

**The original documents are located in Box 68, folder “White House - Subsidiary Account” of the Philip Buchen Files at the Gerald R. Ford Presidential Library.**

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# 1972 CAMPAIGN LIQUIDATION TRUST

1701 PENNSYLVANIA AVENUE, N.W. • WASHINGTON, D. C. 20006 • (202) 333-8280

TRUSTEES:

CHARLES E. POTTER  
GUILFORD DUDLEY, JR.  
MAURICE H. STANS

April 17, 1974

MEMORANDUM TO: The Honorable Charles E. Potter —  
Mr. Guilford Dudley, Jr.  
Mr. Maurice H. Stans

FROM: Paul E. Barrick *PEB*

SUBJECT: White House Political Account

Attached please find a copy of a memorandum from Bruce Kehrli, as well as a copy of the check and our letter to Mr. Leon Knauer.

I will keep you advised of Mr. Knauer's response.



# 1972 CAMPAIGN LIQUIDATION TRUST

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TRUSTEES:

CHARLES E. POTTER  
GUILFORD DUDLEY, JR.  
MAURICE H. STANS

April 17, 1974

Mr. Leon Knauer  
Wilkinson, Cragun & Barker  
The Octagon Building  
1735 New York Avenue, N.W.  
Washington, D. C. 20006

Dear Mr. Knauer:

Attached please find a memorandum from Bruce Kehrli, of the White House, which was brought to my office at the Committee, accompanied by a check in the amount of \$1,022.89.

In October of 1973, Mr. Kehrli's secretary delivered \$957.85 in cash to my office. At that time Mr. Kehrli was questioned if there were any other funds, and he advised that there were not. Now this appears out of the blue, indicating that he had a political committee set up, working out of the White House. I would appreciate your opinion as to whether we should accept this or any thoughts you may have on the matter.

Sincerely,

Paul E. Barrick

Encls:



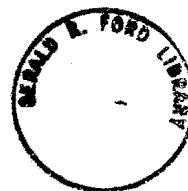
March 28, 1974

MEMORANDUM FOR: PAUL BARRICK  
FROM: BRUCE KEHRLI *BK*  
SUBJECT: White House Political Account

Upon receiving the attached memorandum on Internal Revenue Service's revised position on the filing of Federal income tax returns by political organizations, we checked our accounts to make sure that none of them would be covered by this. We found that none of them were, however, we did have a balance in the Subsidiary Account of \$1,022.89. This is money that we received from the Committee to Re-elect the President for payment of political expenses. Attached is a check made out to the Committee to Re-elect which should close out your records.

If you have any questions, please give me a call.

Thank you.



NUMBER

743

3/27/74 19 15-3  
540

PAY TO THE ORDER OF Committee to Re-Elect the President

\$1,022.89

One Thousand Twenty-two and  $\frac{89}{100}$

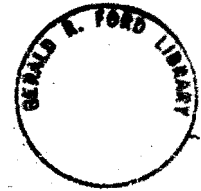
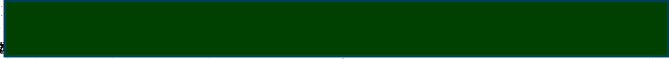
DOLLARS

The RIGGS NATIONAL BANK  
of WASHINGTON, D.C.  
MAIN OFFICE  
1503 PENNSYLVANIA AVENUE, N. W.

SUBSIDIARY ACCOUNT

*W. Lee H. Jenkins*

W. Lee H. Jenkins, Treasurer





POTTER  
INTERNATIONAL  
INC.

1140 Connecticut Avenue ■ Washington, D.C. 20036

HAND DELIVERED

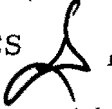
PERSONAL &  
CONFIDENTIAL

Mr. Philip W. Buchen  
Counsel to the President  
The White House  
Washington, D.C.

MEMORANDUM

THE WHITE HOUSE  
WASHINGTON

June 20, 1974

MEMORANDUM FOR: RICHARD HAUSER  
FROM: DAVID C. HOOPES   
SUBJECT: Request for Meeting with Wilbur  
Jenkins by Office of Federal Elections,  
General Accounting Office

Attached is a letter to Wilbur H. Jenkins, June 19, 1974, from L. Fred Thompson, Director, Office of Federal Elections, General Accounting Office, requesting a meeting with Mr. Jenkins, but giving no specific details of the information sought. While the letter was written in accord with your advice to Mr. Jenkins to request same, the specifics are not noted.

