

Ford Asks Levi for Report On His Findings on Kelley

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WASHINGTON, Sept. 1—President Ford asked today for a full report on Justice Department data suggesting that Clarence M. Kelley, the Director of the Federal Bureau of Investigation, may have misused Government services and property in his suburban apartment and accepted expensive gifts from subordinates.

The President made his request this morning in a brief telephone conversation with Attorney General Edward H. Levi, according to Ron Nessen, the White House press secretary. Mr. Nessen said that the President expected to have the report "within the next few days."

Mr. Levi told reporters that he was not familiar with all of the allegations against Mr. Kelley, and that he could therefore not say what action, if any,

he would advise Mr. Ford to take.

Mr. Nessen told a White House news briefing that President Ford continued to have "complete confidence" in Mr. Kelley, and Mr. Levi said that he believed the director had "been doing an excellent job."

Mr. Levi characterized as "not quite accurate" a report by The Washington Post today that one of the Justice Department lawyers who had seen the information against Mr. Kelley had recommended his dismissal, and that the lawyer's superior had softened that to a call for a public reprimand.

The Attorney General acknowledged that his office had received on Monday a summary from Michael E. Shaheen, head of the department's Office of

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Professional Responsibility, the unit that is investigating alleged F.B.I. improprieties.

That summary, he said, included a recommendation by Mr. Shaheen and one by John M. Dowd, his principal investigator, but he declined to say what the recommendations were.

Mr. Kelley confirmed in a public statement yesterday that a cabinet and wooden window valances had been built for his apartment by the bureau's exhibits section in 1973, shortly after he became director, and that he had accepted a number of gifts from bureau executives.

One Justice Department source said today that the gifts had included a walnut table, a clock and a chair, with a total value of several hundred dollars.

Mr. Kelley said in the statement that he considered the cabinet to be Federal property that had been lent to him, that he would reimburse the bureau for the cost of the valances and would "make restitution" for any of the gifts found to be illegal.

Federal statutes provide criminal penalties for the unauthorized conversion of Government property to an individual's own use, and for the dismissal from Government service of an official who accepts from subordinates gifts of more than nominal value.

One Justice Department source said today, however, that little thought had been given to whether Mr. Kelley, in having failed to reimburse the Government for the va-

lances, had violated Federal Law. The source said that he did not expect Mr. Levi's report to President Ford to contain an assessment of Mr. Kelley's culpability, if any.

Information Traced

The source also said that the Justice Department's information about the construction of the valances—wooden frames attached to the top of a window to hide a drapery hanging—had come from John P. Dunphy, the former head of the bureau's exhibits section.

The section, a part of the F.B.I. Laboratory, is normally engaged in building displays and models of crime scenes for use in Federal court proceedings.

Mr. Dunphy pleaded guilty last month to a charge that he had used less than \$100 worth of Government-owned lumber to build a birdhouse at his suburban Maryland home. Part of his agreement with Justice Department prosecutors, a source there said today, was that he would testify before a Federal grand jury about other misuses of the exhibits section.

The source said that the Justice Department had received copies of photographs of several projects undertaken by F.B.I. carpenters for bureau executives, but not of Mr. Kelley's valances, and that those photographs and Mr. Dunphy's testimony were "at the center of a massive case of fraud" that would ultimately touch a number of individuals.

In addition to the inquiry into alleged misuses of bureau funds and property, the Justice Department is conducting a separate study of illegal burglaries carried out by bureau agents in recent years.

Mr. Levi said today, however, that it was "important to recognize that I think he [Mr. Kelley] had been doing an excel-

lent job" of guiding the bureau through the investigations, and he indicated that his belief would be a factor in his recommendation to the President.

'Stay and Fight'

An associate of Mr. Kelley who spoke with him yesterday said today that the director had given no indication that he was considering a voluntary resignation or any other course of action except to "stay and fight."

That associate and others expressed dismay at what they considered the relatively inconsequential nature of the evidence that has reportedly been assembled against Mr. Kelley. "I can't believe they're going to let him go over a couple of valances," one said.

Former officials of the bureau have previously reported that J. Edgar Hoover, the bureau's late director, used the F.B.I. Laboratory and exhibits section to perform a number of modifications to his Washington home and accepted expensive gifts several times a year from his aides.

One former official has said that the exhibits section built a front porch for the Hoover home and built a fish pond in its backyard, and that laboratory agents performed modifications on the director's television set and installed some bathroom fixtures.

The official also said that collections were taken from bureau executives several times a year to provide Mr. Hoover with gifts at Christmas and on other occasions, and that the gifts generally cost several hundred dollars.

Mr. Levi was asked today about his personal policy on accepting gifts from subordinates. He replied that, as a rule, "you try not to accept gifts from employees."

He added, however, that he had been unable to avoid receiving some presents, including cuff links, but he said that they were worth nowhere near the value of the presents accepted by Mr. Kelley.