

More Speed by Justice Asked on GOP Funds

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The General Accounting Office yesterday "urged in the strongest terms" that the Justice Department move swiftly on both new and previous GAO reports charging President Nixon's campaign finance committee with "apparent violations" of the Federal Election Campaign Act.

The GAO, the investigative arm of Congress, yesterday submitted to the Justice Department a report changing the Nixon campaign's finance unit with two more "apparent violations" of the law.

The strongly worded report also expressed impatience with the Justice Department for failing to take action on previous GAO reports that cited four other apparent violations of campaign financing law by the President re-election unit.

The report yesterday also accused former finance committee treasurer Hugh W. Sloan Jr. of a possible law violation, charging that he "knowingly and willfully" submitted false financial reports to the GAO's Office of Federal Elections.

Additionally, the GAO called it "impossible" for it to determine how much cash was under the re-election committee's control or what Chinese people learned of the American space pro-

gram and the Apollo moon shots, which were not mentioned in the People's Daily.

It did with its money after April 7, the date after which all campaign financial transactions had to be reported.

The GAO charged the Finance Committee to Re-elect the President with failing to report expenditures that were used to finance spying on radical groups and to drum up public support for the President's decision to mine Haiphong harbor last May. The Washington Post previously had reported on both activities.

DeVan L. Shumway, press spokesman for the re-election committee, said yesterday that there would be no comment on the report because "it would be inappropriate to say anything because the report is in the hands of the Justice Department."

Previous GAO reports citing the committee for "apparent violations" have been attacked by the committee. Shumway said not to "read anything into" the committee's silence in this instance.

Sloan could not be reached for comment.

A Justice Department spokesman declined comment yesterday on the GAO call for swift action on the reports.

The GAO, usually restrained in its language in forwarding its findings to the Justice Department, yesterday urged the department to "take the initiative" to deal with the apparent violations cited in this and previous GAO reports.

The report also criticized the Finance Committee to Re-elect the President for failing to retain or produce records as to currency on hand on April 7, 1972, thereby making "it impossible . . . for us to determine either what the true amount of cash was under the committee's control on April 7 or what additions or dis-

bursements have been made after that date."

Phillip S. Hughes, director of GAO's Office of Federal Elections, said in a telephone interview that the disarray of committee records, plus almost daily newspaper reports of possible other unreported contributions or expenditures, have led him to believe that large amounts of money, other than those already divulged, will continue to turn up as time goes on.

The report alleges that the following payments were made out of finance committee funds without

any record of them being submitted to the Office of Federal Elections, in apparent violation of the law:

- \$675 was paid by cash and check to Theodore F. Brill, chairman of the Young Republican organization at George Washington University here, "to acquire

information about the youth movement, particularly with respect to radical groups." The payments were reported in The Washington Post on March 11.

- Between \$3,000 and \$4,000 was paid in cash to Robert Odle, director of administration for the re-election committee, "to arrange for and finance rallies and vigils to demonstrate support of President Nixon's mining of Haiphong harbor."

- Between \$4,000 and \$4,200 was paid in cash to Philip Joanou the former executive vice president of the re-election committee's November Group, to pay for an ad in The New York Times. The ad was not listed as a committee ad and purported to be sponsored by a citizen's group that was supporting the Haiphong harbor mining and attacking Times' editorial criticizing the mining.

