

# Watergate Jury Action

Washington.

The Watergate grand jury is investigating charges that Nixon administration officials illegally used funds earmarked for minority programs to attract re-election support in 1972 for the President of blacks and Spanish-speaking Americans, sources close to the investigation reported yesterday.

The sources said the grand jury had been looking into the matter for several weeks and is close to finishing its investigation.

The grand jury investigation centers on charges that present and former officials of the Nixon administration used federal contracts, grants and loans as a tool to drum up support for the

President among minority groups.

The Senate Watergate committee conducted an extensive investigation into the matter and a copy of a draft report prepared by its staff was forwarded to the office of the Watergate special prosecutor, the sources said.

That report concluded that officials working on behalf of the President devised a plan whereby funds allocated to social and economic programs went only to those individuals and organizations that supported the President.

The Senate committee staff said it found a "concerted and concealed" effort by White House officials to divert the resources of the executive branch to help in the campaign and that such

activity may have amounted to a civil and criminal "conspiracy to defraud the United States."

*New York Times*