

# G.A.O. Finds Many Omissions In Records of McGovern Funds

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WASHINGTON, Oct. 6 (AP)—The General Accounting Office said today that records of Senator George McGovern's campaign finances had been inadequate in many instances and it referred three possible violations of the Federal campaign spending law to the Justice Department.

A report by the investigating agency of Congress was released in response to queries by Robert J. Dole, the Republican national chairman.

The agency said that the reporting of transfers of campaign funds between the Democratic Presidential nominee's main committee in Washington and various state and other committees around the country was "replete with errors and inconsistencies which have made tracing and auditing of these transactions very difficult.

"More importantly," the report continued, "these errors and inconsistencies tend to frustrate the disclosure objectives" of the Federal Election Campaign Act of 1971.

However, the agency said, "these errors and inconsistencies do not, in our judgment, constitute violations of the act" by the McGovern for President Committee in Washington.

But the agency said that it was referring to the Justice Department three "apparent violations" of the act.

## 'Apparent Violations' Cited

On another matter, the G.A.O. said that it was referring to the Internal Revenue Service for study information surrounding contributions to Senator McGovern's campaign by Hugh M. Hefner, the publisher of Playboy magazine and by Stewart Mott, a General Motor's heir.

Mr. Dole, in letter to the auditing agency, had questioned whether contributions from Mr. Hefner and from Mr. Palotsky, former board chairman of Xerox Corporation, had met all requirements of the campaign disclosure act.

The agency suggested that the Mott and Hefner contributions might be at variance with I.R.S. laws but not with the disclosure law. It recommended no action the Mr. Paletsky's contributions.

The G.A.O. submitted the following McGovern campaign items to the Justice Department for review:

¶Report on the proceeds from a McGovern fund-raising rally in Madison Square Garden in New York, June 14, that was sponsored by the Business and Professional Men and Women for McGovern. The agency said "we have been unable to find any records iden-

tifying the individuals purchasing the tickets.

¶Contributions from the Americans Abroad for McGovern Committee in London. The group acknowledged that it had accepted contributions from foreign citizens but was refunding them.

¶A National Labor Committee to Elect McGovern-Shriver newspaper advertisement in which, the accounting office said, there was inadequate identification of the advertisement's sponsors.

## G.O.P. Funds Traced

Special to The New York Times

WASHINGTON, Oct. 6—The Federal Bureau of Investigation has identified a \$100,000 campaign contribution collected by Republican party fund raisers in Texas as coming from a bank account controlled by a Texas-based corporation, The Washington Post reported today.

The contribution first came to light when the General Accounting Office reported in August that \$89,000 in checks intended for President Nixon's re-election campaign had been given by a Republican campaign official to one of the five men who were arrested in the Democratic National Committee's headquarters here June 17.

It was later learned that the \$89,000 in the form of four checks drawn on a Mexican bank, had been shipped along with \$11,000 in cash from Mexico City to Houston, and then delivered to the Nixon campaign's offices in Washington.

Hugh W. Sloan Jr., then the Nixon finance committee treasurer, allegedly gave the checks to Bernard L. Barker, who was arrested at the Democratic offices at the Watergate complex, to be converted into cash.