was not "available" to discuss any transactions until last Wednesday, the day after GAO auditors postponed the report's release following a telephone call from Stans. The GAO official conducting the inquiry, Phillip Hughes, flew to Florida to confer with Stans and Sloan.

Sloan said the \$350,000 was deposited in a safe kept in the office of Stans' secretary. Any records of the funds were left with the committee when he quit last month, Sloan said. GAO said it was unable to find any record of the source of the money or any documents clearly detailing the fund.

The man who succeeded Sloan, Paul Barrick, had worked at the committee in a key financial post, but said he wasn't aware of the money until he received a May 25 bank deposit slip from Sloan. The slip showed that the \$350,000 had been deposited into the bank account of the Media Committee to Re-Elect the President.

Records Destroyed

Stans said any records concerning the \$350,000 were destroyed. GAO officials told the Star-News they understood the purpose of destroying the records was to protect the identities of the donors.

Sen. George McGovern's campaign chairman, Lawrence O'Brien, said yesterday he was "pessimistic about the likelihood of a fair, thorough and speedy investigation . . . because the matter is being handled by Mr. Nixon's Justice Department."

O'Brien said the Nixon administration was attempting to "sweep the facts under the rug." He contended that the Justice Department is stalling its Watergate grand jury probe to prevent anything adverse from being publicized before the November election.

Asks Full Probe

O'Brien called for a "full disclosure" of GOP contributors prior to April 7 when the new law requiring disclosure went into effect.

The chairman of the House Banking and Currency Com-

mittee, Rep. Wright Patman, D-Tex., said the GAO report "can be considered as nothing more than Chapter I of what must be a top-to-bottom investigation of all the allegations involved in the Watergate incident and the closely related areas of political fund raising."

GAO aides called off a scheduled briefing with Patman's staffers last week to fly to Miami Beach for the Stans meeting. Yesterday, Patman said he will ask GAO to "broaden its investigation and make a full report to the Banking and Currency Committee on all allegations that have been raised to date."

Patman said he was "deeply disturbed" by reports that the contributor of the controversial \$25,000, Andreas, received a federal bank charter in what appeared to be unusually fast time.