
Clinton Presidential Records Digital Records Marker

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Divider Title: Fan Dozier

PAN DEZIER 68

(2)

Travel agent at WV
started Dec 31 at WV
Visited Clinton Canyon & went in house
Feb '92 thru Canyon & Trans
& Inman.

Dec 52 came to DC 3 wks
in Trans office then home & back
& back to DC office to book the
travel

Back to ARK Feb '93
CC getting approvals for travel
(no not for advance)
CC not to inman

only casual conversation with
CC like for work to continue ^{SIAT-}

met DJ on Canyon

FD talked to CC occasionally about
st CC sent copy of memo to
FD on copy to WV
FD Doubted if it happen for WV
know nothing could be really



CGEPR 0204

Don't swap with til CC move
to Trial 1/1/16

Let April & early May -
AUV does DNA bar.

Compare re advance prog 2
going to Tex. Joe Krueger

~~Don't~~ Joe Krueger put funds
into DNA 2004 that paid for it

FD ticked to CC around the

A UK is too late sent CC with
FD & Jack maybe need help
over weekend -

Party pm in May -

~~at~~ about 5pm Fri.

Still some advance people needed

fix for Pres'l trip Mary

FD issued 2 ticks

If she had to move people
for this (Cleveland) trip didn't
know what to do. FD told Steve
CC might want tick 1 set
seemed strange. FD said

"No we don't do VA train

May 12
W. met 2 agents for lunch.

They asked were going to go to DC

no I don't think so



you get back after lunch
talk to B. C. C. I can only say
I got a few CC some things
may be happening in DC & you'd
be sure to I'd send
B. C. C. I'd have to
tell PD B. C. C. very
you may have to go to

CC C. C. (C. C. PD) 12th 5-12
ASAC: PD it talked VDC
just what you PD could do
when you want me up?
CC 'maybe tomorrow'
PD booked 7th 5-13 flight
D. C. C. 5-12 PD talks to CC
said instructions per person and
not need come 7th B. Book
later flight Th.

Frank's like
Th. there
were no
instructions
at 5-12

Th. in case into office PD call
CC: I'm sorry, I need to know.
CC: I'll come
CC: still tentative re
what might happen but wanted
PD for security

FO comes in not see
CC tel Sat then talked to her
each day.

next the Jefferson Spotted...
myth...

CC told FO conditions in prison
and it felt like something would
happen only got limited info
Met Billy Dale Sat.
conditions there

CC indicated DV felt in prison
should be complete before sat
that CC & HT felt just people
shouldn't be in there new
Axi... let people go & the
audit

17 | Said HRL very upset re mis-
of funds & under the rest of
there GS & JE names
as knowing

CC referring to meetings
& debates between CC side &
DV's side

FO talked to HT... felt as I just told
the bs risky nonsense

Sat v. 5-

HT said "you over your head not
if there work"?

HT said he'll call HRC & he
be very upset to hear they
still there

this probably Sun. 5-18

FD met HT in in person

⁵⁻¹⁸
SID had mtg 5-18 for DDC
SID came by 5-17 to DC to
to have what going on with
mtg 5-18 at DEBB re DDC 5-18
30 min before mtg CC from
then - quick mtg CC said DV
wanted mtg 5-18 pm VPT
BT DDC -- CC said have
going to happen next day.

mtg 5-18

5-18 pm mtg DV PT DDC &
Chris Vetter CC SID & FD

DV said audit done - funds
missing but paperwork to be not real
good audit, Billy D. had applied
to. w/ retirement & release other to
wanted FD & SID V moving

1) FD at OEDS 10/1/11
mtg w/ JCV BF
JCV to meet at 10 w/ TD
initially JCV thought they'd be
out by noon AP 1200 v. 3 FD
went down the way 34.1 there
FD saw the party of 4
w/ papers coming out desk w/
The money B. C. D. there
+ someone who'd been out of in
house in party.

FD didn't see any security

Carol Livingston came in
w/ pm + asked FD are you
here's my ext if trouble call
FD these guys are leaving w/
things don't go - think needs
to be watched

CL "We're taking care of it"

Th or Fr -- CC (bany staff) v-
FD -- maybe you should look
at what's being thrown out

CC "no just trash"

FD - maybe it was, but

not sure



CGEPR 0209



CGEPR 0210

Jul 14 1994 11:00 AM
Vick.

PS came in to do green chamber p
m. task.

FD working the trying to figure it
out. The press. entry ~~by~~
everybody alone. So says not be
good.

FD has to go back to
(had planned to go - didn't know
exactly how long UU would be staying)
cancelled sat task

PT played FD saying DU
wanted FD to know UU out

FD hoping UU not out; would
have liked to work here.

all sky ready til now still
so back to LP for. Right in
sat in. On the L31 + Annex R.

Came in. FD still 1500. Any more
tasks in. 1st 1130.

then. Several ~~get~~ men to come in
ask about paper work needed
paper asked & controlled - felt
may be needed as soon
FD had assumed someone
in id in room with paper work (S)

FD
Vick
1379 1207
tik #1 she used
asked for off-
the PT said not
done down, however
needed to still not
needed but PT
in 1379, full PT

Fan Driver Follow-up 6/23

5/12: First day after lunch for Baker

L short

cc: the calls be prepared, but I can't tell

That evening, ~~cc~~ CC called back - Fan home

↳ ED asks will it be tomorrow

One week, issued a ticket for Gam. web, But CC told her was later by that early, but
→ cc - security blanket should come up

→ Told about visitors only for in D.C.

↳ doesn't think it was needed

Dan's car up on 5/17

(-Julius Kelley

Angela Colclasure

Arrived late on Wed., about 3 or 4p.

→ Mr. For lunch that day (5/12)

↳ was in meeting in Glenview

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Divider Title: **David Dreyer**

~~Dr David Dwyer~~

b. 11

JE ^{handed} Memo on problems in office probably

DV → ~~AA~~ McLarty

D^r asked when going to bank JE
said not sure

D^r 1/22/87 -- not think we need be
dealing w/ this now.

D^r wrote of G3 Stat (5-21?)

& start summary discharge of W

How can you say can we
by 13 at time

JE ^{now} likes W's idea of VLT to
put down, but not v/specific
language



CGEPR 0212

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Divider Title: **Anne Edwards**

MEMORANDUM

TO: Todd Stern
Dwight Holton

FROM: Andre Oliver

RE: Ann Edwards

DATE: 18 June 1993

I thought it relevant to share my conversations with Ann -- particularly before you have a more extensive interview with Ann.

Edwards

Ann was doing pre-advance in Korea when she received word that the travel office employees were fired. Gary Wright was also in Korea at the time, and was informed of his termination by a colleague at the State Department, also on the trip. Returning to Washington, Ann recalls Gary saying -- referring to his and Dale's management of the office -- sloppy yes, criminal, no...

You should also note that Ann is shocked that she wasn't consulted about the initial firings, or any subsequent plans to change the structure of the travel office. Technically, Ann is supposed to supervise the travel office, in the sense she's responsible for ensuring that the press (and by extension press coverage) are well managed logically. She also happens to have the best institutional knowledge in the building on what the press needs are on the road. In the absence of the old travel office employees, Ann has provided most of the direction to American Express and Linnwood Goad on charter bookings, hotel arrangements and other press logistics (she gives very marginal reviews to Goad and Am Ex -- as do Isabelle and Lufrano).

As to personnel for press "care and feeding," she believes this is a job for two individuals. She recommends seasoned advance people who have a larger understanding of press needs, and can manage the logistics (press charters, hotels, on-the-plane arrangements) to fit the larger needs. She describes the key skills as being able to organize and stay calm in the midst of potential chaos.

For what it's worth...


CGEPR 0213

- Peer Advice

(Person took care of letter for
staff travel as your advice)

- Also work feel up

Need people with authority and
experience.

* Need for a Peer Try Initiator

* Schiff

- Frey people

- Akane people

Awa
1/2 Rums

Observe and Akane basket
stuff

* In Bush, as many as 10 Akane people -

* Try -

People as the people -

* Recall to mind about the many
parts of your hand - he was concerned
about it - and looking at way to bring it
down - little at anything

- bring the manifest
- where is your center - manifest

- bring your center -
source of late scholarly



CGEPR 0215

Case brought was on Room
being turned down when they were
found.

① Thompson - one on to run
the office —

② Care and quality of
the goods

- need to handle things quickly

~~Handwritten signature~~



CGEPR 0216

1. Where are you from?
11. people

Ann Edwards 6/15

Darryl ^{pass} school or what pass does
if you do, & where is pass,
how they get in & out how
plane taxi or bus etc.

TO look at I call get the bus
in Cleveland. got bus drivers
don't drink & have keys

Talk to TO several times a day
Aunt's way by plane or bus
etc then they'd get it Note downtown
not airport etc
Aunt's know previous times she had
the schedule

Billy Duke
Wayne
Daryl
measuring
Never any suspicion or
anything untoward
Service with smile
Bills were not exact
invoices, they rounded out NOS.
might include a plane, helicopter

few no regulations



CGEPR 0217

Bills are out in the wash.

Probably not easy to keep their
positions.

Det. (ed) biller will embarrass me

BO called AB in LR November 13th

Costs in the years 8's saying
we'll lose jobs when Clinton people

arrive we need buy costs for

they're sending billboards pretty expensive

filings filing LTR

we were already bringing
costs down

Her
news
says
settling out
from out
by costs

JE saying they don't need
that travel office

travel place as press office

AB said let go of it let me to
travel office BO said we need you
here in LR JE's saying that

BO calling periodically "Are you com-
back?" JE Dec BO on pay day heard

to H... we're going to go
nowhere even to (Kee) to AB about
At... in...

3-13 Al left for ~~base~~ ^{base}
BOD said "I gotta talk to
you There's something
serious going on they're
after us they're saying
this terrible stuff about
us They say we're for
\$ I don't know what to do"

But sloppy not illegal

Wary about sense of pride &
honor & heart

L. Wright in fears very
frightened

"bad books yeah, illegal never"

Rational ^{to} "big guy costs down"
b.s.



Ann E.L.

6/26

Why not give chance to reform

Billy D.L.

Gary Wright
Phil Draylanger
Joe (Morgan)

McSweeney
Van E. more

~~Billy + Gary~~

Draylanger & McSweeney much better on
experience than Brian & Bob
& probably better on ability

Demerol of office courteous & endlessly
patient & not too fast press anguish
over timing

Draylanger
McSweeney
Branxton



CGEPR 0220

15

small universe of clients who
could be & easy to go to C.I.T.A.,
they'd do everything, know the drill etc

BD had DM memo on 5-13
DD showed AE memo
during conversion pre-AE departure
for Japan

BD denied that he said
what DM quoted

BD very angry & worried

We can't assume accuracy
of DM memo

Pride in serving the Pres

Resistant
Res still scared on list of BD ^{fining} ~~fining~~

Future
Fast responsive 24-hr
available

If Pres has to go to LR for ^{mr} ~~most~~
Roth & AE calls me Sunday at
home at 10 pm & fix has to be cut for
Lunch staff etc. & get 18 seats

not have to do a lot of
explaining
commercial people --
loyalty not to us

They had no way of ci & coming
she had no desk



CGEPR 0222

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Divider Title: Jeff Eller

Eller Interview

DCH Notes

6/2/93

John Podesta opened with explanation that this interview is for the purposes of a *management review*, not an investigation. He noted that while the FBI may call upon Jeff for their investigation, that is not the purpose of the current interview.

