

G.A.O. IS AUDITING M'GOVERN'S BOOKS

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Says It Acts in a Spirit of
'Even-Handed Treatment'
—Weighs Dole Charges

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WASHINGTON, Aug. 30 — The General Accounting Office, which last week reported finding several "apparent violations" of Federal campaign finance laws by the Committee for the Re-election of the President, said today that it had begun an investigation of Senator George McGovern's campaign finance records.

Phillip S. Hughes, head of the agency's Office of Federal Elections, which monitors spending by national political candidates under the new Federal Election Campaign Act, said that his investigators had begun earlier this week to inspect the McGovern organization's records in a spirit of "even-handed treatment."

Mr. Hughes said that although the McGovern audit had not been initiated in response to recent demands by the Republicans that the agency examine the McGovern campaign records, new charges against the Democrats made today by

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Senator Robert Dole, the Republican national chairman, would be "taken seriously."

In another development, Attorney General Richard G. Kleindienst said at a news conference in Rhinelander, Wis., last night that criminal indictments in the June 17 break-in at the Democratic National Headquarters here would be handed up "prior to" the Nov. 7 Presidential election and possibly sometime next month.

A Federal grand jury is investigating the early morning raid in which five men carrying copying cameras and bugging equipment were arrested at gunpoint in the Democrat's Watergate Hotel offices.

The Justice Department is also considering whether to bring criminal charges over the "apparent violations" of the campaign spending law by the Committee for the Re-election of the President.

Part of the \$350,000 in campaign contributions found by the G.A.O. to have been improperly accounted for by the Republicans showed up in the Miami bank account of Bernard L. Barker, a Florida realtor and one of the five men arrested in the raid.

In a three-page letter to Mr. Hughes, Senator Dole accused the McGovern campaign of "devious coverups in various fundraising activities," which he charged had resulted in "at least seven serious violations" of the campaign spending act.

Mr. Dole listed as one example of a possible violation the failure of a London-based fund-raising committee called Americans for McGovern Abroad to register with the Office of Federal Elections.

He said that the committee had raised \$10,000, which it later gave in two payments in May and June to the McGovern campaign. He said "the secrecy of this fund leads me to question" whether the committee had been created as a "conduit for political contributions to the Senator's campaign from foreign principals."

At a news conference called to respond to Mr. Dole's charges, Frank Mankiewicz, Mr. McGovern's national political director, confirmed that the committee had contributed the amount named by Mr. Dole and that it had not been registered with the Federal Elections office.

Mr. Mankiewicz said that the question of the committee's registration had been discussed by McGovern staff members, but that there had been "some doubt as to whether foreign committees were required to file."

He dismissed the idea of the committee's serving as a conduit for foreign funds and called Mr. Dole's letter "a rather obvious and not very subtle attempt" to divert public attention from the Justice Department's current investigation of the G.A.O.'s charges against the Republicans.

The Federal Election Campaign Act, which took effect

on April 7, requires the registration of all committees that collect or disburse more than \$1,000 after that date for the purpose of influencing a Federal election.

Mr. Dole's letter also accused McGovern campaign organization of failing to comply with a section of the campaign spending law, that requires candidates to obtain the occupation and principal place of business of all persons contributing more than \$10 to their campaign and to report such information to the G.A.O. if the contribution is more than \$100.

"The McGovern campaign filings are so lax in meeting this requirement that one can only conclude that it is a purposeful intent to be less than totally honest in revealing the true identity of contributors," the letter said.

Explanation Given

Mr. Mankiewicz explained, however, that the McGovern campaign had received "so many small mail contributions that we are unable to get the occupation and place of business of all the people who send money."

He said that direct mail and other solicitations contained spaces for contributors to provide such information, but that many neglected, or for some other reason declined, to do so.

The letter from Senator Dole to Mr. Hughes also listed these alleged violations:

The failure of an organiza-

tion called California Citizens for Fair Share, which placed an advertisement in a Los Angeles newspaper on May 5 "obviously acting on Senator McGovern's behalf," to file a statement of organization with the Federal elections office.

¶The failure of the McGovern organization to report the identity of persons "generally reported in the press" to have purchased large blocks of tickets "in the amount of \$2,000 or more" to a McGovern rally at Madison Square Garden in June.

¶An apparent discrepancy of some \$8,000 between the amount reported by the Committee for Good Government here as having been transferred to the McGovern campaign and the amount reported as having been received by it.

¶The failure of the Drug Hospital Union, the Academic Lobby and the Committee for Peace, all of which transferred at least \$1,000 to the McGovern for President Committee in New York, to register under the campaign law.

¶A contradiction between published reports that Stewart Mott, the General Motors heir, had "contributed \$377,500 to the McGovern campaign" and reports filed showing \$38,000 in contributions and \$160,000 in loans by Mr. Mott to the campaign.

GIVE A KID A BREAK.
THE FRESH AIR FUND.