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MEMORANDUM

THE WHITE HOUSE
WASHINGTON

September 24, 1974

MEMORANDUM TO RON NESSEN

FROM: JOHN W. HUSHEN

SUBJECT: Questions Relating to the Courier Plane Flights and the
Briefing of the Former President

Attached are copies of the transcripts from last Friday morning and Friday afternoon in which I tried to respond to some of the questions regarding the courier plane flights and the briefing of the former President. You probably should be familiar with my response in case you get asked something about them. At tomorrow's briefing, the press corps will really bore in on answers to the questions that they lodged with you today and with me last week. If Henry Kissinger responds to the memo you sent him (and I would prod Scowcroft or Janka to see that he does) then you should be in good shape to field the questions. Otherwise, it will appear that we don't want to talk about this particular matter and the newsmen will bore in all the harder.

Attachments

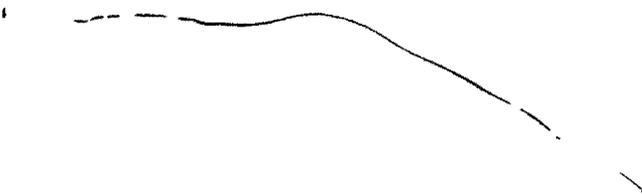
THE WHITE HOUSE

WASHINGTON

The courier plane is from the
Special Air Mission fleet at Andrews.

(FYI: Which is usually referred to
as the Presidential fleet,
BUT NOT BY US.)

The briefings for LBJ were also sent, via courier plane,
with about the same regularity.



COURIER FLIGHTS

Q. Will Julie and David Eisenhower be allowed to fly on the courier plane to visit former President Nixon.

A. I know of no current plans for them to fly on a courier plane.

Q. Are courier planes still flying to San Clemente?

A. The last flight was October 4, and there have been none since then.

Q. Does this mean that the flights have been cancelled?

A. No, but they have been deferred.

Q. Why have they been deferred?

A. The flights have been deferred while we explore alternate methods of providing the former President with briefing materials.

Q. What are these alternate methods?

A. There is nothing I can say about that at this point.

Q. Is former President Nixon continuing to receive briefing materials.

A. Yes, I believe he is.

Q. When was the last briefing sent to him?

A. I believe he received a report last Friday. I will have to check to find out when the next one is due to go.

Q. How are they being sent?

A. As I said, we are exploring alternate methods of providing this material and I can't go beyond that.

Q. Aren't you saying in effect then that the courier flights have been cancelled?

A. No, they have been deferred.

Q. At whose direction are they deferred?

A. The President ordered the flights deferred.

September 24, 1974

SUBJECT:

DISMANTLEMENT OF KEY BISCAYNE

According to a wire story yesterday, the GSA is in the process of dismantling Key Biscayne. Is that correct?

GUIDANCE: It's my understanding that GSA is in the process of making a survey to determine what can be economically retrieved from Key Biscayne. (Underground wiring, etc., will not come out since it would cost more to take it out than leave it. However, the furniture, air conditioners, etc., will be removed.)

Is it correct that the Coast Guard Patrol has reduced in size their secure area around the former President's home?

GUIDANCE: It's my understanding that the Patrol has been brought in 200 to 300 yards to the area of the shark nets.

Why is any security still provided for former President Nixon?

GUIDANCE: I understand that this security will be provided until GSA completes their survey, but if you want any more detailed answers, I strongly suggest you call Jack Warner at Secret Service.

THE WHITE HOUSE

WASHINGTON

September 26, 1974

RON:

Including your briefing of yesterday:

Total questions asked in PC#2 & subsequent briefings:

596

Of these 596 questions, 265 have dealt with the Former President.

This brings to roughly 44% of total questions in the PC and daily briefings dealing with the former President.

joy

Anyone at
WU to fall
dr. Foreign Policy?

September 26, 1974

SUBJECT:

CONGRESS ASKS AMOUNT OF MONIES
BEING SPENT ON RICHARD NIXON

How much money is being spent, in toto, on Richard Nixon and his family,
homes, etc.?

GUIDANCE: Roy Ash and Arthur Sampson, in testimony yesterday on the hill, were asked the same question. It is my understanding that OMB is looking into this and will have more information available in the next few days. Until that time, there is nothing further I can give you.

THE WHITE HOUSE

WASHINGTON

September 28, 1974

RON:

Total question from the briefing: 704

dealing with FPN: 273

The percentage is dropping down to
around 30%

joy

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

October 7, 1974

MEMORANDUM TO RON NESSEN

FROM: JACK HUSHEN

If you get any questions about whether the President is still planning to appear before the Hungate subcommittee on Thursday, you should respond that he does. Any change in the date of his appearance would be made by Rep. Hungate in consultation with the Special Prosecutor. Refer any questions to Hungate or Jaworski.

(FYI Only: Jaworski asked Hungate to schedule GRF's appearance as late as possible so that the jury would hopefully be sequestered. If it isn't, there is a possibility of a delay in the President's appearance. Jaworski doesn't want to allow the publicity surrounding the President's appearance to affect the trial.)



THE WHITE HOUSE

WASHINGTON

10/07/74

JACK

Don Murray in the Military Aide's office called to say that the last courier flight you inquired about was September 18.

There was not one between that one and the courier last Friday because ~~the~~ FPN was in the hospital.

Judy

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

Ron:

Another item which will need a Presidential answer
is whether or not he has talked to the former [REDACTED] President
since that last conversation, which was on Tuesday, Sept. 17.

Jack

No



October 17, 1974

NIXON'S EOB OFFICE

Q What is happening to Nixon's EOB office and that desk in it?

A The EOB office used by former President Nixon is being used by members of his transition staff who are doing some transition work. (They are: Rose Mary Woods, Marge Acker, Alice McPhillips, and Alice Nelson)

Q Has President Ford used that office?

A No he hasn't used any EOB office since the first week or so of his Presidency when he went over to the Vice Presidential office once or twice.

Q Does he plan to establish an EOB office?

A

Q How long will Nixon's people be in that office?

