

SPECIAL PROSECUTOR ENDING FORD INQUIRY

Indication Grows That No Charges
on Campaign Fund Irregularities
Under Contemplation by Ruff

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WASHINGTON, Sept. 30—The Watergate special prosecutor is winding up his inquiry into President Ford's campaign finances and there is a growing indication that no criminal prosecution of Mr. Ford is contemplated, according to interviews with officials in Grand Rapids, Mich., and with Government sources here.

Several of these sources said in interviews that they expected the special prosecutor, Charles F. Ruff, would "shortly" be making a public statement indicating that he had made an investigation of allegations of campaign financing irregularities and found no basis to either continue the inquiry or bring criminal charges. Mr. Ruff had no comment on this report.

Two key sources in the Ford Administration said that they believe Mr. Ruff received a "single allegation" that Mr. Ford might have misused campaign contributions and that he "could not," as one of them put it, "responsibly or properly avoid giving the matter careful attention." One of these sources said that he believed that Mr. Ruff conducted the inquiry in the "most discreet fashion possible" in order not to affect improperly the Presidential election.

On Aug. 19, the day after Mr. Ford was nominated as the Republican Presidential candidate, Republican political committees in Grand Rapids received subpoenas for records from 1964 through 1974. The records of the three political committees involved were picked up by agents of the Federal Bureau of Investigation in mid-September.

Subpoenas Disclosed

Ten days ago, press reports disclosed the existence of these subpoenas and that Mr. Ruff had also obtained the financial records of the Marine Engineers Beneficial Association, a maritime union that made political contributions to Mr. Ford over several years.

Shortly after this disclosure, F.B.I. agents from the Grand Rapids field office conducted some half dozen interviews on behalf of the prosecutor. In interviews with officials familiar with Kent County Republican campaign financing between 1968 and 1972, the agents asked whether contributions from maritime unions diverted to the committees by Mr. Ford were then secretly rediverted to him in cash.

Though several of those interviewed have declined to comment, current Republican officials have said flatly that all persons denied any misdirection of campaign funds or wrongdoing.

The most recent F.B.I. interview, which was expected to end the inquiry, was conducted with Paul Henry, current chairman of the Kent County Republican Committee, sources said. Mr. Henry said in a later interview with The New York Times that agents asked him technical questions about his committee's book-keeping methods and systems of handling contributions. Mr. Henry has been chairman for two years and will end his term after the upcoming election. His term began after Mr. Ford became President.

Action Before the Election

At a fund-raising dinner in Grand Rapids yesterday, Mr. Henry said that the party "has every reason to believe that the President will be absolved of all suspicion well before the election."

Of the various maritime contributions, the inquiry seemed to center on two payments in 1970 totaling \$4,500 from the maritime engineers.

The payments were made by check with the business cards of officials or representatives of the Marine Engineers Beneficial Association attached, but there is one unconfirmed report that \$2,000 of this money may have come from the coffers of the Seafarers International Union, another long-term contributor to Mr. Ford.

According to Mr. Henry and two other party officials, the F.B.I. agents did not issue "Miranda warnings" to anyone during the interviews and there was no indication that they had a specific charge of fraudulent bookkeeping or campaign manipulation involving any Kent County official. Several persons attended the F.B.I. interviews without legal counsel, several sources said.

A well informed Federal law enforcement official said that the inquiry appeared to have been conducted to "close the door" on an allegation that was "general" and which had come with relatively little supporting detail.

Moreover, testimony by Mr. Ruff before a House subcommittee on Aug. 26, a week after his subpoenas arrived in Grand Rapids, did not appear to support the theory that his office was involved in a major investigation of a sitting President. At one point under questioning, Mr. Ruff told Representative Edward Mezvinsky, Democrat of Iowa, that he felt his office "would expect" to wrap up its work "within three or four months."

He assured Mr. Mezvinsky that his office would bring its own prosecutions and not turn them over to the Department of Justice.

Ruff Is Quoted

"Do you foresee you will be prosecuting more cases in those three months," Mr. Mezvinsky asked. Mr. Ruff reportedly answered that "I can't really foresee at this time except to say that we are conducting ourselves as though we had no termination date because I think that is the only way that we can really do our jobs."

Though there is no commitment for Mr. Ruff to make a public statement even after completing an investigation of Mr. Ford, there is precedent in both the actions of one of his predecessors, Leon Jaworski, and in the written reports of the office where the special prosecutor has indicated that an avenue of inquiry is at an end and no charges resulted.

Several administration sources said Mr. Ruff is "fully aware" of the additional responsibility to do this since Mr. Ford is in the final weeks of a campaign for reelection.