John then asked about Jeff's role during the transition and about his current role in media affairs. Jeff explained that he spent a day in the WH during transition, discussion press operations with Shawn Walsh of the Bush Press Office. They did not discuss the Travel Office, except for passing mention when Jeff was given a tour.

Jeff said his current role is in the office of media relations, which is responsible for dealing with all press outside of the White House press corps. His responsibilities during travel include managing interviews with local press outlets. Jeff does not have responsibility for travel arrangements for WH press.

John asked when Jeff next heard about the WHTO. Jeff said he heard "bits and pieces" about the office from Catherine Cornelius during the spring. He said he advised her that if "they" were going to make significant changes at the office, then "they" should involve someone from communications early on, since this would be a serious move as far as the press is concerned.

Jeff added that he did not see Catherine's memo on reorganization until it broke in the press. He said he first heard about possible improprieties and changes at the office was late April or early May, from Catherine. He indicated that he was not involved in and knew little from Catherine's move to the Travel Office.

John asked if Catherine told her anything about the office. Jeff responded that she mentioned "inefficiencies," and he deduced that there were problems. When asked what she had done to follow up on Jeff's suggestion that someone from communications be involved in this process, Jeff said Catherine asked Jeff to play this role [*note: it was not clear to me when Catherine asked Jeff to assume this role—at the time when Jeff suggested involvement, or some later date. This could be important to determining when Catherine had the notion that the workers should be replaced.*]

Jeff described his next significant involvement as occurring the Wednesday or Thursday before the Travel Office story became public [5/12 or 5/13]. On that day, Jeff was called by "Harry or Catherine" and told they "wanted to move forward" on the Travel Office. Jeff walked over to the East Wing office used by Harry to discuss the matter. During the meeting, Harry recounted Darrel Martens' conversation with Billy Dale. After about 10 minutes of discussion, the three walked over to David Watkins' office.

The meeting with David also included Patsy Thomason and possibly Matt Moore or Brian Fouquart. At this meeting, Jeff recommended taking action as soon as possible. Jeff says he was concerned that action should be taken before any representatives from the WH travel office left on the pre-advance to Tokyo. Further, he said he understood from Catherine that she believe staff at the WHTO knew action was imminent. If this was true, Jeff suggested, then action should be taken before the Travel Office employees had time to market the story to the press with their spin. Jeff



CGEPR 0223

Eller Interview
DCH Notes
6/2/93

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CGEPR 0223

says he had spoken with Dee Dee and George and recommended pre-briefing press with the wires, the Post, and George Condon of the Correspondents Association. Jeff reports that George had told him if the WHTO staff really did something wrong, we should take action. Jeff says he specifically recommended to the group meeting with David that the employees be sent a very simple letter, without mentioning the FBI, etc.

At this point in the interview with Jeff, Mark Gearan asked about Jeff's knowledge of FBI involvement at this point. Jeff said he thought he had been told that there was some level of involvement.

Jeff said that it was after the meeting with David that "tempers got hot". On Friday, he met with Mack, Ricki and Vince to discuss the subject. [Jeff later noted that Ricki was present coincidentally, and that he could not remember having discussed the issue her on another occasion.] At this meeting, Jeff again recommended that if action was imminent, it should be taken soon so the WHTO staff couldn't set the spin for the action.

Jeff does not remember any action over the weekend. He says David faxed him draft talking points and the Martens memo in California.

Gearan asked Eller if the Friday meeting had led to closure to take this action. Jeff responded no, the meeting had been open-ended.

On Tuesday morning, Jeff shared the memo and talking points with Dee Dee and Dreyer. Dreyer had no real reaction, but Dee Dee seemed to think it would be a big deal. Jeff and Dee Dee spoke again about a pre-briefing plan. Jeff says Dee Dee was uncomfortable about including the wires, so they decided to meet with Condon and Al Kamen. Jeff said their intent was to make this into a column note rather than a full-blown story.

On Tuesday night, David called Jeff and told him he planned to proceed with dismissals on Wednesday.

On Wednesday, Jeff scheduled and did pre-briefs with Kamen and Condon. Then "all hell broke loose".

Jeff said it was at this point that Devroy started pushing the Eller-Cornelius relationship. George and Dee Dee recommended Jeff drop out of the issue, and as of Thursday morning, he ended his involvement.

At this point in the interview, John asked if Jeff recalled whether the talking points had included mention of the FBI investigation.

Jeff responded that David had brought him a new version on Wednesday morning which did mention the FBI. [Jeff is not certain whether or not the draft faxed to him in San Diego included an

FBI reference.] David returned to see Jeff later on Wednesday morning and told Jeff to delete Eller mention of the FBI. Jeff later spoke with Dee Dee and mentioned the change. Dee Dee said David had not told her of the change. As of their conversation, Dee Dee had already confirmed for a reporter the fact that the FBI was involved—working from the earlier talking points.

At this point in the interview, Todd asked Jeff if there was ever discussion of who would handle travel once the WHTO employees were dismissed. Jeff responded that his understanding from Catherine had been that Worldwide would handle commercial travel for staff, and that she would handle press charters.

Todd asked if Jeff was aware of TRM's role in seeking the change at WHTO. Jeff said he knew nothing about TRM until Harry conveyed Martens' conversation in their initial East Wing meeting. Jeff said he had asked Harry during the East Wing meeting if he was interested in the business, and Harry said no, he wasn't; it wasn't much money and it was too close and wouldn't seem right.

John asked Jeff if he knew how the Vice President's Performance Review had been brought into this. Jeff says he did not know. Jeff said he saw the mention of the Performance Review in the talking points and should have called Marla at the time. Jeff said it has since been made clear that there was no connection between the WHTO and the Performance Review.

John asked if Jeff has any knowledge of any other Martens proposals currently circulating. Jeff responded that he does not.

John asked if Jeff lives with Catherine. Jeff responded that no he does not. John asked if Jeff knew if she took any documents home with her. Jeff responded that Catherine mentioned to him that she was working at home, but he did not know what that he detailed. Jeff said he lived with another woman until mention of his relationship with Catherine appeared in the paper. Jeff said there were times when Catherine was saying very little to him, and that people "probably think I know a lot more than I do" about the WHTO.

John asked if the involvement of Worldwide had raised any sense of caution. Jeff responded "No. I didn't know then what I know now." Jeff said he does not know Penny Sample and had not worked with Air Advantage.

Jeff said he had not talked with Ricki about this, except during the Friday meeting with Mack. He said that Ricki "just happened to be there when I met with Mack".

John asked if Jeff had heard rumors about WHTO staff owning race horses, mansions, etc. Jeff responded that he had heard the rumors, but no evidence. He said he heard these rumors from "inside", but not before the week the employees we dismissed. Mark asked: you didn't know before they were fired? To which Jeff responded, not before that week. Mark asked: so why move to dismiss them, because they were bad people? Jeff said that he was under the impression that there might be wrong doing.

Eller Interview

DCH Notes

6/2/93

Page 4

Todd asked if Jeff knew why Harry was pressing the issue. Jeff said he didn't know. Jeff added that Harry agreed that it was important to act quickly so the WHTO employees couldn't act to prevent our message from getting out.

Todd asked if Jeff knew of anyone else involved in this; Jeff said no. Jeff said he threw away all documents on this on the Thursday he removed himself from the issue. He said he didn't think he had any e-mail on the subject. He said he might have a draft of the talking points on his hard drive, and he would check and see.

Todd asked if he had ever discussed the matter with Bruce. Jeff said he might have, since he was on the trip to California. He couldn't recall giving Bruce any paper on the subject.


CGEPR 0226

June 2 With Elk-

WHTO

Adler - my review
- not an investigation

What is your job function?

SE - no direct involvement w/ counsel.
- except when reporter will meet w/ us
- ~~Adler~~ a "duty officer"

JP when is media affairs
- dealing with new w/ press corps
- No ~~Adler~~ with a "duty officer"
- usual dealing

JP Did you

SE Photo with Show with re: Press operations
Going through general Assembly
1st or 2d

JP Travel office came up?

SE only when we passed it.

JP More transition later?

SE No more on travel

when next involved

JP Heard bits and pieces from Catherine.

Told her if there were going to be changes, involve s/o from press or office



CGEPR 0227

JE

- Didn't see memo until it broke.

- was late April - early May to when mentioned to Catherine
- Not involved when when Catherine went to Trial office

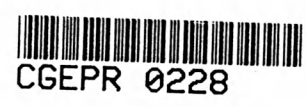
JP

- Did she tell you anything about

TODD - what did

JE I believed there were problems
she said inefficiency

& she took me up on suggestion of press office person be involved, suggested me.



Wed or Thurs.

~~Friday or later~~ before this went down, Harry or Catherine called and said
they wanted to have forward.

- Harry & tells of Mortons conversation common knowledge in charter by
- Spent 10 mins, then walked over to mtg. w/
- Recommended doing it ASAP? because travel office people were leaving in precedence to Tokyo
- Catherine said she believed the guys - knew c/s was going to happen. If true, I told them to send very simple letter

- I had talked to Dee Dee, - what I recommended that we do wires.

Post, Geo Condon. I said do very simple, don't mention FBI

- MDG You know of FBI?

Geo said if c/s n. way, get rid of.

~~JE~~

JE I had be told, I believe. That's when tempers got heated.

Friday, met with Mark, Rick, Wane. I said if we're going to go, should
do first because otherwise not working it against us.

~~Is there closure on~~

~~JE (cont)~~

JE: David Foxed ^{T.P.} ~~me~~ to me in Calif

DD: was there closure at Friday mtg to be there?

JE: no...

so Watkins Foxed me Martens Memo and talking pte. on Monday
showed it to Dee Dee & David on flight to L.A. Tuesday

JP: Their reaction?

JE: DD thought it would be big. Uncertain how it would break. Talked you
about pre-briefing. Decided to meet with Conder & Kamen.

~~to try to make (to~~

- Tues night, David calls, tells him they're going with it in
- wed a.m., JE calls Kamen/Conder to brief.
- Briefs on Wed am
- Then all hell broke loose.

- wed afternoon, did another brief with Pitt, Larry Henna, Post woman
- From that point on, I was done.
- Dewey started pushing. Geo & DD recommended I stay out of it.

JP: Do you recall ~~how~~ TPs. having FBI in them?

JE: Yes.

wed a.m. David brought on new version. (Doesn't remember JP FBI in ^{S.D.} ~~new~~ version)

He came back ~~so~~ later and said scratch FBI part.

JP: David spoke with DD about David taking out FBI Tps.

TJL Did you talk with Rizki about this?

JE Just happen to be there when I met with Nick

JP There was LAPP about rice horses, etc. Did you hear those remarks?

JE Yes

JP Any evidence?

JE No

TJL For where, inside or out?

JE Inside

MDG You didn't know before they were fired?

JE Not before that week.

MDG So why now

~~was there pressure to find any~~
Genul potential for wrong doing

TJL What was Henry's hurry?

JE Don't really know. He agreed with me that

IS Anybody else involved that you know of

JE No

IS JP Did you keep any docs?

JE Threw them away.

MDG

TJL Any ~~hard~~ ~~data~~ e-mail

JE No...

CGEPR 0230

MDG Any conversation with Bruce ... give him anything ... like Masters memo?

JE Maybe ... he was on trip



CGEPR 0231

JE

62

med. affs. as
no direct invol. ^{travel} ~~press~~ office

Dec 92 met ^{bus} w/ press office seen -

John Demarest Warren Smith (MHA)

Travel office not come up since
than to see it

Jan. 18 came to VA to do work

JE wants better prices from CC
want changes possible - JE advised
to get press advice.