A

briefing back

10/25/74

THE JUDY PETTY STORY

FYI:

Mrs. Petty sent telegram to WH asking if we were endorsing Wilbur.

Reply now under consideration (Burch and Rumsfeld involved) which says 'I did not endorse your opponent. You are running a good race. I wish you well.'

They will let us know when and if it goes out.

Larry

October 29, 1974

Q & A ON DISCLOSURE OF TAPES

Q: Are you still planning to disclose publicly all taped conversations between you and former President Nixon?

A: In view of the case of Nixon v. Sampson before Judge Richey, no such disclosure can be made while the case is pending and until the rights to the tapes are determined. Also, in that case it may be decided whether the former President can invoke executive privilege to prevent disclosure if he desires to do so.

P.W.B.
Philip W. Buchen

THE WHITE HOUSE

WASHINGTON

November 15, 1974

MEMORANDUM FOR: RON NESSEN

FROM: BILL ROBERTS

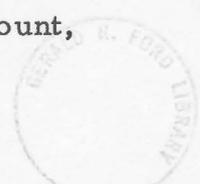
SUBJECT: Possible Questions concerning
 Jack Anderson Column -
 Washington Post - 11/14/74

Q. Jack Anderson's column charges that President Ford's associate counsel, Dudley Chapman, tried to conceal the fact that a secret fund used to pay government aides as advancements during the 1972 campaign was a White House fund. Anderson claims Chapman informed government auditors it was a Republican National Committee and "CREEP" fund. Did Chapman try to conceal the fund?

A. The Ford Administration did not in any way try to conceal or coverup information about the fund, The Administration has given all of the information available concerning the fund to the General Accounting Office that the GAO requested. There was never any concealment of information about the fund on the part of the Ford Administration.

Q. How about Anderson's claim that Chapman told government auditors that the fund belonged to the RNC and CREEP, not to the White House?

A. There was a question of legal interpretation as to whether the account should be classified as an RNC-CREEP account,



or a White House account. But this did not in any way delay the disclosure to the GAO of the information about the fund which the GAO requested.

FYI: THERE WAS SOME DELAY IN GETTING THE INFORMATION TO THE GAO, BUT CHAPMAN SAYS THIS WAS DUE TO THE TARDINESS OF CREEP IN PROVIDING SOME OF THE INFORMATION NEEDED, NOT BECAUSE OF ANY ARGUMENT OVER HOW THE FUND SHOULD BE CLASSIFIED.

- Q. The GAO says there was an apparent violation of the law in failing to disclose the political fund until two years after the campaign of 1972.
- A. Any determination of the legal conclusions reached by GAO is subject to decision by the Department of Justice. I understand the case has been turned over to the Justice Department. It should be pointed out that ~~the only part the Ford Administration played in the investigation was to make available to GAO was the information requested, which it did fully.~~



The Washington Merry-Go-Round

THE WASHINGTON POST

Thursday, Nov. 14, 1974

F 11

New White House Cover-up Alleged

November 25, 1974

SUBJECT:

PRIVACY LEGISLATION

Does the Administration support the recently-passed privacy legislation which is now in conference?

GUIDANCE: The Administration is very pleased with the House passed bill and therefore supports it. We do have some concerns about the Senate bill, but feel the differences can be worked out in conference.

What are your concerns about the Senate bill?

GUIDANCE: The Senate bill provides for a privacy protection commission which we feel is not needed and would interfere with internal workings of government. It also does not adequately exempt criminal justice and civil law enforcement files. The Administration favors working with the Judiciary Committee to produce legislation specifically dealing with criminal justice. Also, the Senate passed bill provides civil remedy for virtually any violation, whether or not there is injury and allows punitive damages.

The Administration is delighted with the speed in which the Congress acted on this important legislation and is looking to the conferees to produce a bill which the President can sign this year.

December 12, 1974

NIXON TAPES AGREEMENT

Q: Since the Congress has passed and sent to the White House a bill nullifying the GSA agreement with Former President Nixon on his tapes and papers, will the White House sign the bill?

A: The President's Counsel has the bill under study but we have no decision to announce today.

Q: In the meantime, do the courts and prosecutors have access to the tapes and documents?

A: As you know, sometime ago we worked out an agreement with the Special Prosecutor which allows him access to these tapes and documents. The trial is presently going on in Judge Sirica's Court and I have heard no complaints about access to materials. At the same time, we are complying with an order from Judge Richey regarding tapes and documents during the May Day demonstrations.

DEcember 13, 1974

Q. There is a wire story saying that Nixon's attorney Jack Miller was here yesterday. Is that true?

A. Yes. He saw [redacted] members of the legal staff here. (FYI Buchen)

Q. What was the purpose of the visit?

A. He has indicated he wanted to express his views on the recently-passed legislation nullifying the tapes agreement. The Counsel's office told him they would be glad to receive his views -- just as they would the views of any citizen. They pointed out that his views would be given the same weight as any person who wished to comment on the bill.

Q. Will the President sign the bill?

A. It is still under study.



3/13/75

~~MEMORANDUM FOR:~~

~~James G. Speakes~~

~~FROM:~~

~~Philip W. Buchen~~

~~The Editor of the WASHINGTON POST has asked additional questions regarding the handling of the Nixon tapes. For use in replying to [redacted] with the following [redacted].~~

Q. Has anyone played the tapes to see if there is anything on them?

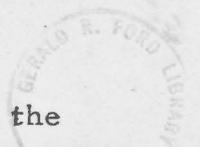
Buchen Lemuelis; SS goes along.

A. As authorized in Judge Richey's Order of October 22, 1974, it has been necessary to review certain tapes in order to comply with requests for production pursuant to subpoenas, court orders, and other legal process. However, access to the tapes is limited solely to the purposes authorized by that Order.

Can listen: Nixon's lawyers, S.P., Buchen's people.

