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Political Roundup 450, two takes, total 820

WASHINGTON AP - President Nixon's campaign organization "apparently," violated federal law in its handling of some \$350,000 in campaign funds, according to a General Accounting Office report released Saturday.

The report was the latest development in a case touched off by the arrests of five men June 17 in the offices of the Democratic National Committee, allegedly carrying bugging equipment.

Some of the "apparent violations," of the 1971 Federal Election Campaign Act listed in the report centered around a \$25,000 contribution to Nixon's campaign which wound up in the bank account of Bernard L. Barker, one of those arrested in the Democratic office.

The Finance Committee to Re-Elect the President may have violated the act by failing to keep a detailed, exact account of the \$25,000 and its proceeds and failing to disclose details of the sum in a June 10, 1972, report, the GAO said.

The GAO report also listed as possible violations inadequate record-keeping with respect to four Mexican bank checks totaling \$89,000 "and the balance of the \$350,000," that constituted a bank deposit made May 25, 1972, to the account of the Media Committee to Re-Elect the President.

The GAO referred the matter to the Justice Department for possible further investigation.

That prompted House Banking Committee Chairman Wright Patman and Democratic Campaign Chairman Lawrence O'Brien to demand that a special prosecutor or prosecuting team be appointed to investigate the matter "outside the political arena."

In referring it to the Justice Department, Patman said, "we are asking Richard Kleindienst—a strongly partisan attorney generally—to prosecute wrongdoings of the political party which boosted him to such high places in government."

Said O'Brien: "I continue to be pessimistic about the likelihood of a fair, thorough and speedy investigation of the GAO allegations. For on Atty. Gen. Kleindienst's calendar, it appears that nothing shall be permitted to happen before election day."

A statement by the Finance Committee to Re-Elect the President termed the GAO report inaccurate and incomplete.

"It omits mentioning important information given to the GAO by the finance committee bearing on the transactions," the statement said. "It also disregards the fact that some of the actions of the finance committee were taken on legal advice and are supported by legal opinions furnished to GAO."

The statement added: "The committee welcomes the opportunity to furnish information to the Department of Justice which GAO has ignored and believes that the 'apparent' violations will be nothing more than minor and technical."

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The \$25,000 contribution mentioned in the report came from Dwayne O. Andreas, a Minneapolis investment executive who also was a big contributor to Democrat Hubert H. Humphrey's presidential effort.

It was made through Kenneth H. Dahlberg, Midwest finance chairman for Nixon's campaign.

The Miami Herald reported Saturday that the \$89,000 mentioned in the report which also went into the bank account of Barker "came from four rich Texas Democrats."

The Herald story, which contained no attribution and did not name the four Democrats, stated:

"It now appears that Republicans in Texas sent a courier to Mexico City with checks collected from Democrats. There, a wealthy Mexican lawyer, Manuel Orarrío Daguerra, ran them through his account at the Banco Internacional, converting them to cashier's checks on specific banks in the United States. That made them easily negotiable.

"This was April 4—three days before a new law requiring full disclosure of campaign donations became effective."

The GAO report said poor accounting procedures by the Nixon finance committee "indicates the possibility that expenditures have been made for or on behalf of the committee with the authorization of its chairman or treasurer or their designated agents."

It added:

"The possibility exists that every person who received contributions for the committee may not have rendered a detailed account thereof to the treasurer and that committee funds may have been comingled with personal funds of the officers, members or associates of the committee."

The release of the report capped a week of heavy campaigning by both the President and his Democratic opponent, Sen. George McGovern.

Both candidates were relaxing over the weekend, President Nixon at his San Clemente home where he was preparing to toss a Sunday party for 400 show business personalities. McGovern was at his Washington home.

McGovern said he would have no comment on the GAO report Saturday. He also declined to comment on statements released simultaneously by Republican National Chairman Robert Dole, Republican Sen. William Brock of Tennessee and Clark MacGregor, Nixon's campaign chairman, saying demonstrators at the Republican National Convention were McGovern supporters.

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