JE not see Feb. 15 memo not
know of it - heard of memo at
time when broke in press

late April early May CC
indicated may be changes
not involved when CC went to
work in T.D.

CC said insufficient reduced
possibility of bigger probs.

Then used before the vet of
fixing CC or HT called &
asked the vet get together to

talk ... we're going to things
going to start happen

So you HT's & U hideaway
HT tells JE re conversation
BO had V/O on HT said comm-
ID in my phone then
to PU's office
V/O B. in F for JE
either V or TH - if do it,
do it that day bec for T.O.
going on procedure
to Taylor

CC said she thought
TO says knew something'd
happen & JE figured they'd
start working against it
JE had background info
V/O wires & post
HT wanted to push it
G.S. said if something really was
get rid of them
Friday make RS of JE put
JE recommend to move quickly



CGEPR 0233

DU call JB JE in San Diego
Mon - May 17 to rec fax h
TP1

(not clear closure on 5-14 mtg
to fire -)

JE 13th saw DM memo the
in SD VJJP -- should it VJJP - Dryer the

JE never saw DU memo to
Mark

too -- on plane SD → LA Tuesday

DD thought it'd be a story
not clear which way backing
talked at baby wires Post George Condon

DD & JE decided a joint talk
to Al^{Kamer} & Condon

Thurs 5-18 flying back from LA
DU call on plane & says do it
tomorrow

JE calls Kcond & Al^{Kamer}
Wed morning

Wed pm 4:15
JE DD & DU background
briefing LH & L woman (pm)

Then JE gave pretty much

orig. TPs had FBI reference
in them. DO brought
new TPs. Vol. in v. 1 & 2

ref. in these. DO then
came back & said lawyers
want to scrap FBI ref. but
DO had confirmed FBI ref.
AP -- before ^{press} briefing

Plan was World Vibe would handle, immediate
staff ~~on~~ travel & then put out to
bid CC to handle press ch.

At EU mtg JE asked if it
going to be but AT said didn't want
it & wouldn't be appropriate

Heard CC working at home, but
not know what

JE not in v. CC; I bring
v. someone else

X heard summaries of race horses etc etc
when horses broke no evidence

may have talked to Bl
given him a copy of Dim m...



CGEPR 0235

Clinton Presidential Records Digital Records Marker

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Divider Title: **Rahm Emmanuel**

Re: E- 614

HT ^{was} asked to come in re ^{image}

RE asked HT 2/3 ^{also} ~~most~~ D/C

all how we intro Pres.

per's kind of chair
every re image to what
social ~~secret~~ secretary
does ^{anythg. - 3 re} ~~stff~~ andy messy

lightly red tape + etc

mission was image stuff

R. to ~~agend~~

Task was image stuff

Quick Shavey 1st
2d series of renovations

m.m. Pres ^{of} party
all approved

having
left ~~Pres~~
P-1
meant
to sit with



CGEPR 0236

Clinton Presidential Records Digital Records Marker

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Divider Title: **Ross Fisher**

Ross Fisher

Miami, Fla

6-17

Feb 11, 1992

5-28170192

8K

8 traps for WATD
after PA down

Had down more for BD at Elmer-

flow & charter but not 1st
class 2/2

said we could notify U.F.C.
club duty etc.

needed commitment from BD
before to plan

all of it on the near
ADA from
les that ADA non-licensed
now carrier & that they'd
get UH bus.

presented (not formally) to
Johnny Brasseur & Jay Vazir
& BD

raised eyebrows that ADA get this bus. when
died re.

Warner approached for Kickback

Robert Warner vs Witz

No conversation w/ Warner either

believe & lack of in advice of ADA's

151
131
121
111
101
91
81
71
61
51
41
31
21
11

for ADA
to get VA
business

AF has civil reserve air fleet
(of Desert Storm type)

fort. looking

the incentives of

1) 461 land mil. fields

2) WH press travel on DOD approved
craft inspected by FAA

craft

AF

if further
b/c K
avail.

Head of

Air Mobile Command

(Gen. Raul Fajana now)

sent letter to DOD

thought approval for WH to support
program request AMZ craft

CHNOR

for WH for pass

JBD (handed in sent
no written reply

Ed DRIZZELL

Natl Air Carrier ASS'n

Knows story (202) 833-8200

To get plane outfitted up to flight
service - you'll need 6 mo. K at least

If it were me I'd track down
 • K just ^{every} flight

• What it cost
 & what press paid

Say Charter cost \$26m

I'd assume if 100 \$260 each

GTR's for 5 x \$260

~~to flight~~

Press pays & VH either free or
 pro rata should be GTR for
 VH + check from press
 fund for rest

Sum of checks & GTRs = total R pi

But Q is full sum of checks &
 GTRs coming into LHCO exactly

(no discrepancy in method
 of payment)

amount
~~going from~~ to paid
 out to Charter Co
 w/ LHCO pocketing
 the rest

Clinton Presidential Records Digital Records Marker

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This marker identifies the place of a tabbed divider. Given our digitization capabilities, we are sometimes unable to adequately scan such dividers. The title from the original document is indicated below.

Divider Title: **Vincent Foster**

Foster Interview

DCH notes

June 3, 1993

Page 1

John opened with explanation that this is an internal management review, not an investigation. Vince explained concerns he has about client privilege, and express the importance that someone review and think thoroughly about the issue before attempting to waive any privilege. Vince pointed out that all notes, etc, will likely be discoverable in one of the many investigations going on, and that it is important that this be considered as the report is written and before a final report is published.

Vince began a lengthy explanation of the events related to the WHTO with which he was involved. [the following is an account of the events as Vince remembers]

Mid-afternoon on Wednesday, May 12, David Watkins called him requesting an urgent meeting. He insisted that Vince meet before he go to get his haircut, as scheduled. David came to Vince's office with Harry Thomason and Catherine Cornelius.

Vince had met Harry for the first time beyond 30 sec. the day before [5/11] to discuss some issues relating to the Inaugural Committee. He had seen him again on Wednesday morning at a meeting on some "family issues". At the conclusion of the Wednesday morning meeting, Harry had said he might need to see Vince about some issue of graft or something—although Vince does not remember what word Harry used. When Harry accompanied David to Vince's office that afternoon, Vince figured that this must be in regard to the issue Harry had mentioned.

David opened the meeting with a brief overview of the situation. He said that CC and HT had—separately, as Vince understood it—brought materials to David suggesting the possibility of wrong-doing. He wanted to know how to proceed. David gave Vince the Marten's memo, which he glanced at. Vince did not know whose memo it was. As he read it, HT summarized. The key points Vince gleaned were that there seemed to be a sole source contract, and that although the names had changed, the contract seemed to be with the same source over the past few years.

Thomason expressed the view that this it was highly suspicious that one set of people had been handling he flights. Vince recalled that at this or a later meeting, Harry related a very vague conversation suggesting that a friend of his had seen what he considered possible evidence of kickback.

Catherine reported that she had seen \$72,000 in checks made payable to cash in the last year. She also reported that she had been "cut out" by the employees at the WHTO.

Vince asked David about the OA's capacity to audit. DW said thy had none. CC said she had copies of some checks. Vince suggested they reconvene at 4 pm.

Vince got his haircut, got picked up Bill Kennedy, and returned to meet at 4 pm. On the way back, VF gave Kennedy a summary of what he had learned. Kennedy said he had heard rumblings about irregularities at WHTO, but no specifics.


CGEPR 0240

The meeting began with Catherine--David and Harry may have been there from the beginning, but Vince wasn't sure. Catherine recounted her findings. Her principle focus was on checks made out to cash; she had copies of some such checks. She also had some original records. Vince said he noticed that all the checks made out to cash had been signed and endorsed by the same person, which he said seemed unusual. Catherine also discussed the fact that there was no competitive bidding; that she knew of no back-up for petty cash; that bank statements from a non-private bank account had a high volume of assets. Catherine also discussed the "lifestyle" of WHTO employees. She said conversations she overheard suggested that WHTO employees owned race horse and lake homes.

One of the three--David, Harry, or Catherine--suggested that the cost the press was paying for the charters seemed high. David said there were also management concerns, as CC had reported to David that employees made racist and sexist comments, and that they did not work full time.

Todd asked if Catherine made references to all 7 employees. Vince said the implication was really all of them. He asked her to break it out for him, and she said so and so owns this, and named several of the employees.

Bill and Vince explained that as they had evidence of potential wrong-doing, they could not ignore it. At the same time, they thought it could still be nothing.

Vince asked Bill how he was going to investigate. Bill said he'd have to get his arms around it. The fact that there were no auditors available was discussed again. Vince said he was surprised OA didn't have capacity to audit.

David said that, if the need to replace the WHTO staff arose, he would find someone for short term and then bid out the contract. At this point, Harry Thomason said emphatically that he wouldn't have anything to do with it. David acknowledged this.

Vince spoke with Kennedy about this sometime on Thursday. Kennedy said he had contacted the FBI agent he has regular contact with, and that he had a meeting set up. Some reps from the FBI had already been over, Kennedy told VF, but it wasn't the right people, so he had set up a meeting later with the right people. VF joined the meeting late. Vince's impression was that Bill had explained our "fuzzy" situation, and they had responded with a fuzzy discussion of what to do. Vince and Bill also told the agents that they did not want to do anything which would interfere with FBI activities. At the same time, we told them the whole thing could be innocent.

[Todd asked something about documents, to which Vince responded that Catherine had said that she had the originals because she had tried to replace them, but found that the place where the documents were stored had been locked-up.]

The FBI asked to speak with Catherine. She came to Bill's office, but Vince left before the discussion began. Vince thinks Kennedy left shortly after.

Foster Interview

DCH notes

June 3, 1993

Page 3

Vince later met with David, and maybe Patsy. He said he had arranged for auditors, who were around for the Gore Performance Review. He said his Performance Review teams was going to be in on Monday . . .

Dwight asked if David had meant that the auditors were going to be on-campus in their capacity for the Performance Review. Vince responded that know, David had meant his review team. They had reviewed some OA offices, including the Exec. Residence so far, David said.

So Vince returned and met with the FBI. He told them they might have a better way to proceed—by which he meant the auditors—although he can't remember if he told the agents about the FBI then. The FBI reported that they thought they might have something based on the conversation with CC. Specifically, they mentioned the possibility of kickbacks. Vince said he considered this odd, because the possibility had seemed distant to Vince. They said they had to check-in with their superiors, and they left with the understanding from Vince that the WH was still deciding how to proceed.

Vince said that he and David met with Mack that afternoon. The basic message was that we should begin with auditors—a business-like approach. The meeting was very brief, and was just an opportunity to bring Mack up to date. Patsy may have also been there, David began the meeting by laying the groundwork on how to proceed, etc.

Later in the day, the FBI called. Bill had come over, so they spoke with them together. At this point, if not before, Vince and Bill told the FBI that outside auditors were going to go in to the WHTO, and the Vince and Bill would report to the FBI if needed. The agent they talked to was fine with this plan, except he raised the concern that testimony provided by Peat might not be evidence, whereas FBI's findings would be. Vince disagreed with this assessment.

Bill asked about the interview with CC. They said she was bright and helpful, not advocating. They said the stories sounded fishy, but maybe amount to nothing. Vince added that he likewise found CC willing to be helpful, but not pushing a certain story.

David told me the auditors were coming Friday, and that he was going to Arkansas for his daughter's graduation. I did not object.