Q. What are the exact procedures for checking tapes in and out?

A. For security reasons, we have consistently refused to discuss the details of the methods of access or the safeguards utilized to protect the tapes. Access to the tape storage area is granted to Philip W. Buchen, Counsel to the President, or his designated agents, only



upon memorandum from Mr. Buchen to H. Stuart Knight, Director of the United States Secret Service. Access is accomplished in the presence of Secret Service agents.

Q What is to prevent the tapes from being demagnetized or otherwise obliterated by the use of electronic sabotage equipment?

A. In addition to the Special Prosecutor and the Court having satisfied themselves as to the security arrangement for the tapes, the Secret Service has taken every reasonable precaution to protect the tapes from inadvertent or willful damage.

Q Specifically, what is to prevent a tape from being erased?

A. Original tapes are played only on equipment on which the erase and record function has been disabled.

Q What is the durability of the tapes? Will they last forever?

A. We have no expertise in this area. Such questions should be addressed to appropriate experts. As previously indicated, reasonable steps satisfactory to the Special Prosecutor and the Court have been taken to prevent the inadvertent or willful destruction of any of the tapes.

March 19, 1975

Q: Who is seeing the tapes?

A: In compliance with court orders and other legal processes, various people have reviewed the tapes from time to time. These fall into three broad categories:

1. Lawyers for the former President, who review them for whatever claims of privilege they might have;
2. Lawyers for the President, who review them for national security material, and
3. The Special Prosecutor's staff, who may seek them for the purposes of their investigations or matters pending in court.

Q: Who is seeing the documents?

A: Again, in compliance with court orders, any persons who are now or who have been previously members of the White House staff or any defendants in the Watergate criminal trials shall be afforded access to their own materials which are in the White House.

This totals less than ten individuals or their attorneys since August ninth. We have refused to disclose the names of these people. This is a result of a joint agreement on this point with the Special Prosecutor. (Any questions on rationale should be directed to the Special Prosecutor.)

Q: In regard to the tapes, is it true that you are omitting certain passages because of claims of national security?

A: We have not omitted any passages of tapes (or documents) which have been given to the Special Prosecutor. When there is a question of national security, we have the appropriate people in the White House review the matter in question and a national security classification may be noted on the material (tapes or documents) before they are turned over.

March 19, 1975

TAPES

Q: Is it true that the White House is turning over the Nixon tapes to the Special Prosecutor without subpoena?

A: No. On all tapes which have been turned over to the Special Prosecutor, there has been a subpoena issued.

FYI: These subpoenas have been served on Herbert J. Miller, attorney to the former President.

Q: How many tapes have been turned over in this fashion?

A: A total of four.

FYI: Two to special prosecutor as part of his investigation. Two to special prosecutor for use in the Connally trial.

MAY 13 1975

MAY 9 1975

Honorable Joseph M. Montoya
Chairman, Subcommittee on
Treasury, Postal Service and
General Government Appropriations
United States Senate
Washington, D. C. 20510

Dear Senator Montoya:

This is in further reply to your letter of January 14, 1975, requesting information concerning public expenditures in connection with former President Nixon's transition from public to private life.

As promised by Mr. Ash, I am enclosing a report which covers the entire six-month transition period between August 9, 1974, and February 9, 1975, and supersedes the information provided in Roy Ash's letter to Chairman Brooks on November 18, 1974. As in the November report, we have excluded costs incurred by the Secret Service for protection of the former President. The reported amounts represent complete estimates supplied by the affected Federal agencies; although, in a few cases, the receipt of final bills or agency reimbursements may require some later adjustment. However, we do not expect changes, if any, to be significant. As you know, the General Accounting Office (GAO) is conducting a field audit of transition expenditures; and we are anxious to review their final report. Review of the GAO findings could, of course, lead to some amendment of our cost estimates.

Commencing with the end of the transition period on February 9, 1975, Mr. Nixon is entitled to office staff and allowances pursuant to the Former President's Act of 1958, as amended, and within amounts annually appropriated by the Congress. The Secret Service will, of course, continue to provide protection for the former President and his family. In addition, the General Services Administration is faced with continuing requirements for compliance with court orders and statutes related to the historical materials of the Nixon Administration. Cost estimates are still under review.

I hope the enclosed information will be helpful to you and the Subcommittee on Treasury, Postal Service and General Government Appropriations. We are sending copies of the enclosed report to Congressman Steed and the Chairmen of the Senate and House Committees on Government Operations.

Best regards,

Sincerely,

(Signed) James T. Lynn

James T. Lynn
Director

Enclosure

cc: Mr. John Marsh
The White House



Costs Related to Former President Nixon's
Transition from Public to Private Life
Between August 9, 1974, to February 9, 1975

Amounts in
thousands

DISTRIBUTION BY FUNCTION:

A. Personnel details (all nonreimbursable) \$265

These costs cover the salaries, benefits and allowances, per diem, and travel for personnel detailed to former President Nixon under the Presidential Transition Act of 1963, as amended. The details are paid for by the contributing agency and are not charged to funds appropriated for Presidential transition. Of the total amount, salary costs account for \$117,703 of which \$33,686 was incurred between December 27, 1974, and February 9, 1975, the period for which Congress enacted a \$70,000 limitation on salaries of personnel details.

B. Office facilities, supplies, equipment, and services 88

This amount includes \$74,784 for stationery, supplies, office equipment, copying services, magazine subscriptions, and books; \$4,769 for part-time secretarial help; \$605 for lease of a room at Long Beach Memorial Hospital for press and staff; and \$7,450 as the estimated value of Government-owned office space used by the former President's personal secretary. All of these costs, excluding the estimated value of Government-owned space, were charged to the appropriation for Presidential transition.

Operating costs for facilities at Key Biscayne and San Clemente are included under categories G and H for Presidential protection and for maintenance services for real property.

C. Travel and moving 17

Includes \$8,440 for a portion of former President Nixon's flight to California on August 9 (after 12:00 noon); an estimated \$4,198 for gasoline of DOD vehicle transportation at San Clemente; \$2,677 for packing of personal Nixon belongings; \$1,334 for commercial transportation, including

Amounts in
thousands

movement of belongings to Andrews Air Force Base, car rentals at San Clemente, and transportation of equipment on the west coast. These costs are paid for by the Air Force and Interior as custodian of the Executive Residence with the exception of the commercial transportation costs which were charged to the Presidential transition appropriation administered by GSA.

