

Nix Ad

That Mysterious White House Fund



Longer version, WXP, filed w/gate, same date.

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THE WATERGATE coverup continued in at least one instance after President Nixon left the White House.

President Ford's associate counsel, Dudley Chapman, allegedly tried to conceal the fact that a secret White House fund was used to pay government aides to serve as "advance men" during the 1972 campaign.

Chapman informed government auditors that the fund belonged not to the White House but to the Republican National Committee and the Nixon campaign committee.

This has been disputed by the General Accounting Office, which has just concluded a secret investigation. "Contrary to Mr. Chapman's statement," the GAO found, the fund "was a White House account."

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THE FAILURE to disclose the existence of such a political fund in the White House until two years after the campaign period, charged the GAO, "appears to constitute a violation of the act."

The secret fund, listed on the books as "The White House Subsidiary Account," was opened in October 1970. Since 1971, its treasurer has been Wilbur Jenkins, the chief White House administrative officer, a career employee, who confessed to GAO accountants that he "made bank deposits for the subsidiary account and signed the checks."

But Jenkins apparently was the fall guy for Nixon aides who really controlled the fund. He told the GAO auditors that

Bruce Kehrli, then the White House staff secretary and later a minor Watergate figure, "approved and directed all such transactions."

The fund was used to pay the political expenses of Nixon "advance men," including luncheons and cocktail parties that they arranged for political purposes.

We have learned that at least \$10,000 in cash was slipped into the fund by Nixon campaign treasurer Hugh Sloan, who delivered the money secretly to Kehrli.

But this didn't cover all the political expenditures, so some of the taxpayers' money apparently was spent on the campaign.

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THE EXISTENCE of the White House fund remained a secret until March 1974, when a cryptic reference to it turned up in the liquidation papers of the Nixon finance committee.

This aroused the interest of the GAO, which got the runaround for months before its auditors finally gained access to the records. They found that the fund, in violation of federal law, had failed to file any campaign statement for more than two years. Even after President Ford's takeover, his associate counsel continued to deny to the GAO that the White House had run the mysterious fund committee.

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FOOTNOTE: Chapman disputed the coverup charges, saying, "I don't think the GAO knows what they're talking about."