On Friday, Vince met with Patsy and Larry Herman and the Peat team. They agreed to report every two hours on their findings. We decide lawyers should stay out of this, to try to keep a low profile and that the WHTO employees will be more forthcoming.

Vince then went to tell Ricki. He gave her the general background. This was around 8:30 am. Before he could get back upstairs, Ricki found Vince and asked him to join in a meeting with Mack and Jeff. Jeff pushed hard for action on that day. He said we needed to get ahead of the story—the employees have a relationship wit the press, and there is some indication of wrong-doing. Jeff said Friday 5p is the right time to release this. Ricki just listened. Mack said we should proceed as planned with the auditors first.


CGEPR 0242

Todd asked if anyone else was pushing for quick action. Vince said Harry was pushing for action because he thought it would be a good story—go in there and do things right.

Returning to his account, Vince said the first report came in from the auditors and basically said the TO had bad records. The second report was a little harsher, but now much yet. After this call, Eller called. He knew the same amount as Vince, but he was pushing for action on Friday. Jeff told Vince he had spoken with George and DD. Vince said he interpreted Jeff's comments to indicate that George and DD endorsed dismissal and action.

Vince told Jeff he needed to stay out of communications and management decisions. He found David, and told him he needed to talk to Jeff about his concerns.

The 3d report from the auditors indicated discrepancies in accounting of petty cash for 7 of 17 checks but they still needed to keep looking.

On Saturday, Vince say Patsy in the morning. He came for a 12p meeting with the auditors since Bill couldn't be there. Larry, Patsy, Jennifer, and one other person was there. The highlights of the report included: horribly sloppy, etc; billed off estimates not cost of trips, adjusting through future trips; and most of this was in Billy's head. On the fraud side, Vince said, the auditors discussed the 7 of 17 checks to petty cash with inadequate accounting; the fact that Dale had pulled \$2,800 out of his desk to account for one discrepancy; that the avg. cash balance of the checking account had dropped from \$1 million during 1992 to \$300,000 during the spring of 1993. This last item was potentially serious, Vince felt.

Todd asked if the auditors made any distinction among 7 WHTO staff. Vince said his impression was that 2 people—Wright and Dale—had check-writing authority, but that any staffer traveling was responsible for accounting for petty cash taken. Vince said this goes back to his understanding that David had planned to downsize the office because they had duplicate functions with what some advance staff do.

After the noon meeting with Patsy and the auditors, Vince called Bill and suggested the FBI should be updated. He agreed to return to work and set up a 5 pm meeting with the Auditors and Patsy.

12 [On Monday [5/17], David told Vince he planned to dismiss the employees in the next 2 days. Vince remembers David saying Tuesday first, then later moving the action to Wednesday.

Vince first saw talking points on Wednesday morning. The first page looked fine, but the talking points included mention of the FBI investigation. He went to David's office, and met Kennedy on the way. They returned to tell David that the investigation should not be mentioned. David said he would take care of it. Later that morning, Vince heard that DD had announced the FBI investigation. And later that George was referring questions to the FBI.



Todd asked about the Collingwood meeting. Vince said there were a couple of meetings that day. He said that Bernie asked him to join him in a meeting with George's office. Bernie, Vince said, had been involved only in that Vince had had a couple of conversations with him about the issue. "He had no fault in this," Vince said. So Bernie grabbed Vince for a meeting with GS. The initial purpose of the meeting was to discuss Larry Herman's connection to the investigation. After Herman left, George asked about the FBI connection. Kennedy arrived and described the involvement. Ricki, Watkins, Vince, and Bill go to review a draft of the audit report.

Later, they met with Collingwood of the FBI. [todd: you need to type this part]

Vince then discussed the policies surrounding FBI conduct. He said the policy is silent on who should be contacted, and silent on the kind of intra-EOP investigation underway, and the policy says you should go through the Counsel's office, but did not say who at Justice to speak with. Kennedy deals with internal security, and to some extent this seemed like a "natural thing".

While all of this was going on, Vince said, Hubbel and Hyman were up for hearings. They were asked by the Senate for a written policy on WH contact. Only after the AG's comments did WH Counsel see the letter that contacts should go through the three. The Policy was at best in flux, and would not have applied in this context--although everyone agrees that now it should and does.

Vince said they knew the findings of the audit report on Monday morning, and the he was not aware of any suggestions to hold dismissals until after the report was complete. Vince said his impression was more that the date for action depended more on David's ability to get someone to replace the WHTO staff. Vince said there had been general discussions about using Worldwide to handle the job. He said he didn't know firsthand that they had handled campaign travel. Vince said this seemed like a possible solution.

Todd asked if anyone else was involved, pointing out that Susan had been mentioned in the Journal. Vince replied that he had never discussed the issue with Susan. Nor had he discussed the issue with anyone at Justice.

Dwight asked if Vince knew what contributed to the critical mass for the decision to fire coming Monday. Vince said it had been clear from Saturday that there was at least a management issue. He did not concern himself with the management issues of who, when, and how.

Todd asked about the sources of action on this, pointing out that TRM had been one track. Vince said he had never considered any interest on their part after Harry said he had no interest in the business. Vince said he sincerely believed it was a dead issue after Harry made his remarks.

Todd said the second action seemed to be Catherine's memo. Vince said he knew nothing about it until it broke as a story. He said he also did not know she was a cousin. He knew she worked in David's office, and that she had a related role in the campaign, and that she had worked in the travel office for some time.



CGEPR 0244

Foster Interview

DCH notes

June 3, 1993

Page 5

Dwight asked if Vince had ever talked with Harry and Eller on the phone at the same time [as indicated in the draft chronology]. Vince said never together. He had spoken with Eller several times on Friday, and he might have spoken with Harry. Vince said his calls with Eller were short, as he wanted to stay out of management and communications decisions.



CGEPR 0245

VP interview 6-3

DD Chronology

Pos; L-1 Subp; L-1 subp; L-1 subp; L-1 subp; L-1 subp

Q re returning notes

5-22 mtg(1)

CL 8-2, 10-1

CL 2(1)

mtg(2) 4-10 V, B/C

B/C: Need subp

CL 8-2 seemed high compared to L-1

BD endorsed & signed checks

re CL 8-2

CC not just reply to 2

PH high powered guy

bill on list & make up on next day,
even if says on day 2 not on day 1

Audit finding - comment

2 steps FBI internal audit; PH

Policy was RI investigations by outside
agencies, all contacts via WH Ensl
that VP not see this as gpl
to inform ~~consider~~ investigate

WLD if there
DOW but policy
didn't say who
contact...

BRJ deals w/ FOI or security
matters on daily basis

Review policy in flux w/ Hobbitt &
Ming working on it

Never discuss w/ ST

Anyone else - ghyon

That's all I ~~want~~ ^{think I should} say

ALH
Ruppert
Wad?

Shusen T

VV

Collins & McG

As noty continues w

collingwood of FBI

based on what you want set that
rears cause for "FBI investigation"

no decision re release of FBI info

lots of people in his office

When BK in UF office is discussing
to investigate BK mentioned FBI &
one option



CGEPR 0248

3 of Laura Foster wrote

JP Thought review, not investigation

Wine 6 6 diff. ways to get researched.

You have increased potential for inconsistency, even among individual persons.

I want everybody to hear that notes, etc., discovrable

I assure my of the cooperation I had were privileged.

Perhaps my have to be waived, but at this stage ...

Someone should focus on how to deal with privilege, etc.

Tell us what happened.

(continued)

UF

5/12 2:40 id

David Watkins calls, wants immediate mtg.

Comes with Henry & Catherine.

Had mtg with Henry Tuesday re: PIC.

Wed a.m., met w/ Henry about a family issue. At conclusion, HT said

David came: ^{thi} had a long range look in process at all phases
that CC and HT separately, as I understand - had brought materials on usage during
wanted to know how to proceed

David gave me a ~~Therese~~ memo, which I glanced at
- looked impressive, solo save
- where person

Didn't know where memo it was, at the time just scanned, heard HT summary.

HT named this as highly suspicious that it was the same people.

I can't remember if it was that night or later, or maybe both, that HT mentioned something at the time of a ki.
HT related very vague conversation relating to friends

Don reports that CC reports suspicious activities.

Says she's seen \$72,000 of checks made payable to cash in the last year
relating to her act.

Second night was more substantial - First was like 10 min or so.

I asked David if they audit or if there were resources to audit.

David said no.

CC said she had copies of some checks.

Vince said let's cut at 4p.

Went to hospital.

Picked up Bill Kennedy on the way back, gave him a summary.

He says he'd heard rumblings about WHRO before but no specifics.

- We start with CC, Henry & David

- CC presents Fir bill. Charles and her focus - she has some copies, some original records

- no bids

- no apparent back up, as far as she knew.

- has a bank statement from a now-gone account, with high volume.

- she makes comments about their lifestyles

- Race horses

- Lake homes

stuff they have discussed around her - despite the fact she'd been isolated.

David said at some point

One of the three gave opinion that the costs were high.

- My impression was that this was a person who had experience

- David made some comments about WHO might issues.

Catherine said they
- make most comments, secret comments, didn't work full-time

- ~~she said~~

Todd Did she refer to all of them?

Unice Really all of them. ~~she~~ I asked her to break it out for me. She said
so and so owned the race horse, so-and-so owned the lake house, etc.

Bill and I said: you have given us some evidence of wrong doing. once it landed
in our ~~hands~~ ^{hands}, we couldn't ignore. ~~Ample~~ ^{And lots of money.}

At the same time, I ~~remember~~ ^{thought} that ~~it~~ ^{there} could be nothing there. She obviously
didn't

I asked Bill how ^{he was going to} investigate. He said he'd have to get his arms around it.
As he said he didn't know. We talked again about the fact that we didn't have
any auditors. I was surprised OR didn't have.

David said, if we have no replace them, we'll find s/o for short term, then bid it
out. HT said emphatically he wouldn't have anything to do it.

David acknowledged.

Kennedy, s/o on Thursday, contacted FBI guy he deals with on a daily basis, and
that he was planning to see some people. And that they'd already sent some people
over, but they were the wrong guys.

I joined Mtg. b/c. My impression is that had said we had something fuzzy and they were being equally fuzzy. We also told them we didn't want to do anything which would screw up the FBI's role.

[^{CC} said she had original documents b/c she went to get them back and found everything locked up.]

At the same time, we told them this could be innocent.

They, (the FBI) asked to see CC, I left, Kennedy left shortly after.

I came back, met w/ David, maybe Patry. He said he ^{had} ~~not~~ Auditors who were around for some ~~old~~ Prof. Review. He said his Prof. Review was going to be on Monday...

DCH - with Prof. Review, or just auditors - or perhaps anyway for Prof. Review

VF - He has a review team here. Day etc. I know they've done our review.

- So I came back and saw FBI

- I said we might have a better way to deal. I don't

- They said they thought they might have something, heard from CC, on kickbacks.

- This seemed odd to me, b/c it was real vague and distant

They said they had to go see their superiors. They left with unbroken. That ~~they~~ we were still deciding how to proceed.

We met with Mike that afternoon. Not sure exactly what sequence, but message was that we needed should begin with auditors. ~~Just~~ You know, business-like approach. Very brief.

They may have been there. David did groundwork - this is how we'd like to proceed.

FBI had called Kennedy had come over.

They At this point, we told them we had outside auditors if we had to already told them.

They said they had a team, too.

We said we planned to proceed with our auditors, and then report to them if used.

He's Fine (Agent Wicks) with this - altho he thought PM statements would be admissible as evidence, but FBI statements would.