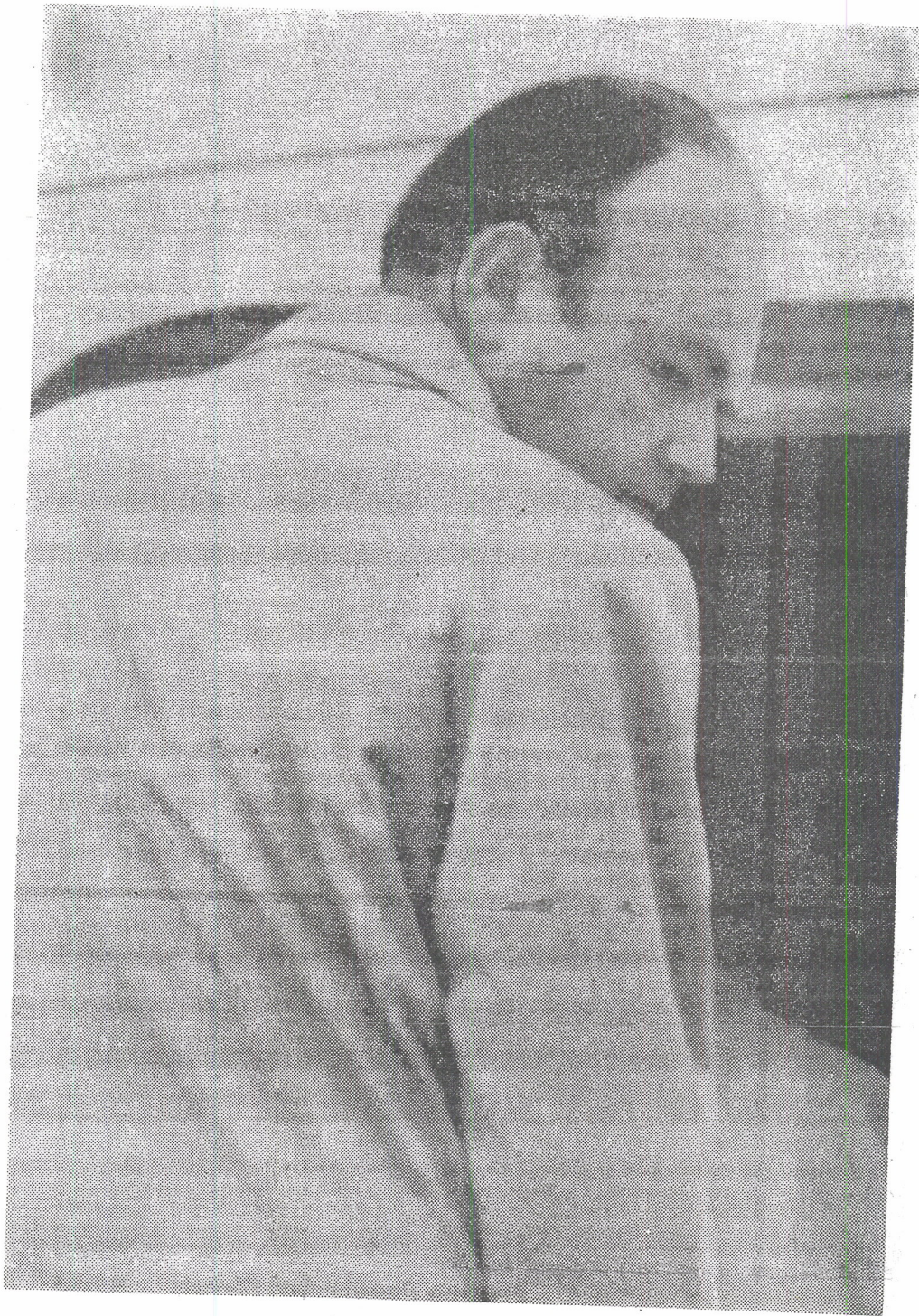
Although listing three unreported payments, the GAO cited the committee for violations relating only to the money that went to Brill and Odle. Hughes said another GAO report on the Joanou expenditure for the ad will be released next week.

The report said the impetus for the investigation of Brill was provided by the March 11 story in The Post. As a result of that probe, he said, the GAO "became aware of additional unreported cash payments" to Odle and Joanou.

Brill, the GAO report found, was paid \$225 in cash and \$450 by personal checks from George K. Gorton, national college director for the re-election committee. Gorton was fired recently by the Department of the Interior because of "adverse publicity" over the incident.

Gorton, according to GAO, said he was reimbursed for the payments by Kenneth S. Rietz, then youth director for the re-election committee. Rietz resigned suddenly Monday from his key post as director of the Republican National Committee's "New Majority Campaign for 1974."

The GAO report quotes Gorton as acknowledging he hired Brill to acquire information on the youth movement and radical groups. Rietz, who has denied knowing anything of



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Presidential adviser **John D. Ehrlichman** boards the Spirit of '76 to accompany

President and Mrs. Nixon on a flight to the flood-ravaged areas of Mississippi.

any spying operation, told GAO that he obtained the money to pay Gorton from Herbert L. Porter, scheduling director for the re-election committee.

Porter acknowledged giving Rietz money from a cash fund he maintained which he said was "established to facilitate prompt payment of committee expenses," the report states. Jeb Stuart Magruder, deputy campaign director who has been named as one of the planners of the Watergate bugging, also authorized payments from the fund, Porter told GAO.

Porter said the fund was established before April 7, 1972, the date the reporting law took effect. Porter, according to the report, said Sloan periodically sent him cash to replenish the fund.

Sloan declined to talk to the GAO, but his attorney, James R. Stoner, said Sloan delivered \$11,000 to Porter sometime after April 7, 1972, the report said. Stoner also

said the \$11,000 was not part of the balance on hand reported as of April 7, 1972, but took the position that there was no need to report it because the money had been committed before that date, the report said.

Porter told GAO that Sloan had given him the cash, which ultimately totaled \$11,000, at various times after April 7, 1972. From that, he said, there were the payments to Odle, Joanou and Reitz as well as \$5,300 paid to convicted Watergate conspirator G. Gordon Liddy.

The payment to Liddy was included in eight counts of violations of campaign law to which the Nixon re-election unit pleaded no contest in January. It was fined \$8,000.

The report yesterday expressed concern that the Justice Department had failed to notify GAO "as to the nature of its intentions, if any" in acting on two pre-

vious GAO reports citing apparent law violations.

These included the secret, cash contribution of \$200,000 made April 10, 1972 by alleged international swindler Robert L. Vesco to the Nixon finance committee. GAO maintained that the contribution was in violation of the law because it was not reported. The re-election committee contended that it had been agreed to prior to April 7, the date of the new law, and, therefore, did not have to be reported.

The GAO last summer also asked the Justice Department to investigate a secret re-election committee fund that, investigative sources told The Post, fluctuated between \$350,000 and \$700,000 in cash. The fund was located in the office of Maurice Stans, finance committee chairman. As yet, the GAO report said, the Justice Department has not advised GAO whether it is investigating the fund.