Cost for air transport of mail and personal items to California is not included since they were loaded on flights already scheduled for movement to the west coast. Movement from El Toro Marine Base to San Clemente was provided by military drivers detailed to the former President, included in category A. Transportation costs for staff detailed to the former President are also included in category A.

D. Medical services and facilities 0

Former President Nixon has not used any military or other Government medical facilities since August 9. The costs for the one medical corpsman detailed to the former President are included in category A. The room obtained by GSA for staff and press during Nixon's first hospitalization is included in category B. No Government costs were incurred for the second hospitalization.

E. Legal assistance 0

No expenses have been incurred for legal assistance to former President Nixon.

F. Recreational facilities 0

Other than a few visits to a beach on Camp Pendleton, there has been no use of military recreation or other Government recreation facilities by former President Nixon or his family.

Amounts in
thousands

G. Protection

337

This account includes \$104,000 of personnel compensation and other expenses incurred by the Coast Guard for Presidential protection requirements at Key Biscayne and San Clemente. It also includes \$232,713 for personnel and transmission costs relating to Defense Department communications primarily supporting Secret Service protection. These support costs are borne directly by the Defense and Transportation Departments.

The direct U.S. Secret Service expenses, including reimbursements made to the General Services Administration, related to protection of former President Nixon and his family are not included in these figures. Because of security considerations, these figures should be obtained directly from the Secret Service.

Coast Guard activities at Key Biscayne have been terminated and the Presidential security unit at the Loran Station at San Mateo, California, has now been disestablished and the station is staffed at the normal level which existed prior to the Nixon Presidency. Secret Service personnel have been reassigned from Key Biscayne and all operations there have been terminated. Protection at San Clemente will be continued so long as former President Nixon or his wife is in residence there.

H. Maintenance service for real property

86

This covers GSA costs of \$54,015 for maintaining, operating, and deactivating Federal facilities at San Clemente (excluding depreciation) and \$22,172 for similar costs for Federal facilities at Key Biscayne exclusive of expenses paid by the Secret Service. It also includes \$9,328 in personnel costs incurred by the Defense Department to dismantle mess facilities at San Clemente. These expenses are paid for directly by GSA and the Defense Department.

Amounts in
thousands

All operations at Key Biscayne have been terminated. The temporary buildings at San Clemente are being used by the Secret Service and by the former President who, by law, must be furnished a Government office.

I. Storage 169

This amount includes \$168,746 as the estimated rental value of Government-owned space used to store Presidential records and gifts in the Executive Office Building, National Archives Building, and the Suitland Federal Records Center. It involves personnel costs for screening and crating of materials. Also included is \$270 as the estimated rental value of Government-owned warehouse space used by the Department of the Interior for storage of personal belongings of the former President.

J. Courier flights 20

Covers three Air Force courier flights from Washington, D.C., to San Clemente. All further flights have been deferred.

K. Communications and postage 19

This amount includes \$1,589 for Federal Telecommunications Service lines and installation costs, \$4,916 for commercial wire services, and \$12,000 for postage.

It does not include Defense Department costs (White House Communications Agency) which are primarily in support of Secret Service activities and included under category G.

Amounts in
thousands

DISTRIBUTION BY AGENCY:

Department of Defense \$369

Agency operating funds:

A. Personnel details	\$ 94.9	
C. Travel and moving	12.6	
G. Protection (White House Communications Agency)	232.7	
H. Maintenance and service for real property	9.3	
J. Courier flights	<u>19.5</u>	
	369.0	

Department of the Interior 7

Agency operating funds:

A. Personnel details	3.8	
C. Travel and moving	<u>2.7</u>	
	6.5	

Estimated rental value of Government-
owned space:

I. Storage	.3	
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Department of Transportation -- U.S.
Coast Guard 104

Agency operating funds:

G. Protection	104.0	
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General Services Administration 359

Appropriation for Presidential Transition:

B. Office facilities, supplies, equipment, and services	80.2	
C. Travel and moving	1.3	
K. Communications and postage	<u>18.5</u>	
	100.0	

Amounts in
thousands

Agency operating funds:*

A. Personnel details	6.1
H. Maintenance and service for real property	76.2
	82.3

Estimate rental value of Government-
owned space

B. Office facilities	7.4
I. Storage	168.7
	176.1

White House Office

160

Agency operating funds:**

A. Personnel details	160.0
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Total, all agencies***

\$998

Distributed by source

Appropriation for Presidential Transition	100
Agency operating funds	722
Estimated rental value of Government- owned space	176

* Adjustment to exclude reimbursements from Secret Service.

**Excludes \$3,921 charged to appropriations for Presidential Transition and included in GSA totals (\$240 category C and \$3,681 category K).

***Does not add due to rounding.

SUMMARY

The \$100 thousand appropriated expressly by the Congress for Presidential transition was used primarily for office supplies, equipment and services as well as communication and postage by the former President.

An additional \$722 thousand was spent by Federal agencies from their own operating funds for expenses related to the transition period between August 9, 1974, and February 9, 1975. Of this amount, the largest items include \$337 thousand for communications and coast guard operations in support of protection of the former President and \$265 thousand for the cost of personnel detailed to the former President under the Presidential Transition Act of 1963, as amended. The personnel detail costs are \$36 thousand less than the limitation enacted by the Congress.

Finally, an estimate of \$176 thousand is included as the rental value of Government-owned space used by the former President's personal secretary and for storage space for Presidential records, material, and personal belongings.



COMPTROLLER GENERAL OF THE UNITED STATES

WASHINGTON, D.C. 20548

JUN 3 1975

B-149372
B-158195

The Honorable George H. Mahon
Chairman, Committee on Appropriations
House of Representatives

Dear Mr. Chairman:

The report of the House Committee on Appropriations on the 1975 Supplemental Appropriations Bill states that all expenses charged to the appropriation proposed under that bill for Expenses, Presidential Transition, will be subject to review by the General Accounting Office and that a detailed accounting of all obligations will be reported to the Committees on Appropriations.

