

# 4 LAW VIOLATIONS BY G.O.P. HINTED

Issue of Vesco Political Gift  
Sent to Justice Agency

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WASHINGTON, March 12—The General Accounting Office said today that President Nixon's re-election campaign committee had apparently violated Federal election laws at least four times in its handling of a \$200,000 cash contribution by Robert L. Vesco, a New Jersey financier.

In a report approved by Elmer B. Staats, the Controller General, the G.A.O. formally referred the Vesco matter to the Justice Department for possible legal action.

The accounting office also recommended that the Justice Department broaden its investigation to include the possibility of other, as yet unknown, illegal cash contributions to the Nixon re-election fund.

The Justice Department had immediate comment on the report, although a spokesman said, "obviously, we'll look into it."

The accounting office, an arm of Congress, specifically accused the Finance Committee to Re-elect the President of failing to account for and report the \$200,000 contribution, as well as failing to maintain an adequate record of how the money was spent.

### Stans's View Criticized

Maurice H. Stans, chairman of the finance committee, was quoted in the accounting agency's report as conceding that the Vesco contribution did not arrive until April 10 of last year, three days after a new Federal campaign financing law went into effect. But Mr. Stans argued, the agency said, "that the contribution was nonetheless made before April because Vesco made a commitment to contribute on March 8, 1972."

The report said that Mr. Stans's explanation stood in "sharp contrast" to the G.O.P. committee's routine practice of not reporting other contributions until the committee actually received the funds. It also said that a subsequent contribution of \$50,000 made by Mr. Vesco had properly been reported although it, too, had been "promised" before the April 7 deadline.

"Finally, and apart from the [Republican] committee's incon-

sistencies," the auditors' report said, "we believe that the actual receipt of the promised funds by the committee after April 7, 1972, constituted the receipt of a contribution" that was subject to the election law disclosure requirements.

The General Accounting Office, in its summary of the incident, provided some new details on how the \$200,000 contribution had been handled by the Republicans. It quoted Mr. Stans as saying that shortly after receiving the cash, in \$100 bills, he turned it over to Hugh W. Sloan Jr., who was then the treasurer of the Nixon finance committee, for storage in an office safe. The accounting report said:

"Mr. Stans said that these funds were a part of \$350,000 in cash deposited on May 25, 1972, to the account of the Media Committee to Re-Elect the President, an affiliated committee. The \$200,000 contribution by Mr. Vesco was not itemized on that report or on any other report filed by the finance committee or any of its affiliated committees."

### Confirmation Reported

Both Mr. Stans and his counsel, Kenneth W. Parkinson were interviewed and "confirmed all essential elements" of the circumstances surrounding the contribution, the Congressional agency said.

The Republican committee returned Mr. Vesco's \$200,000 along with his \$50,000 contribution, on Jan. 31, five days after The Washington Star-News first reported the large secret contribution.

Mr. Vesco is president of the International Controls Corporation of Fairfield, N. J. Last year the Securities and Exchange Commission culminated an investigation by charging him and 41 other defendants with bilking stockholders of \$224-million in cash and securities of four mutual funds controlled by Investors Overseas Services.

Today marked the second time that the G.A.O. had accused the Republican Re-election Committee of apparent violations of Federal campaign laws. Last Aug. 26 it cited a series of cash contributions it said had been improperly reported. It said that some of this money had apparently ended up in the hands of the Watergate intelligence unit.

The Justice Department eventually filed eight criminal complaints against the committee.

On Jan. 26 the finance committee was fined \$8,000 for its illegal expenditures, after its attorney entered a plea of nolo contendere—no contest—in the case.