You may wish to review the records summary which Wilbur has in his possession, as well as the history behind the periods of time the account was active, when RNC provided the funds and when CREP provided them. You may then want to make a judgment on whether you should meet with GAO personnel first to determine the questions, rather than subject Mr. Jenkins to such questioning.

I'll be glad to be helpful in answering your questions.

Thank you.

*6/24 Discussed w/ L.G.  
6/24 Requested Jenkins to outline facts.*

cc: Jerry H. Jones





MEMORANDUM

THE WHITE HOUSE  
WASHINGTON

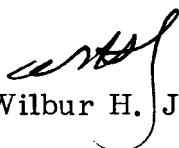
June 24, 1974

MEMORANDUM TO: DICK HAUSER

Per your telephone call this date, the following is a little history of the Subsidiary Account, established in the White House Office by John R. Brown, III October 19, 1970.

From October 19, 1970 through April 9, 1973, there was approximately \$186,500 deposited to this account from checks or cash from RNC or the Committee to Re-Elect the President. These funds were used mainly to cover the expenses of advance men and other expenditures in connection with political trips or supplies not considered appropriate to be paid from appropriated funds.

On March 27, 1974, Bruce Kehrli instructed me to close out this account by drawing a check payable to the Committee to Re-Elect the President in the amount of \$1,022.89. As of the May 31, 1974 bank statement, the account has a balance of \$164.78, which represents three (3) checks outstanding.

  
Wilbur H. Jenkins



THE WHITE HOUSE

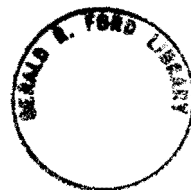
WASHINGTON

August 20, 1974

MEMORANDUM FOR: PHIL BUCHEN  
FROM: JERRY H. JONES  
SUBJECT: White House Subsidiary Account

As you know, when the President or his staff are involved in political activities the cost of these activities is traditionally paid for by the Republican National Committee or in past times by the campaign committee. Between 1971 and 1973 the Nixon Administration reversed this traditional procedure. Instead of sending the bills as we now do to the RNC, the Staff Secretary set up a White House Subsidiary Bank Account; the RNC, and, later, the Committee for the Re-election of the President, sent funds which were deposited in this account. The funds in the Subsidiary Account were then used to pay bills relating to political activities. I understand the major expenditures were for advancement expenses prior to Presidential campaign trips.

The Office of Federal Elections at the GAO has been investigating this White House Subsidiary Account and we recently allowed them to audit this account for which we have complete deposit and expenditure records. The GAO now feels that the account would technically qualify as a campaign committee and should have been registered with the Federal Elections Office under the Federal Election Campaign Act of 1971. Previously, it was Mr. Buzhardt's informal opinion that this account did not qualify as a campaign committee but rather was an agency account and the GAO was incorrect in its request that we register it. See the attached letter requesting that the account be registered as a campaign committee.



The letter requests that Mr. Jenkins (presently the career Administrative Officer of the White House who controlled technically the deposits and expenditures from this account) file a registration statement within seven days of August 19. Thus, it is obvious that we have several questions that need to be answered rather quickly:

1. Is this matter something with which the Ford Administration should concern itself?
2. If so, what do we do next? Do we register it as a campaign committee or do we challenge the GAO opinion?
3. If it is not a Ford Administration concern how then is it best handled?

I will be glad to discuss this matter with you at your convenience.

cc: Al Haig





UNITED STATES GENERAL ACCOUNTING OFFICE

WASHINGTON, D.C. 20548

OFFICE OF FEDERAL ELECTIONS

AUG 19 1974

Mr. Wilbur H. Jenkins  
Administrative Officer  
The White House

Dear Mr. Jenkins:

Subject: White House Subsidiary Account

Based upon the records of receipts and expenditures you have made available to us, it appears to us that the "White House Subsidiary Account," of which you are the treasurer, is a "political committee" within the meaning of section 301(d), 2 U.S.C. 431(d), of the Federal Election Campaign Act of 1971.

Under that section, a political committee is any committee, association, or organization which accepts "contributions" or makes "expenditures" during a calendar year aggregating more than \$1,000. The quoted terms are themselves defined in section 301 of the Act to mean funds received or spent "for the purpose of influencing the nomination \* \* \*, or election, of any person to Federal office" \* \* \* (including the office of President).