My understanding is that they will hang back, we'll let them know if we find something pertinent

Bill asked about her interview with CC. They said bright, not pushing, fairly but maybe nothing. ~~She~~ which is how I found her also.

My understanding is that auditors would be there ~~also~~ at 7:30 am David splits for Arkansas.

on Fri. met with Percy and Larry Herman and team. They commit to report every two hours if they find stx.

We decided lawyers should stay out of it, try to keep parties down - in hopes they'll keep the case forthcoming.

I go to tell Ricki, give her second prop. 8:30 on Friday am.

Ricki comes to find me when I get back up here to meet with Hank and Ricki and Jeff. Jeff was pushing for Friday return

Todd Why

Uma Todd, It was like get ahead of the story.
They have a lot of press.
They some indication of way-ding

Jeff says Early Sp is the time to do it.

Rick: said ~~some~~ nothing.

Todd Anybody else picking?

Uma Henry?

Henry Why?

Uma Good story. Go so there and do things right.

1st report from audit group - bad records

2nd report - a little better, but not much.

Eller calls. He knows what I know, we know the same.

He says we don't want get behind the story. I said this isn't my deal. I asked what's my job about Sp. He said that's the best time.

He said he'd spoken with Geo & DD. I interpreted his comments as endorsement by those two, where.

I want to get out of whether, when, how, you need to talk to ~~Eller~~ David.

For David, told him he needed to talk to Eller/ma: before before mgt. - because

3rd Report: 7/17 checkers have discrepancies, still need to keep looking.

to 10:40 → my hand started




CGEPR 0254

Saturday

Go to see Percy. Come back for 12p. mtg with Andrews - Larry, Percy, one other, Jennifer.

My sense is they are repeating.

- Highlights:
- no systems to audit,
 - horribly sloppy, etc.
 - billed off of estimates, not cost
 - budgeted on future trips
 - one of this is in his head

Jennifer or Percy pointed out dependence on him, with his

! Found side of the stories -

- 7 of 17 checks
- Billy Dale pulled out \$2,500 in cash
~~one of the checks, made the cash~~ to account for a check discrepancy
- Aug. cash balance in T2 - \$1 million
 (in 2/93 - had dropped to \$300,000)

This is potentially serious in our minds

They had no idea what the explanation could be. Maybe Billy for

Told Any distinction among # 7?

VF & impression was that 2 guys - Dale, Wright - who had cash rights.

But, it was up to the person who traveled or account for cash.

This goes back to my understanding that David sought to downsize b/c of duplication which advance.



USMC said they need another up date.

usually agree to meet with FDS & Auditors and at Sp.

our Monkey, David tells me he expects to act in the next 2 days. I think he said Tues first, then Wed.

we got back 2 T.P.s wed am.

Exor pyc looked Fin.

Then I saw the TP, went to the Duval's office. Saw Kennedy, asked if he'd seen, he hadn't, so we went into Duval's office and told him no good.

why

- My first reaction was b/c it would screw up investigations
the Doc says fine, he'll take care of it.

Das ist I hier ~~die~~ Die Die A gewandt it.

Todd: what about ~~And~~ ^{arg with} later that Geo is relying ~~on~~ ^{PS} to PRT.

~~Don't know~~ VF There were couple of mjs that day.

Q Had Berni been involved?

VF-

I had had a couple conversations with him. He had no fault in this. I don't want to over or under characterize. I try to keep him apprised, in daily kind of best.

~~It~~ So Demi gave me Es. Hg in George's place.

• Re. may have connection

After Klemm left, Geo asked about FIFT Connection

Kennedy was in and described.

Geo appears to have not understood.

Ricki, DW, VF, BK go to see audit report.

agree with desire to release.

Collingwood msg

GS not continuing w

Collingwood of FBI

based on what you want set that there's
press cause for FBI investigation

no decision re release of FBI statement

lots of people in GS office

When BK in VF office is discussing how
to investigate BK mentioned FBI as
one option

First Draft of P. FOS

VF

were circulated policies

policy is silent on who should be contacted

US has no self-investigation

policy says you can then have, doesn't say who a Counsel should contact at Justice

Kennedy deals with this kind of stuff - to a certain degree - every day
it's not a natural thing

while all this is going on, Hubbel and Hinson are up for confirmation

they were asked for written policy or contact

only few people did we see before they contacted us then

Todd

Any one else involved in, Sam reported error. Are you aware of anyone else involved?

UF

^ I've never discussed this with Sam.

I know by there's no other way to know.

Now discussed ~~it~~ with Justice.

I think there's all I should say about that.

DEH

What was critical was?

UF

Clear from Sat. that there's a newspaper issue.

The when, and the how, and the who... David

Todd

What the sources of action included in (1) & T2M

UF

When he said that - I ~~wasn't~~ concerned myself with it again.

In my head, in my gut, it was a dark issue. After Henry said he was

Todd

CC
(2) Expt. Memo #

UF ^ I knew nothing about it 'til after it broke.

Did not know she was a cabin

I knew child worked in David's office, had a related role in campaign, had worked there...

Todd

Why she was detailed there is nothing you know about

DEH

Did you talk to Henry w/ Ellen?

UF

no. not together. If any have spoken with Thomson separately, but not much.

I only had 2 calls with Jeff. They were short, and I wanted to stay

if via JDP 6:30

never want to be seen with

Th pm 2 mtg's

Health care mtg - + Thru + Hic
HRC says to VF - not the best
VJ Travel trip they
VF ^{says} ~~says~~ process, Kathy
figuring it out

Th pm mtg DU-VF

→ Th DU + VF re mm re PM

Mark has seen HRC secretly to
DU ^{re}

Mark's approval P -

VF tells HRC - on night re

PM

VF not update even Friday
Ellen's in VF's face

Fri VF I says to - V if you
want 'em find you talk to Ellen

(Under
5 mentioning
got to
day
last of

DV talks to Ellen long dist.
VF disengaging other than track -
FBI May have stated this
once again



CGEPR 0259

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Divider Title: **Brian Foucart**

Transit 6/11/12 -

Came to work. Feb. 15. Called by Dr. at
the inaugural. Had been ~~the~~ ^{the} ~~chief~~ ^{chief} of Staff
at JMC - ~~there~~

And asked him to ~~call~~ come help at The WH.
He came on a long train - worked on
25% cut, WH subject - 2-3 months -

Myrd

BE found out the Wt. Assn. Office head
was taking another job. - This Ben
found may be for Wt. apprs appropriation
positions were vacant. This advised
when he would ^(BE) review his office. It was
agreed by question.

This basis of
the review of
the trial affairs.
next to him.

Men 17. I advised ~~BT~~ to take the job. And
 he would agreeable. ^{He} Wasn't very
 interested in taking the job, but thought it might
 be a good opportunity. May 18 he took the job
 (and wanted to
 see me with)

Transcript

May 13th ^{afternoon} 4pm -
 10, ^{at} ~~Pharm~~ ^{Pharm} called to Patsy's
 office - DW has ruled on the group for
 activities. He's ^{at home} ~~negotiating~~ ^{the} just completed
 a version of it.

Roby ~~was~~ tells them of immediate need of a
review of trade office - no one dealing with
the trade office. 10 and F. are agreed to
lead the performance team - Bert Whinnick is
Supt not the mvr - some uncertainty of
everything.



CGEPR 0260

2,

Early meeting. Newark, 104th. (part time
and 5 "accidents" -

Alt. begins - return to 178 after. For
 later indicates year class and unusual.

Fr. day evening - go ~~over~~ the records until midnight.
It appears to let accountants in the office at even
The next morning.

(15) Est Am

lets concentrate on - At Pao, Kety asks
BT to speak of land group and find out the
scope of their work.

loan. BT - sits w/ trial and your rec: drops
of their work. BT plans to write and your (works)
and leave for a 11am haircut. Stop with 1 (paper)
Tom - Leaves at 5pm before FBI mtg. Guess
I give to O'Connor.

Shelby 17

On offers him. Has been p.b. on Mon. Travel
offers stage and circus. Hard of Fed interest.

[Signature]

BF tells pd. DW tells him to get involved in
travel office. DW says he plan to fire travel
office employees. (Thinks that Ed and on the
team involvement ~~resulted~~ ^{was} ~~in~~ ^{to} making it even not possible)
BF says DW should have a ~~extra~~ ^{express} so they
leave employees. DW asks BF to be witness him
at the mtg.



CGEPR 0261

Mg 11 (rec)

Rm 480 - DW meeting of trail employees. BT
 then to be a witness (has notes of the
meeting).

DW talks about review, serious about Shitman's,
 talks of ground mismanagement.

Dale begins affair; DW says now the law there
 is mismanagement. DW says they're released
 of their job. Says they should know by now.

BT reminded I need someone;

All employees know by now (except Dale)
 BT recall at 11:00 and want yetty work
 done. Dale would see Bob from and w/
 work and yetty work by. BT also Dale
 to accompany him to the bank to exchange
 signature in the account. They walk to
 Rys Bank on Penn Ave. Dale says he's
 heard that BT says "I do not want my
 name associated with any" / have a memo
 of BT talking of plan to replace employees "
 (Dale) He shows BT a copy of BT memo. BT doesn't
 know of this - Bank people know Dale.
 Thinks it odd that they didn't require
~~signature for signature~~ documents.

(under
 all name
 not in file)

Feder Smith:

- BT undertakes BT to Smith letter
- They show letter to bank regarding authority
 to DW and BT (account in name of VA Trail Office)
- Bank manager says they need signature
 cards.
- \$200 - 320K left in account.

(Fol and
 investigation
 not in
 now)



CGEPR 0262

Q 3

Wed (1942)

- BF goes to bank w/ Dale at 11:00 - (forced copy of memo - missing first page). 12:00 leave bank.
- * - BF tells Dale to handle affair.
- 12:00 - 1:30 pm BF & Dale send of memo in demerol.

Fr. Ly

~~BF suggests to DW~~

Duncan says to BF that they has no direction, they can't take heat - they want out.

* BF suggests to DW that they should let wait for. DW is unsure. BF extremely cautious BF suggests talking w/ Duncan.

An FY here in your back of BF
Then about BF was among the weeked. Was upset that announcement of American forces. BF was upset that announcement didn't mention BF involvement. ~~But~~ Then there will be a big ground.

CGEPR 0264

M.

Any (memorandum) w/ BF in office?
BF (My ~~letter~~ ~~letter~~? - deny the much) ~~had~~ called M and asked her if she thought about leaving. Said she would never get over this in office. (Met M at 1940 Convention) saw her smiling at the Hitler. adventure. Other people see thinks it's a good thing to do. BF was asked to make the call. (BF thought

That what he was saying was right) DW and
Phyllis want BF to call - They wanted
BF to Arizona (P.)

- * BF was imbalanced profoundly on 20-25.
- * BF was upset that B put the people on about the laws. Had no one.
- BF thought that once again nothing he would do to put it together.

Future of appan

- Vending system
 - Free. Returns fairly. General fund to help,
 - (Under no ground buy thing ^{10¢ by} ~~general~~ ^{and office work} fund) (Detailed by one road board.) - free. enclosure office.
 - Their advance buy done by volunteers
- King English

- * - BT says the "past appeared". The appearance is not an accident.
 - * Annual report about the '70s. He says of B. Committee to the A.S. (He says of the small group of people interviewed).
- BT was not aware that the people were for the M.D. West trip. BT can't get numbers, an exact trip from C.C. - the end of the year.

only was in the application first. He
knew from Dale that many wouldn't (or didn't
need to)
be put up front. Found out that
they weren't running the day before the
they broke. ^{I think} that I knew that many
was being granted by Air Advantage (Perry's
company).



