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SEPTEMBER 4, 1976

Office of the White House Press Secretary

## THE WHITE HOUSE

## STATEMENT BY THE PRESS SECRETARY

The President has received and carefully considered the report of the Attorney General concerning the allegations affecting Clarence Kelley, Director of the FBI. The President has concluded that no adequate justification exists for terminating the services of Clarence Kelley.

The President is satisfied with the conclusion of the Department of Justice that the gifts received by Mr. Kelley from subordinates were allowable by existing Civil Service and Department of Justice regulations on matters of this kind.

With respect to certain services and articles furnished to the Director of the Bureau, the President notes these were either for official work at home during the terminal illness of Mrs. Kelley or were items which the Director initially did not know or understand were coming from government sources. The President accepts the view of the Department of Justice that Mr. Kelley, who has offered to do so, be permitted to make reimbursement as to any items about which there is the slightest question.

The President reaffirms his support for Director Kelley in the latter's efforts to lead and strengthen the Federal Bureau of Investigation. "I believe Clarence Kelley has had and will continue to have the capacity to meet the essential high standards of the FBI," the President said.