Information available to us indicates that the White House Subsidiary Account received more than \$1,000 in both 1972 and 1973 from the Finance Committee to Re-elect the President for campaign expenses, and that more than \$1,000 each year was expended from the account for various political purposes. Then in 1974, the account returned \$1,022.89 to the successor to the Finance Committee to Re-elect the President representing "unspent funds advanced for political purposes."

Accordingly, we believe it is evident that the White House Subsidiary Account is a political committee which is required to register with the Comptroller General and file reports of receipts and expenditures under sections 303 and 304 of the Act.

RLH/glj



As treasurer you are hereby formally requested to file a registration statement for the White House Subsidiary Account and separate reports of receipts and expenditures for 1972, 1973, and 1974, respectively. In order to avoid further enforcement action on our part, please file the registration statement within seven days of delivery of this letter and the financial reports as promptly thereafter as possible. The necessary forms and instructions are enclosed for your use.

Copies of this letter have been sent to Mr. Jerry H. Jones and Mr. Bruce Kehrlf, respectively, as persons having involvement in this matter.

If you have any questions about this letter, please call Mr. Robert J. Costa of my staff on 386-3168.

Sincerely yours,

Acting Director

Enclosures

cc: Mr. Jones ✓  
Mr. Kehrlf



THE WHITE HOUSE

WASHINGTON

August 22, 1974

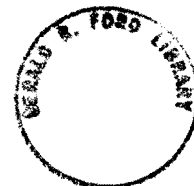
MEMORANDUM FOR: PHIL BUCHEN

FROM: DUDLEY CHAPMAN *DC*

SUBJECT: The Hatch Act and Wilbur Jenkins

The Hatch Act (5 USC 7324(a)(2)) makes it unlawful for an employee in an executive agency to "take an active part in political management or in political campaigns." An exception to this prohibition is made for "an employee paid from the appropriation for the office of the President" (Sec. 7324(d)(1)).

Since Mr. Jenkins is paid from the appropriation for the Executive Office of the President, he is not subject to the prohibition of (a)(2). It is therefore unnecessary to resolve the question of whether his registering and certifying the White House Subsidiary Account under 2 USC 431(d) would constitute taking "an active part in political management or in political campaigns."



THE WHITE HOUSE

WASHINGTON

August 27, 1974

MEMORANDUM FOR: Jerry Jones  
FROM: Philip Buchen  
SUBJECT: White House Subsidiary Account

Please see attached copy of memorandum to me from  
Dudley Chapman.

I do not see in the file the GAO deadline for response, but  
I notice from its letter to Wilbur Jenkins of August 19 that  
forms and instructions were sent to him.

Suggest completion of forms, which I would be glad to review  
before filing, and prompt advance notice to GAO that filling  
out of forms is in process.

Am returning looseleaf book related to this matter.

Attachment

cc: Gen. Haig



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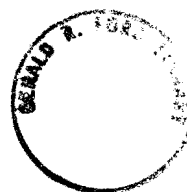
WHD -  
Special Agent

November 14, 1974

MEMORANDUM FOR: Bill Roberts  
FROM: Phil Buchen *Phil*  
SUBJECT: Possible Reply to Press  
Inquiry on Jack Anderson Story

Per our conversation, the following is suggested if the Press Office gets inquiries on the Anderson story:

"The Ford Administration has made a full disclosure of all the information available to it concerning the White House subsidiary account. There has not been an attempt to conceal the fact that a White House fund was used to pay the expenses of advance men during the 1972 campaign. All of these facts are fully disclosed in the report submitted to GAO in accordance with its request. Any determination of the legal conclusions reached by GAO is subject to decision by the Department of Justice."



# *New White House Cover-up Alleged*

**By Jack Anderson**

The Watergate cover-up con-

ary Account and signed the checks."

But Jenkins apparently was

fund, in violation of federal law, had failed to file any campaign

statement for more than two

hierarchy, won the 1973 election for district director. But the evi-

dence was strong that Edward

THE WHITE HOUSE

WASHINGTON

January 10, 1975

MEMORANDUM FOR: PHILIP W. BUCHEN

FROM: DUDLEY CHAPMAN *DC*

SUBJECT: Wilbur Jenkins

I spoke with Wilbur Jenkins today about his request for our advice following GAO's referral of the White House Subsidiary Account report to Justice. I explained that we hadn't answered sooner because we were waiting for Justice to act, which it still has not done.

I mentioned that we cannot advise staff personnel on personal matters, but that we do not presently believe that he has a need for such personal advice at this time. This appeared to be satisfactory to him.