CGEPR 0265

Brian Fournant 6/28/93

* Meeting w/ Dale heading to the bank:

- Dale says "I have a memo from
Cheney-Carmelino" Then shows Fournant
a copy of the Starnell memo, saying
"I don't know ~~what~~ how I got this, it
just showed up on my desk."

BT says Dale was concerned that, given the
possible investigation, he didn't want his
name associated. - Didn't want to lose
"good reputation" associated.

- Title:

Acting Director of White House Administration
(reports to Sam Watkins)

- May 19 dismissal of employees:

- Gov. Gary Wright was in Korea; 6
staff were present at the dismissal mtg.
Didn't recall how Wright was informed.

| Brian Farrant 6/23/90

* Meeting w/ Dale leading to the fact:

- Dale says "I have a memo from
Athena Cernulino." Then shows Farrant
a copy of the Skinnell memo, saying
"I don't know ~~what~~ how I got this, it
just showed up on my desk."

BT says Dale was concerned that, given the
for possible investigation, he didn't want his
name associated. - Didn't want to lose
"good reputation" associated.

- Title:

Acting Director of Whole House Administration
(reports to Sam Watkins)

- May 19 dismissal of employees:

- Says Gary Wright was in Korea; 6
staff were present at the dismissal mtg.
Dora + recall how Wright was informed.

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Divider Title: **Jeremy Gaines**

Jeremy

Maybe not specific, but concerned because cc showed up
LSP might also could sense feeling of discomfort

Never discussed with

- could have known that it's crazy



CGEPR 0268

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Divider Title: Joe Gangloff

5/11 WHTC: 10/

Joe Gagliardi

Adm Dir, OPI

Tom Karl

went to Joe's office on Friday

and they had info on WHTC

- got weekend numbers of

- from Fanning

- about Goldberg

and as they had possible integrity

- check rule out to look

- look-up documentation

- 3X Kidchuck garage

Debra Ann Sauer

- she is supervising position, I thought

- had been shown

- looked for documentation

- we later discuss prediction, but then

said
WHTC had not requested ~~FBI~~ FBI to
investigate,

Tell us there are already - Quality Review going on, with Auditor

(Auditors will look more specifically at WHTC, etc)

Said clearly, WHTC had not asked for any

2 steps to be completed

1) as per the memorandum (which

2) which if the call you in, you shall take control

EP anyth

Then looked Deputy and Senior Group Council

Said internal control WHTC



CGEPR 0269

(2)

Returned his call: bye message said ^{Don't} ~~for 11 minutes~~ + Jack Kennedy called him to call

- Been at Dept OPT 12 years. Dept 15 years

My voluntary was that S/O at WH had cleared the FBI

- Was there anything that could be construed as not accurate re. policy, bad policies, improper in WH calling

- Did it strike you as weird?

- I wasn't part of call, but I'll tell you 2 things

1) WH has ^{investigative} no room

2) FBI is charged with investigating crimes in Fed govt
How it is noted through FBI

He didn't to urgent report until 5/19

1 way of starting A.G.

Returned several other urgent in same day

sent to see Kubeck at FBI,
he said it was going down,
when he got back, told calling to
call

- In the context of an outside call in an on-going (pending) would clearly be highly unusual

would be the only for press, would shift to S/O etc

He never had a subsequent conversation with her

CGEPR 0270

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Divider Title: **Larry Godwin**

Leary Gorman GSA 702-305-6355

- Who referred him to you for action?

- What were conversations?

↳ Did you meet with him

- What is status of his proposal

- ICAP has been working on various initiatives for saving money for govt.

↳ Rm across Executive Jet

↳ Had sfo come in sharing of aircrafts and contract rental charter use

1983 Rev. Fin. & GAO report

↳ sharing aircraft seems to be a way to save

↳ get rid of underutilized

Had gotten in touch with Exec Jet a long time ago

↳ They asked us for stuff, just as they asked us for stuff

↳ Interested in ideas for companies like Exec Jet

PCIE is kind of a continuing audit, beginning Dec. 91

Had broad idea, but not a specific proposal

↳ seems like he was on a Five-Fifty trip

Came in some docs, told him what div we do, what ICAP is about, etc.

↳ We discussed some of the work on operational issues



CGEPR 0271

- ICAP has done operational

- the trial was for the...
the entire of entire File-

series of phone calls

I think maybe not again

Have had for Dornell - for... concerned in my

Hope to get better direction for...

& would like to have... his (Chairman) office, with

you would be... with his group... help in finance area

Dornell might have... some work to do - just

like he has been... experience

Operational approval I was talking... 5 people

in kind of... safety, but not... financial & security area

... security... P Finance division... safety domain which is covered.

would be a study that to get... (the...)

How did you leave it?



CGEPR 0272

about the... spoke me... with Kelly

Last time to me... Jack, = ...

Then Jack Kelly... some...

...

...

... to get... to

get cost...

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Divider Title: Dale Helms

Interview w/ Dale Helms - 6/29/93

5/14 Met w/ Patry T.; She asked Helms to find out how procedure and process for day care (contract by contract) the bid. Helms spoke w/ officers at Cst, and Dad (who gave him list of approved vehicles for day care) Helms gave this info. to P. Therman on 5/17.

5/19 Patry asked Helms to find out how the WH could contract w/ Wheelwreck to provide an a short-term service. Helms spoke w/ Cox, who said that the WH could get a waiver, just suggested that the WH address its request to the Cst. Administrator.

5/20 Helms, Therman, Fournet and Stu Bender (Gen. Counsel) met w/ Chris Wise (of Regency Travel, a subcontractor of WH). Talked about setting WH up on a short-term contract while having them compete by bid for the business. Helms prepared short-term contract and waiver request to go to Cst.

CGEPR 0273

5/21 Fournet called Helms and said WH was leaving and decided to go with the Cst agent. Helms called Jack Williams (Rich Tangle) to have the contract on agency on a short-term basis. Cst meeting Ames, Oso and Carlson as agencies. Helms wasn't clear whether Cst would give an agency (by making an existing contract) or go through the full bid process). Said it might they could give one.

(Note: As so aware that PT had conversations of Ames that day - and I'm talking about that we were sure to see Ames).

5/20. ~~At~~ banks to find the WHO grant.


CGEPR 0274

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Divider Title: **Larry Herman**

Notes of Meeting with Larry Herman
of Peat Marwick
6/3/93
ACO

The meeting reviews a chronology of Peat Marwick's involvement in the travel office issue, as recounted by Larry Herman.

Introduction to White House:

Billy Hamilton (of the Vice President's office) invites Herman to the White House to help with the Vice President's National Performance Review (NPR). Herman headed the North Carolina performance review, and had worked previously with Hamilton. Hamilton asks Herman to conduct a training seminar for employees engaged in the performance review.

Introduction to the Travel Office:

Herman receives a call from David Watkins on May 13. David says he has concerns about the travel office's accounting procedures, possibly involving cash. Watkins asks Herman to meet with Patsy Thommason.

Herman arranges a meeting with Patsy on May 14, and brings Leslie Casson (systems person), Carolyn Roudon (manager with knowledge of the airline industry), and three support staff -- Don Russell, Nicholas DiCarla and Charles Siu. He estimates that 10 White House staff attend the meeting, including Patsy, Jennifer O'Connor, Vince Foster and Bill Kennedy (Catherine Cornelius does not attend).

At the meeting, Herman recommends investigating 1) the focus on internal controls, 2) cash transactions, and 3) the office paper flow. Herman is told that he will be introduced to the employees as part of the NPR.

Research of the Office:

Herman and his staff begin their audit on the morning of May 14. Within "minutes" of discussions with staff, Herman recognizes that there is little financial documentation (things seem very disorganized, there are no procedures manuals). He describes Dale as not having "that type of mindset" to keep thorough documentation. Most of the Peat Marwick questioning focuses on Dale, with other travel office employees commenting at Dale's suggestion (interviews were conducted with employees as a group, as travel office space is shared).



CGEPR 0275

Herman discovers one bank account, requests and receives access to bank statements.

Herman is asked to check-in with Patsy Thommason every few hours on his group's progress.

Dale provides bank statements dating Jan. '92 to May '93, and tells Herman that statements dating prior to Jan. '92 would be difficult to obtain. Herman is also provided the travel office petty cash book.

Following is a laundry list of Herman's findings (see report for full findings):

- 17 checks check were written to cash in the Jan. '92 to May '93 period.
- Checks to cash were written only for petty cash account
- Found a missing page in petty cash book
- Only Billy Dale and Gary Wright wrote checks to cash and could access petty cash account
- Travel bills were sent to media on an "informal" basis; travel bills were estimated by Billy Dale, with differences in actual amounts deducted from future estimates
- No ongoing reporting of accounts receivable (no staff person had any knowledge of actual accounts receivable)
- No re-billing or follow-up
- Evidence of an entire trip (in excess of \$100,000) not being billed
- No recollection by staff of documentation
- Clear problems of management of petty cash account (no accounting of 8 checks totalling \$23,000 -- only for the Jan '92 to May '93 period).

Completion of Report:

Over the weekend (May 15, 16), Herman holds two meetings -- the first with Vince Foster, Bill Kennedy and Jennifer O'Connor -- the second with the FBI. Herman verbally summarizes his findings in both meetings.

Herman completes a draft report on Monday or Tuesday (May 17, 18). Herman meets with David Watkins individually on Monday to again summarize his findings. Herman's final report is completed around 3:30 pm on Friday (note: George S. asked for the report by Noon Friday for briefing purposes).

Herman characterizes his research and analysis as commensurate with an average Peat Marwick audit (the project entailed 400-500

people hours). He indicates that Catherine Cornelius presented a file of documents to his audit staff (which didn't affect the outcome of the report).

Catherine Cornelius also makes comments to Herman regarding the "lifestyles" of the travel office employees. She indicates that she is working in the travel office "as part of the transition process."

Herman also briefs the media on background (at George's request) on (date?). He indicates that his contact with George and the communications office had "absolutely no" impact the findings of his report.

End of Notes

LA interview 6-3

J.D. 6/30 2017

Prof'l institution scan
disorganized

procedures
not manual
description etc

3 major conclusions

petty cash
bad cash controls

no K U / any other changes (ultra)

documenting proper purchasing & expenses

process - none of record keeping

reporting record reconciliation cash

management etc that allow accountability

no segregation of duty sign check &
endorsing it as check to cash

Consulting review of financial management
system

no assets receivable or

paying



Re AR management

no aging reports how old 30 to 90 days

no report on outstanding, nor F366 in place

no rebilling

Key probs

- petty cash

- cash management (AR) system

- lack of local documentation

net assets lower than appeared
but receivables higher

no judgment made re quality of
receivables

Sat units

petty cash

lack of controls

" " "

Smiley put together the ARs



CGEPR 0279

12-
N.P.R.?

June 3 at Harry Brown, Ed Scott
canceled

Todd: what was your contact

CH: Had done training session with agency teams, which Billy Hamilton

Todd: Background before then.

CH: - Several KPMG senior business mgt.

- Led N.C. Performance Audit, which is what interested N.P.R.

- Billy Hamilton had worked at ^{CH} ~~the~~, so asked him to come for

Todd: are not above you did little

CS: spoke to me about helping with

Todd: how did you get involved in ~~the~~ matter?

SL: - call Tom Watkins (and P. day)

- we had found the irregularities

- and this started as part of app, but needed technical help.