We have audited the expenditures and obligations charged to this appropriation and beginning on page 3 have summarized the results of our audit.

Background

The Presidential Transition Act of 1963 authorizes the Administrator of General Services to provide each former President--for a period not to exceed 6 months from the expiration of his term of office--the necessary services and facilities of the same general character as authorized for a President-elect. The necessary services and facilities described in the act to be provided a President-elect are for such items as office space suitably equipped, an office staff, consultants, travel expenses, communications, printing and binding, and postage. The act also provides that any Government employee may be detailed during the 6-month period to the former President on a reimbursable or nonreimbursable basis with the consent of the head of the agency. There is no limitation in the act as to their number or the costs that may be incurred for detailed employees.

The Transition Act also provides that the provisions of the Former Presidents Act of 1958, except for the payment of a monetary allowance which begins as soon as he leaves office, shall not become effective with respect to a former President until 6 months after the expiration of his term of office as President. See page 10 for a discussion of the Former Presidents Act.

B-149372
B-158195

The Transition Act authorizes the appropriation of not to exceed \$900,000 for any one Presidential transition. It also provides that in the budget for an election year the President is to include a proposed appropriation for this purpose.

This authority was first used in fiscal year 1965 when \$800,000 was requested and \$400,000 appropriated. Since President Johnson was reelected in 1964 the only funds needed were about \$72,000 for the incoming Vice President, Mr. Humphrey. For fiscal year 1969, the full \$900,000 was requested and appropriated. Of this amount the incoming Nixon administration was allotted \$450,000; the outgoing President, Mr. Johnson, was allotted \$375,000; and the outgoing Vice President, Mr. Humphrey, was allotted \$75,000.

Because funds are appropriated under the Presidential Transition Act only for Presidential election years, no funds were specifically available for implementing the Transition Act when Mr. Nixon left office in 1974. Therefore, the executive branch had to request a supplemental appropriation to carry out the provisions of the act. On August 29, 1974, the Administration requested the Congress to appropriate \$450,000 to the General Services Administration (GSA) for the purpose of carrying out the provisions of the Transition Act which pertain to a former President. The funds requested were to cover an 11-month period rather than the 6-month period provided in the act. GSA advised us that the 11-month period was requested because Mr. Nixon's resignation was sudden and it believed the additional time would be needed to make some of the arrangements which are usually made before a President leaves office.

The Supplemental Appropriations Act of 1975 (P.L. 93-554), which was approved on December 27, 1974, appropriated \$100,000 to implement the Transition Act and limited the period of availability to the 6 months ending February 9, 1975. The appropriation act also provided that the salaries of detailed personnel provided on a nonreimbursable basis could not exceed \$70,000 from December 27, 1974, through February 8, 1975.

We advised the Office of Management and Budget (OMB) on September 10, 1974, that pending approval of the supplemental appropriation, the "Unanticipated Personnel Needs" fiscal year 1975 appropriation of the Executive Office of the President could be used for transition expenses. OMB transferred \$50,000 to GSA from this fund for transition expenses.

B-149372
B-158195

When the \$100,000 approved for transition under the 1975 Supplemental Appropriation Act became available, GSA reimbursed the "Unanticipated Personnel Needs" appropriation for the \$50,000 that had been made available for transition expenses.

AUDIT OF THE TRANSITION ACT FUNDS

The use of Transition Act funds were controlled by GSA's San Francisco Regional Office. All but very minor expenditures were approved in writing by the Regional Director of Administration and any questionable requests were referred by the Director to the Central Office in Washington, D.C., for decision. Our review of GSA's records show that from August 9, 1974, when Mr. Nixon resigned, through February 8, 1975, when the 6-month transition period ended, \$99,966.65 was expended or obligated.

The funds were used for the following purposes:

	<u>Amount</u>
Furniture and Office Equipment	\$14,466.46
Office Supplies	52,815.95
Personal Services	4,748.57
Postage	12,000.00
Communications	6,505.30
Other	<u>9,430.37</u>
Total	<u>\$99,966.65</u>

The Supplemental Appropriations Act, 1975, imposed a ceiling of \$70,000 on salaries of detailed employees provided on a nonreimbursable basis from the date of enactment (December 27, 1974) until the end of the transition period. The salary expense of detailees for this period December 27, 1974, to February 8, 1975, was \$31,268. (See page 7 for analysis of expenses incurred for detailed personnel.)

Furniture and Office Equipment \$14,466.46

The transition staff of former President Nixon occupied most of the same office space at San Clemente, California, that had been used by his staff when he visited there while President. Most of the furniture and equipment in these offices was retained for the use of the transition staff and

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included such items as typewriters, a refrigerator, davenport, tables, lamps, desks, file cabinets, etc. During the transition period there were also some items shipped from surplus GSA stocks. Nine color televisions were transferred to GSA, after being declared surplus by the White House Communications Agency when it phased out its operations at San Clemente (five were transferred to the transition staff and four were placed in storage).

The \$14,466.46 charged to the Transition Act appropriation was used to purchase the following items for use at the transition offices in San Clemente.

<u>Item</u>	<u>Amount</u>
One IBM Magnetic Card Typewriter	\$ 8,270.00
Five Electric Typewriters	3,465.00
One Transcribing Unit	366.13
Transportation of GSA Surplus Equipment	684.24
Equipment Rental	210.07
Various minor items	<u>1,471.02</u>
Total	<u>\$14,466.46</u>

A representative of former President Nixon signed for and accepted custody of the furniture and equipment at the office complex in San Clemente. These items, which include the items purchased during the transition period, remain the property of the Government and can be recovered when they are no longer needed.

