

Wayward Check Adds to GOP's Embarrassment

WASHINGTON — (AP) — A \$25,000 mystery check deposited in the bank account of a man accused of burglary at the Democratic Party headquarters has added to "a growing source of embarrassment for many Republicans, the Washington Post said today.

The Post said Maurice Stans, the finance chairman for President Nixon's reelection campaign, has acknowledged receiving the check, but said it was exchanged for \$25,000 cash and he didn't know what happened to the check after that.

Stans said the cash was deposited in the Nixon campaign treasury.

However, the Post said the General Accounting Office, which is auditing the Nixon campaign books, has found no evidence that the \$25,000 was reported as a contribution by the Nixon campaign organization, or that the money was expended for campaign purposes.

Violation of Law

Failure to report either contributions or expenditures after April 7 is considered a violation of the new federal elections law. Stans, a former Secretary of Commerce, reportedly received the check on April 11 from Kenneth W. Dahlberg, the Midwest finance chairman for the Nixon campaign.

The cashier's check,

drawn on a bank in Boca Raton, Fla., was made out to Dahlberg, who said it represented various campaign contributions.

The Post said the check ended up in the account of Bernard L. Barker, one of five men charged with burglary in connection with the break-in and suspected bugging attempt of Democratic Party headquarters here on June 17.

A Traveling Check

Another of the accused, former CIA official James W. McCord, was the security coordinator for the Committee for the Re-election of the President.

Stans is reported to have told federal agents that he turned the check over to campaign treasurer Hugh W. Sloan Jr., and it next went to G. Gordon Liddy, finance counsel of the campaign. Liddy, Stans said, then exchanged the check with someone else for \$25,000 cash.

Sources told the Post that Stans provided no explanation of why the check was not deposited directly into the campaign account. He also said he did not know who provided the \$25,000 cash.

Both Sloan and Liddy have left their posts since the break-in at Democratic headquarters. Sloan resigned for personal reasons, while Liddy was fired for refusing to answer FBI questions concerning the case.

Dismay

An associate of Stans told the Post that "Stans has been angered and frustrated

about the entire thing. In effect, there will be a perfectly logical explanation." Sans has refused to talk with newsmen.

The Post said Republican sources were dismayed at Stans' silence since the check was disclosed a week ago.

It also said many Republicans are finding the links between the Nixon campaign committee and the break-in incident "are a growing source of embarrassment and should be cleared up as soon as possible."

Meanwhile, the U.S. Postal Service announced yesterday that banking director James T. Blair has been placed on leave without pay pending an investigation of his role in a \$500,000 loan for a Washington, D.C., builder.

Blair has said he called a New York bank to help obtain the loan for Dr. Cyrus Katzen at the request of a friend, Douglas W. English Jr., who was special assistant to the Republican National Committee co-chairman. English was fired after it was learned he was paid \$5000 for helping in the transaction.