- Asked me to bring together then

- Said would meet with Perry, since he was at Gordon

Called together team on Thurs. night, did briefing, workshop with

Leslie Grossman

Carolyn) Random - does work with USAR

Thomson support - Dan Russell. Active senior

Nicholas DeCato

Charles Sir

Stood on Friday in Perry's office

with GCS on backyard on what it looked like in terms of files.

DCH: where else there?

CS: Approx 10, 3 staff worked in H-Harry

Jennifer, Perry, Vince Futer. Bill Kennedy. who said ... needs (not (Lithium))



CGEPR 0280



b. j. one - 2 1/2 P1
 Do timeline
 →
 AB fin
 Richard

We planned to focus on: 1) internal controls

- 2) cash flow Lyn
- 3) paper flow Leslie

June 30 min. - on-going team

She said they'd intro us as part of P&P Perf. Review.

Sometime later, we went to CWA to

Other things were going on - so not so smooth. Flow (looking flights, etc.)

Spent many getting a better view.

How

Usually we begin with reading manuals / procedure books

within minutes, we established that

Initial observations: very messy, financial in

↳ clear that basic - job descriptions, flow, procedure manuals didn't exist.

We spent 10-20 or more with Billy

↳ kind of pop interview

↳ sit around Billy's desk. he would refer / ask the questions of others in room.

Meanwhile, got what statements available and got a team working in a separate room on # records

we didn't really contact Peter until about the time we got lunch

We made a call to look at 1/92 - 5/93 records, b/c going back

Further would be hard

1st step logical step seemed to be to ~~call check~~ ^{trace checks} hold out to Cich, and

Try to chase thru petty cash books.

Todd Under whose circumstances is it appropriate to write checks in Cich

1.11 Process described to us: someone would write check. cash would go to an envelope



And he stapled / taped to book

1 ~~Record of Money~~ in and out recorded inside notebook.

- In recorded as "check to cash". This taken out for trip, ~~by~~ signed out
- Back of book was to have record of incurred expenses

were told only use for cash was

Receipts for whole trip in one folder. Typically

We found 17 checks from the period to cash. All signed/endorsed by the same person

Told is that customary to practice?

CH not necessarily. small business not necessarily

3 diff problems. Found

- missing page
- no notation of addition to cash
- incomplete notation of cash

Explanations:

Typically, when we ~~find~~ find ~~an~~ irregularities, we ask for further explanation.

Each time when ~~then~~ we looked at

- Did not review ~~the~~ later before



CGEPR 0283

By early Friday pm., we asked Perry (before sp) that we were having problem

- are they same petty cash
- lack of internal controls
- Also, no contractual arngt. with ~~Ulterior~~ Ulterior and its predecessor

IS What controls should you have

CH Overall controls wrap into needs when you have findings
- no way to assess February responsibility

Ed Setz Give two examples

- CH Give two - no contractual
- no segregation
 - lack of reconciliation of cash
 - some form of mgt. reporting which tells you status of

ACU Did you have any findings on others?

CH As Frews was ~~mtg.~~ review of mgt. systems.
We undoubtedly was that there were some mixing of responsibilities.

eg. comparing billing status in

In terms of principle Personal mgt., we were told principle respons ~~til~~
for final mgt with Billy, Guy

~~ACU~~ out

ACU: What don't into Perry cash

CH: Does inclusion of petty cash not

Fri. pm.

CGEPR 0284

- we were told to come back weekend
- we tried to push Billy to find more documentation
He said he didn't know where it was

Sat. we started around the same time.

- Selected 76 pers. disbursements.
- Began developing our own record-keeping

- Bills are sent to press on estimates, ~~8~~ about 1-2 wks after the trip.
- Prepared before sent out

- when the bills came in were adjusted ~~down~~ on future trips

~~was~~ ~~well~~ would Billy say this worked, even for long out?

He would say that he might miss some, but it would work out.

Todd What about accounts?

He wanted to look at Cash Mgt.

Close statements of gross account went down substantially.

We were told that went down because bills from extensive presidential per capita travel, but there was a large # of receivables outstanding

This was true the amount Billy provided

There were no cash mgt procedures

no accountables ~~procedures~~ receivables

no aging & report.

Little

as report it all of
accs. receivable

GAO
reports

Q Any late series?

A Not to my knowledge

CGEPR 0285

Q Was it ^{their reason for concern} plausible that ~~that~~ ~~was~~

not as risk.

We knew

1) problems with Petty Cash

2) no cash mgt. - which is technical one for ^{not} ~~knowing~~ ^{knowing} what's avail

on the points. 1) ^{assets} ~~assets~~ available

2) accounts receivable much higher - ^{that's} ~~as~~ - No one knew what
receivables were

2 mgs Saturday.

1p.

Will in lines as it ends, not both

Sp. with FBI

Jeannette & I are at one mtg, Patsy was not.

some of younger staff went with Pat people on Friday ~~and~~ Sat.

Ridick

went through

- petty cash

- internal controls

- contractual mgt.

on Sunday, started to build accs. receivable in R

Met with FBI at Sp.

Tedd

Did FBI ask, and did you think there was any fraud or potential criminal

CH I went through. I don't think they asked any questions.
outline P Report on ^{Monday,} ~~Tuesday~~, documenting.
outline only Monday pm, Tuesday a.m.

Tedd

Anybody else you dealt with

Met David on Monday morning about 11 am.

I explained a little more detail on process - he was my client.
I believe is ~~my~~ ~~the~~ Percy and Jennifer were there.

AC:

Bill or David your client

CH

on Monday, asked to whom to address
- explained open to counsel.

CH

on ~~Wednesday~~ Friday, that said they wanted to release report as it was.
we came over, handed on it, go it to them by 3:30.

we were still analyzing review

to not you find didn't get

AC:

How does this review compare?

CH

we diagnosed the problem, said the patient's really sick.

But didn't go to the impact the patient's health.

Acc Did CC give you any documentation?

Lt Yes, the staff person went through with her, thanked her for it,

Acc Did she give you any info?

Lt She said she had some suspicion based on conversations by overheard. She mentioned lifestyle.

She said she was in the office as part of the transition process the Presidential transition process.

I told her we were going to ~~cover~~ cover

we will have written the internal letter by if we had not had any contact.

Wed pm

3:30 asked to come over, call them.

went through to George's office

Asked me to stay, brief with Lt Press (background)

IE had reservations b/c we don't do w/o press)

(they didn't ~~hear~~ ^{hear} the on-background)

- They called -d said they wanted report on Friday.

IE had hoped to have it at ~~the~~ ~~2nd~~ weekend

I walked over there late while Paul was prepped

CH (Billy Dale said

There was some when the press office asked us to get a price down, so they had pressure to

fill slots, so Dale said we would lower cost

- Meeting w/ Pat Sherman. 6/5/90 -

- Billy Hunter asked how to come in.
- Interested in North American indigenous and it (he called that indigenous).
- Hunter had worked before for Herman. Herman was asked to conduct a training seminar.

Travel

5/10. Received a call from ^{who} Dr. explained he had access to travel agency, accounting, property, etc. Asked him to consult on workings of travel.

Asked to meet w/ Paty Thompson.

Very bright in a system he/she (person)
Carole Rando (manager of office and support support - Dr. Russell, (and it, senior)
Nicole & Cole, Charles Ev or Sto.

Look into access to cash, audit controls, general systems.

5/14 -

Spent up in WH. meet w/ Paty Thompson (10 people attending) O'Connor, Vince Foster, Bill Kennedy, others introduced as Paty or Jack's staff. (No one was not there).

2
having assembled looking into:

1) Former internal controls

2) Cash transactions

3) Paper Office —

—
- Larry said that he was told he would be introduced as part of the performance review.

- Travel Office
- introduced to CC in office —

Process —

- Within minutes but for no documentation.
(very disorganized, no procedure manuals).

Said that Dale didn't have that type of mindset. All questions were asked Billy.
(There was interplay with other staffers)

- Fact out that there was one checking account
- Asked for access to bank statements.

Larry was asked to "check" every few hours. (Contact w/ Paton was for about good delivery).

Jan '92 - Mar '92 bank statements (was told that info before Jan '92 was difficult to obtain). Went through pretty close book.

Found roughly 17 checks that had cleared.

Billy Dale and Ray Wright indicated that they would write checks to cash —

- They will make an entry to book.

Tell that only reasons check to
cash which were another way to petty
cash. - Petty were receipts & paid
(not not unusual)

Checks were signed by Coughright / Billy Dale
& entered to Wright or Dale.

Also found missing page on petty cash
book.

* - As a procedure FBI asks for clarification
for discrepancies — No information / clarification
from Billy —

Only records for 92 - 11/17/93.

- Bright discrepancies to Tatum (Coughright)
(he typically would report such discrepancies
quarterly to a client).

- No petty cash check
- No controls
- No documentation

- Henry Herman says the office should be
auditable.

* All financial responsibilities co-mingled.

Some functions were performed by other staff —
I do not think of specific management
functions as part of other staff —

Agreed that only Billy Dale & Coughright.

4/

Returned to work over the weekend —
Had staff to "push" for documentation
he said he had no idea where they were.

- Tried to determine general requirements
through road trips — (Silly to you)
- Bills were sent out on an informal
basis. Bills were estimated — estimating
GPR —

By chance I was an "informal
method" of selling and recording —

- large cash management reduction —
was it was payment of full costs (

~~Account Account~~
General
finding? —

- No going report
- No reports of substantially accurate verifiable
- No re-selling or following —

Clearly problems of getting cash
Problems of cash management in
BPR, etc.

No one had any idea of the
total of account verifiable —

Sat

2 Meetings at 1pm w/ Vane on B.H. and the
FBI. (planned at earlier meeting)
was later in the day.



~~SECRET~~
- Full on View

- Report report on Monday/Tuesday.

Met w/ David Watkins on Monday
and went through findings verbally -

Proposed letter drafted Monday -
Wt suggested writing to council (William
Rumery).

- Shipping known made before final report
(report released on 27/01. although

- 4 -

- Average in shape and size
400 500 -
Analysis & description -

* Cathedral analysis -
he had a file - had a full year's record
the file

* Refers to the
fact - the was in office as part of
the transition process.

Wed - 3:30 pm

* Perry asked him to name the
employees —

Indicated the years —

* Also indicated, not

Herman Interview 6/20/92 -

For Consultants to become responsible in
youth care system Friday.

Excerpt

\$2,800 - In a follow up, informal ^{of the \$2,800 as} conversation with a PMS staff person, Sally indicates that
he's ~~found~~ had the \$2,800 - ~~found~~ it
was originally withdrawn from the youth
cash fund for a trip that was subsequently
cancelled. He then pulls out an envelope
with the \$2,800 from his possession. Indicated
that he used \$200 in another trip.

Re records:

- Herman said they gave considerable energy
to trying to locate records of the youth
cash transactions and (the other transaction)
When they questioned Sally, he has not
indicated why records are needed. Does not
have the smallest or accurate knowledge to
verify standard membership terms or
fees.

- \$100,000 - Lx.

PMS staff has not found documentation that
within the policy of a \$100,000+ trip during
Jan. '92.
113,000
I would agree staff could not determine
whether the trip was funded that Friday. On
8/1, staff gave some indication that the
trip had not been submitted to the press.

Herman Hoff also became that the
affairs computer system d.d not return
record of a removable and a full case in
records of removable removable listed. Trans
Hoff indicated that they put the system
in the office only several years ago.