Office Supplies and Stationery \$52,815.95

The transition staff purchased office supplies and stationery costing \$52,815.95. Stationery supplies purchased included one type of personal stationery, two types of office stationery, and three types of acknowledgment cards. Over 460,000 sheets, 260,000 envelopes, and 20,000 of each of the three kinds of acknowledgment cards with envelopes were purchased at a total cost of \$45,460.97. Most of this stationery had not been used at the end of the transition period. (See below for a discussion of estimated outgoing mail volume.) The remaining \$7,354.98 was used to purchase general office supplies at a GSA self-service store and at a local office supply store.

Personal Services \$4,748.57

Most personal service costs incurred during the transition period were for detailed employees furnished by various agencies on a nonreimbursable basis. (See page 7 for information on the cost of detailed personnel.) In addition to the detailed personnel, three people were hired for varying periods to assist the detailed employees at San Clemente. Their salaries and benefits paid from Transition Act funds totaled \$4,748.57.

Postage \$12,000

The Transition Act authorizes a former President to transmit all mail as penalty mail (sent in envelopes without a stamp and bearing a notice of the penalty for private use) within the United States and its territories and possessions. The act also provides that the postal revenues will be reimbursed for the equivalent amount of postage. Former Presidents are also authorized to use franked mail; i.e., with their signature in lieu of postage (39 U.S.C. 3214). The law also provides that the postal revenues be reimbursed for the equivalent postage on franked mail.

During most of the transition period neither the Postal Service nor the transition staff kept a count of the amount of outgoing mail. Near the end of the transition period both began counting the outgoing mail and arrived at a charge of \$1,015 to transition funds, based on an estimate of 50 pieces of mail a day, 6 days a week, during the transition period. The estimate was based on the actual count, which covered about a week, the transition staff's estimate of the envelopes used, and estimates by GSA and the Postal Service of postage used in other transitions.

On February 7, 1975, stamps worth \$2,000 were purchased with transition funds. On the same day GSA officials in Washington transferred \$10,000 from the transition account to the Postal Service to cover the \$1,015 charge discussed above plus \$8,985 to cover any charges for franked mail sent by former President Nixon during the balance of the fiscal year. We were advised by GSA that the postal credit and stamps would be used principally to answer mail received during the transition period. The transition staff estimates that former President Nixon received over 1 million pieces of mail during the transition period of which only a small part was answered.

Communications \$6,505.30

These charges consist principally of \$4,880 for the rental of news services teletype machines and \$1,589 for telephone service, tolls, and connection charges. Other communications services were provided during part of the transition period but not charged to Transition Act funds. When President Nixon resigned August 9, 1974, a White House Communications Agency (WHCA) switchboard as well as other WHCA equipment was in place at San Clemente. The switchboard remained in operation, staffed by WHCA people until January 15, 1975, to serve both the Secret Service and transition staff. (See page 7 for an estimate of the estimated salary costs incurred by WHCA employees who provided this service during the transition period.)

During the first 2 months following his resignation, three courier flights were used to fly security briefings to Mr. Nixon from Washington, D.C., to San Clemente. Some passengers and some of Mr. Nixon's personal belongings were also on these flights. These flights were discontinued when Mr. Nixon became ill in September 1974. We were advised by the White House Military Liaison to former Presidents whose office was responsible for providing the courier flights, that in his opinion the costs of the flights were not appropriate charges to the transition funds. He advised us that during President Nixon's term, similar flights had been used to fly security briefings to former President Johnson and that the cost of these flights was also absorbed by the Department of Defense.

Miscellaneous \$9,430.37

The principal charge in this category was \$6,600 by the National Archives and Records Service for record preservation and copying work. The funds are to be used to make copies and do restorative work on records of former President Nixon already in National Archives custody. This type of work is usually done on a reimbursable basis and financed by the National Archives Trust Fund. GSA officials advised us that since the resignation was unexpected, no provision had been made in the National Archives and Records Service budget to begin this activity. Therefore, transition funds were the only funds available for work of this type on former President Nixon's documents. Also included in miscellaneous expenses were \$605 for rental of office space at Long Beach Memorial Hospital while Mr. Nixon was there; purchase of reference books and newspaper subscriptions, \$611; shipment

of records, \$320; picture mounting supplies, \$896; car rentals, \$240; changing safe combinations, \$75; and other charges, \$83.

Office Space

Under both the Transition Act and the Former Presidents Act office space is to be provided a former President. Mr. Nixon used the San Clemente office complex during the transition and has continued to use it under the provisions of the Former Presidents Act.

Under provisions of 40 U.S.C. 490(j) which went into effect on July 1, 1974, users of space in Government facilities are to pay rent to GSA comparable to commercial charges for the type of space provided. This rent is known as the Standard Level User's Charge (SLUC). For Mr. Nixon's office at San Clemente, GSA determined that the applicable SLUC charge would be \$77,470 annually. During the 6-month transition period the SLUC would have been \$38,735 for the space utilized. The law permits the Administrator of GSA to waive the SLUC if such charges would be infeasible or impractical. Pursuant to the authority delegated to him by the Administrator, the Commissioner of the Public Building Service, on August 21, 1974, waived the SLUC charge on the office space occupied by the transition staff. The waiver expires on June 30, 1975.

We were advised by GSA that the appropriation request to carry out the provisions of the Former Presidents Act during fiscal year 1976 does not include funds for the payment of SLUC for the San Clemente office facilities.

Detailed Employees

A total of 54 different Federal employees from five different agencies were detailed for varying periods, ranging from a few days to 6 months, on a nonreimbursable basis to assist in the transition. None of the five agencies maintained accounting records segregating the salary and related costs of employees detailed to assist in the transition. To estimate the salary and related costs of detailed employees, we therefore had to rely to a great extent on information furnished to us by the agencies as to the names, grades, periods assigned, and travel incurred by detailed employees. We verified the information to the extent feasible through examinations of pay records and travel vouchers and discussions at San Clemente, San Francisco, and Washington, D.C., with officials of the various agencies that furnished detailed employees.

The following schedule summarizes our best estimate of the cost of detailed employees furnished on a nonreimbursable basis to assist in the transition. The total costs include salaries, travel, and subsistence, and estimates of the Government's share of payments for retirement, hospitalization, and similar personnel benefits for the entire transition period. For the period from December 27, 1974, to February 8, 1975, a separate column is shown only for salaries because the limitation in the appropriation act applied only to salaries.

<u>Agency</u>	<u>Number of employees</u>	<u>Total cost</u>	<u>Salaries 12/27/74-2/8/75</u>
Executive Office of the President	17	\$161,743	\$21,223
Dept. of Defense			
White House Communi- cations Agency	19	23,984	589
Other Defense Agencies	7	67,019	7,670
General Services Adm.	2	6,413	1,786
Dept. of the Interior			
National Capital Parks	9	6,421	-
	<u>54</u>	<u>\$265,580</u>	<u>\$31,268</u>

In determining the cost of detailed employees assigned to the transition--particularly as it related to the \$70,000-limitation on salaries of detailed employees furnished on a nonreimbursable basis for the period from December 27, 1974, through February 8, 1975--we had to make certain determinations as to whether the work of other employees, who were located or performed work at San Clemente, or furnished services in connection with former President Nixon's papers, should be considered as related to the transition.

We determined that the employees from the following agencies should not be classified as detailed employees furnished on a nonreimbursable basis under the authority of the Transition Act.

Secret Service

The Secret Service is required by law (18 U.S.C. 3056) to protect a former President and his wife. Because this protection is required to be furnished by a law other than

the Transition Act, we did not consider salaries of the employees who furnished this protection as chargeable to the limitation in the appropriation act.

National Archives and Records Service

The archivists and other employees of the Archives performed certain services related to former President Nixon's papers and other records. This is a regular function of the Archives and its employees were not assigned to, nor did they work for, the transition staff. We did not consider the salaries of the Archives' employees as chargeable to the appropriation limitation on salaries of detailed employees. A charge was made to Transition Act funds for certain restoration and copying work performed by Archives. (See p. 6.)

Coast Guard

The offices occupied by the former President and his staff are on the grounds of a Coast Guard Loran station at San Clemente. While President Nixon was in office the normal complement at this location was increased by about 10. We were advised by Coast Guard officials that these additional Coast Guardsmen were added principally to perform some security functions such as manning the entrance gate to the President's residence and the office complex on a 24-hour a day basis. When President Nixon resigned, the Coast Guard began to gradually reduce the size of its staff to that required to operate the Loran station. The last men were not reassigned until just before the end of the transition period.

On the basis of our discussions with Coast Guard personnel in San Clemente and Washington, D.C., and the transition staff at San Clemente, the services performed by the Coast Guard during the transition period were, in our opinion, related principally to security. They continued to man the entrance gate but on a gradually reduced time period. When the gate was not manned the Secret Service controlled it. In our opinion the salaries of these detailed employees were not chargeable to the limitation in the appropriation.

White House Communications Agency (WHCA)

Information provided to us by the Department of Defense, which furnished the employees for WHCA, shows that in addition to the employees shown in the schedule on page 8 some WHCA employees remained in the San Clemente area during the

transition period to remove the communications equipment used in that area when Mr. Nixon was President. In view of the purpose for which these employees were used, we did not consider these employees as being detailed under the provisions of the Transition Act.

Department of the Navy

Eight Navy mess stewards were assigned for varying periods to San Clemente during the transition period. We were advised by the military aide assigned to the transition staff that the stewards were used principally to dismantle the kitchen equipment in the office compound, which had been installed when Mr. Nixon was President, and prepare it for shipment back to Washington, D.C. In view of the purpose for which the stewards were used, we did not consider these employees as being detailed under the provisions of the Transition Act.

Former Presidents Act

The Former Presidents Act, as amended, authorizes the payment to each former President of a monetary allowance equal to the annual rate of basic pay of the head of an executive department, currently \$60,000. A former President is entitled to the payment of the allowance as soon as he leaves office; the other types of assistance provided to a former President under this act do not become available until 6 months after the expiration of his term of office.

The Administrator of GSA is required by the act to provide each former President with an office staff selected by the former President and responsible only to him. The act also requires the Administrator to furnish each former President suitable office space appropriately furnished and equipped at such place within the United States as the former President shall specify.

There is no overall limit in the authorizing legislation as to the total amount of funds that can be appropriated under the Former Presidents Act; there are, however, some specific limitations. The salaries of the office staff is limited to \$96,000 a year and no individual can be paid at a rate in excess of the rate for level II of the Executive Schedule, currently \$42,500 a year. The act also provides for the payment of a monetary allowance of \$20,000 a year to the widows of former Presidents who do not remarry before age 60.

The fiscal year 1975 appropriation for former Presidents, approved on August 21, 1974, provided \$60,000, only enough to pay the monetary allowances to the widows of Presidents Johnson, Eisenhower, and Truman. When Mr. Nixon resigned, GSA obtained approval from OMB to reappropriation these funds so that funds would be available to pay Mr. Nixon's monetary allowance, as well as the widows, until a supplemental appropriation could be obtained.

Included in the Supplemental Appropriation Act, 1975, approved on December 27, 1974, was \$100,000 for expenses under the Former Presidents Act. This provided \$55,000 for Mr. Nixon's monetary allowance from August 1974, to June 1975, and \$45,000 for other expenses from February 8 to June 30, 1975. The \$55,000, when added to the \$60,000 in the regular appropriation, provided \$115,000 to pay the monetary allowance to the three eligible widows and Mr. Nixon for fiscal year 1975.

During the period February 8 to March 31, 1975, expenditures or obligations for other than the monetary allowances were made for the following purpose.

Office staff salaries and benefits	\$12,254.56
Copier rental and supplies	636.43
Telephone	390.20
Other	<u>122.25</u>
Total	<u>\$13,403.44</u>

As of March 31, 1975, there was therefore available \$31,596.56 for the remaining 3 months of the fiscal year to pay for the salaries and other expenses authorized by the Former Presidents Act. It is estimated that about \$23,000 of this amount will be needed for salaries and benefits and about \$2,300 for additional purchases--leaving a balance of about \$6,200 for any additional expenses. As noted on page 4 there is also available to the former President's staff large quantities of supplies, stationery, and prepaid postage purchased with transition funds but not used during the transition period.

Scope of Audit

We performed our audit in Washington, D.C., and San Francisco and San Clemente, California. We interviewed officials in each of the several agencies involved in the transition to obtain

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information on costs incurred on a reimbursable or nonreimbursable basis in connection with the transition. We examined available vouchers, payroll records, computer runs, and other documents to determine costs incurred during the transition.

Opinion

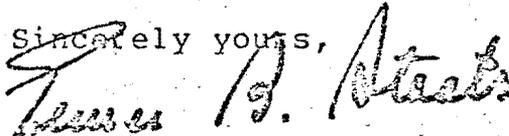
In our opinion, all of the charges to the Transition Act appropriation made available by Public Law 93-554 were for authorized purposes and the \$70,000 limitation on salaries of detailed employees for the period December 27, 1974, through February 8, 1975, was not exceeded. In view of the number of agencies involved in the transition and our dependence to a great extent on information provided to us by the agencies, however, there may have been some minor costs which should have been charged to the Transition Appropriation but were absorbed by the agencies.

Additional Report

The Senate Appropriations Committee in its report on the 1975 Supplemental Appropriations Bill suggested that in addition to an audit of the transition funds that we update our report dated November 16, 1970, entitled "Federal Assistance for Presidential Transitions." We are obtaining the information needed to update that report which will be issued to the appropriate Committees of the Congress when completed.

We will be glad to furnish any additional information your Committee may need on our audit of the transition funds.

Sincerely yours,



Comptroller General
of the United States

Q. Jack Anderson says former President Nixon stuck the taxpayers for hundreds of thousands of dollars in addition to the money appropriated for the transition. Is that true?

A. Apparently Jack Anderson has obtained a copy of a letter to Representative George Mahon, chairman of the House Appropriations Committee, from Elmer Staats, Comptroller General of the United States. The contents of the letter are a review of the transition expenses conducting by the General Accounting Office.

The figures cited by Anderson are based on the GAO report and are substantially correct.

I call your attention to the closing paragraphs of Mr. Staats letter:

"We performed our audit in Washington, D. C., and San Francisco and San Clemente, California. We interviewed officials in each of the several agencies involved in the transition to obtain information costs incurred on a reimbursable or nonreimbursable basis in connection with the transition. We examined available vouchers, payroll records, computer runs, and other documents to determine costs incurred during the transition.

"In our opinion, all of the charges to the Transition Act appropriation made available by Public Law 93-554 were for authorized purposes (and the \$70,000 limitation on salaries of detailed employees for the period December 27, 1974, through February 8, 1975 was not exceeded.)"

FYI: \$70,000 limitation was imposed by Congress when it passed Appropriations Bill. It said up to \$70,000 could be spent for detailees' salaries from the time the bill became law (December 27) to the end of the transition (February 8.)

Q. May we have a copy of the letter?

A. Check with Chairman Mahon -- or Jack Anderson.

O. Does President Ford think it is right for so much money to be spent on these various categories?

A. I would refer you to the GSA, which supervised and approved the expenditures, and to the GAO, which audited and found no fault with the expenditures. I have not heard President Ford address this subject.

June 27, 1975

Ron:

Former President Nixon's attorney, Herbert (Jack) Miller, called Phil Buchen this morning to say that Nixon has testified for two days this week before a grand jury in San Clemente. The grand jurors were from the District of █████ Columbia. We did not know in advance that Nixon would be called to testify and we do not know what he testified about. Miller called Buchen to say the information had gotten out and was about to be made public and he didn't want Phil to be surprised by it.

Jack

WASHINGTON
THE WHITE HOUSE

R

January 30, 1976

SUBJECT:

RICHARDSON ON THE PARDON

According to wire stories, Elliot Richardson said on Wednesday (January 28) that it had been a mistake for President Ford to pardon Richard Nixon.

What's the President's reaction to Richardson's comment?

GUIDANCE: It is my understanding that Richardson has been saying all along that he supports the result of the pardon; that he never believed that the former President should have been sent to jail and there was no point in subjecting the nation to a prolonged trial.

He also said that on the other hand, he would have followed a different procedure under which the possible charges would have been published first, and that he would have consulted with the Attorney General, Congressional leadership, chairmen and ranking members of the Judiciary Committee and looked toward a decision not to prosecute.

We understand that when Mr. Richardson was on the lecture circuit in 1974, he expressed this same viewpoint; his statements on Wednesday were just a restatement of his position.

JGC

February 24, 1976

SUBJECT: NIXON IN CHINA

Q. Why is it costing \$200,000 a day to keep Nixon in China?

A. I don't believe it is costing the U.S. Government any great sum to keep the former President in China. Since this charge was made, I have checked into this matter.

It is my understanding that only three persons other than Secret Service accompanied Nixon to China -- Jack Brennan, a male secretary and a corpsman. Their salaries, of course, are paid out of the former President's Congressional Appropriation. The travel expense is being borne by the Chinese Government. It is my understanding that the U.S. Government does not even pay per diem costs, since the Chinese Government furnishes accommodations.

For the cost of the Secret Service detail, I would refer you to Secret Service. This protection, as you know, is required by Congress for all former Presidents and their wives. I would presume the only cost for maintaining the Secret Service detail in China would be their salaries and the per diem -- if this is being paid.

LS

NIXON REPORT

Q. Have you seen former President Nixon's report on his trip to China?

A. No.

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WOODSTEIN BOOK AND MOVIE

Q. You said in Texas last weekend that you thought the Woodward and Bernstein book on the final days of the Nixon Administration was essentially accurate, at least in the parts you had experienced. How do you feel about this type of historical journalism or journalistic history?

A. Well, as I said in Texas, I haven't read the book or seen the movie. And ~~I do not think I am really qualified to discuss it.~~

*With all these you talented
editors here I ~~just hate~~
to don't think I
should instantly become a
Book critic.*