Herman Gross Sargent Higgins

While in 'B' office on May 19, B also
Herman to find the media "on background"
around 4:00pm. For while he did not
want to find the person then entered
B's office. They asked Herman and
B question for approx. 45 minutes.

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This marker identifies the place of a tabbed divider. Given our digitization capabilities, we are sometimes unable to adequately scan such dividers. The title from the original document is indicated below.

Divider Title: Tom Karl

①

stunt w/ Tom Kirk W.H.T.O.

- Superman, cont. crime

Rick called me into his office, around 9am on 5/13

↳ Jim Bole at 5pm was there.

Said they had information on possible crime, maybe theft, didn't know where to take it.

↳ Told them unless program Bole, probably Apple.

and also, (p. - Rick called) and said ^{Adm. Asst. Direct} we needed to go

[Tim handles activities, plus regional respons. for Washington DC.]

Any balls go PP about W.H. contacting FBI?

- Something, like a source. But I never gave 2^d source.

met with BK

↳ some company

↳ senior Administration, seeking advice

↳ explained function of W.H.T.O.

↳ explained: - employees living beyond means

- stolen/lost assets of article vendors

- petty cash check

BK

then asked what we should do?

we said we didn't have enough to go on.

He asked to have CC come up.



CGEPR 0296

2
TIC

we spoke with ~~for~~ CC, she explained she worked there
(is now is, she asked BK for file, she referenced)

Talked for maybe 35 min.

Told us she had contacted S/O she's requested work in travel biz., asked them to
contact with office - they were rebuffed.

' this person (in industry) then asked Friend at Miami Air to call
UP or P of Miami Air called, told it would cost the \$/ Kirkback

Mrs. Kennedy and Foster returned: Asked her to proceed.
(CC splits)

Karl explained that story of Kirkback a crime in his jurisdiction, and said
they thought they had jurisdiction.

(when we initially talked with BK, had said no ~~invest~~ auditors with authority to
investigate)

when ^{UF} he was back, he said they did have auditors, For Performance Review

Beginning of conversation - no auditors.

End of conversation - auditors.

we left it at let the auditors go, let us know when they find

we spoke with UF and BK later by phone

UF said auditors going

CEBI said maybe they should send agents in with auditors

UF said no, not sure enough of allegations to bring in auditors

Possible if any evidence or incriminating statements, they'd call

(3)
tk

o Conversations with DOJ

Joe Gagliardi
Friday, called Stuart Goldberg at OPI

explained who we were, thought we had jurisdiction
explained we were ok to go in, but we had to hold back and do audit

we discussed with Lohrke and Fred Verinder on Thurs pm.

Does either of them call Det

my earliest Fran e-mail - Fred called Terry McDowell, he suggested calling
L got message around 2 p.m. called immediately. *Gagliardi*

So justice is up to speed with who you're big?

Yes.

Joe Gagliardi
called Goldberg.

he explained what had happened.

He agreed we had jurisdiction but said it would be like a good idea to wait for Audit.

- no one raised policy question re. with calling FBI?

no

Friday - got reports from auditors

- records & shuffles

- potential petty cash discrepancies

- Audit would continue

We had said we would have agents on call

- for Peter, Gagliardi gave me his home number said he'd have agents on call

(4)
rk

Bl calls on Saturday pm.

Ten comes in for mtg.

Callie & Dick Drive from Wash. Field office

Bl, Percy, F&T begin mtg.

Callie to explain

Then Post roomed

Started again

Callie explained Findings

Callie checks, only 10 entered

Callie checks \$1,000, found
reimbursed

Callie room BD had found \$2,000

Callie asked about lack of contract w/ Ultrair

Callie said billing process in estimates

Callie couldn't find source for initial funding

W.L. & 45 min. discussion

Trying to figure out how broad

Callie clearly not doing a fraud audit

Callie looking to do better guidelines

My personal opinion is: we probably have ^{critical} problem we can develop here
but no additional info on technique, except sole ^{point} contact with Ultrair

(5)
TK

How did you leave it?

- holiday picture thing audit
- Is Ruff such a crime you can investigate?
- we leave it we press money - so not govt. Fraud
- question is to whether or not O&B is

But, Fact that govt employees - kickback

Huber sold much govt sale - carrying

Was on leave - M. T. & , maybe tried.

- NO contact S, M, T at White (then as who

- sent all back and forth with R/C re: when audit

System had to be reviewed G/C someone not satisfied

G was ultimately put it Friday

- Did you discuss w/ Collingwood re: status?

M

I don't think I talked to proccoff or Ruff

Mr. Kubick and Mr. Branger did ask, where the Report?

- once I got it, did briefly (e-mail)

Set Conclusions: got report to TK; TK would get it to Branger, then he could determine what investigate strategy to pursue.

Pam Kari 6-25



Jim talked to JB

5-13 12th-1

OK & value said dinner (by ^{week}) for talk

Frank Vaginder Dec ASST Dir in ch for
at VC came back

Govt. Panel. Unit

Larry Potts ASST Dir CRL

✓
Coulson

✓
Vinken

*1

Sec'n Chk. V Colh Kubic

✓
Govt. Panel Unit-Wide

Karl Superson

TK understood referred back to
V Colh came back

one unit handles

program type of fraud

JB thought 'ee Thatt. based on
that RV & TK didn't apply

then kicked back to TK & RV

talky to BK

Still not concl'n that LRC
concluded that # to unit
had years over

Based on convers'n v/cz
probably predict'n of prob.

allegin kickbacks from
vendor doing bus. v/cz
a K-ing from

lifestyles was minor
told by someone else 5' had
it out bus 5' 1/2

BK indicated matter

being followed at highest
level3 of v/cz & zone

very few in or
someone at v/cz to make
decide so v/cz input
as quickly as could pro. &
it

indicated they wanted to take
act'n by end of next day
v/cz going over weekend


CGEPR 0303

~~Kant~~

only person we
briefed was Kuber

not sure what he is

Supervisory Special Agent

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Divider Title: Jack Kelly

Jack Kelly notes

Did GSA refer him to you?

No.

Harry Thomson sent him to Presidio
went ~~to~~ ^{to} Made
went to Laker, and down

Called around several places

called, left message for Thomson

Darrell Fixed him: item to Lindsay

L

- copy of memo to Darrell to Harry
- copy of Lindsay memo (DMS:BL)

Did you know we were looking at competition immediately after

Chico had said it was only in-house travel service, and provides less service

(I had not figured out any way to put it out to ~~market~~ bid

(I thought interest from USW, which heard about from contacts, was great

- Met Betts at a Sec. of Travel Agents in Galt.

- Told her play by rule b/c extremely public, potential for embarrass very high

Real message here is: what people get is going to be a lot better.

^{aligns}
Modernizing in a big way

OA has around change and program and every one program (travel), which is bad

[- Side bar, R. L. ...
...]

Committee on
- Interagency Aircraft Policy

1-67-528-7823
WH

CGEPR 0304

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Divider Title: Bill Kennedy

Docs. from DU etc.

6-8 B. K. K. K.

Talk to Craig Livingstone

BK → Shaka

Special investigations (SPIN)

I have a problem how
get me in touch with someone
I can talk to

Are you in charge!
things to make sure we
do it by the numbers
not really to ask him
to do anything himself

ASIS is now the contact agency
I need help in dealing

The work is a potential skinning problem
can help a guy get me through
fight person in #31

Get some info on this

Not looking for info
looking for someone to help me
figure out what to do

run
-IRAPs

IT
mention
anyone
else



CGEPR 0306

AM Went FBI to get in yet
 Th. 15:15 Not pick it up to
 that level yet

Went not want to get in yet
 to others to FBI almost
 but to conditions "hanging"
 not a chance But U. S. A.
 back I was wrong after
 talking to some folks

VPA came (and to) hundred cases
 not a solution)

means of a dilemma for VA ^(US) ~~US~~
 + not conflict FBI, covering

2pm: oral historians vital

ASK
 P.M.

(Computer deleted payables
 on Receivables)

BLK told Re team in drive
 W. 11th St. by PT
 FBI objects 1 BLK Q. U. D. U.

Review of the:
 36, 47 to 100
 100

6/8 with Bill K... who

- Some conversations...
- etc. of other...

Around 2/10 ...

There are things

- 1) sub-abstract name - names
- 2) with security, review some level but ...

As is getting similar and heard names & ... problems with the travel ... office

Managing ...

Hard they were ...

"For ... just what I'm hearing ..."

That ... a new person is ... not be treated correctly

Hi

Is this ... ?

No, third week ... February, maybe just ... I should ... that I just got here and I was ... all sorts of ...

I think, but ... have a clear ... I might have heard something from two ...

It was ... it ... in the office, and ... people, not being included in things ...

to 5/12

UP says: ...

36 and: ...

36UF said: ...



CGEPR 0307

(2)

off to UF's office

on a computer there - DW, UF, BK, HT, CC, UF reported Facts.

had met HT once but
couldn't know him

CC did her spot:

she saw "she got there, they started acting funny - keeping her out of stuff, started to
surround her in the back, checks a pretty cash - no bank up, things up
she was like there.

UF was there, I didn't

...

• Did she reference anyone suggesting wrong day to her?

no

UF returned back Trip File, receipts. Included checks to round figures, endorsed by
signature,

HT checked in - talks thru memo, which UF had a copy of.

suppose CC, there's something wrong here

• Does he say anything about kickbacks?

mentioned st about Mini Acc. said somebody approach Ultra is with about
kickback.

- I thought at time, that now - this is 3d, 4th hand hearsay

DW came in at some point, maybe 10-15 min late.

- Give background on why she was there.

- UF and I learned that WH has no audit capability

started thinking of what options

• Why audit?



I'm curious longer - checks written to cash, round numbers, endorsed by signature -
... and then ...

(3)

There's a sense that we got FBI to verify
• Any sense that a decision had been made?

I was there as 1) WH counsel, 2) security officer.

I didn't want to do anything to these people unless evidence.

• Others?

4T is further along this curve than we are. He's saying they're ^{dirty} ~~corrupt~~ etc.
cc is nervous & young, scruffy. Not credible.

So DW says no audit capability. We talk about OMB. Fisman (RTE)

Meeting ends. VF tells me: Figure this out.

I am WH security director. I elaborate on stuff. ~~in~~

• There are three local FBI agents. They do background checks, etc. They ask no questions
• in the process of bkg. checks.

• Also don't need FBI AG guys about clearance process for nominees
(not supposed to do it back, they're supposed to call FBI)

• Had to be careful not to get these guys in trouble

Bk calls Jim Burke around 5:30 p.

(he's ~~back~~ in SPEN (special inv.) unit)

Told him: we have issue of an officer maybe coming in s/r: but when should I
talk to?

I unequivocally told him: see your internal trips. By all means, make
sure we do this by the numbers

He said it was too late, would I have to call back.



I didn't call to tell him I had something for him to do, but to find the proper
person to talk to. ^{first impression} I was looking for
him to call back. I was looking for him to call back.

(1)

Go there on his way to WH could stuff msg.

Chap: sure HT outside msg.

LT: sure if anything, going on.

LT: think him: still figuring it out. Told him no specifics re: FBI

VF, after msg, asks him

10. calls Frank

with him - ~~the~~ contacted right people.

calls msg in 30 min: says talk to Agent Apple. / can't find

He calls ~~with~~ Apple.

With Father to come over, Apple says no we'll come.

They get here, Father: they say you have the wrong guys

He ~~and~~ says but I need help - who do I talk to.

o Did you feel time pressure

More work press, plus

With Apple got into discussion for need for predicate to investigate.

Talked: I don't need investigation, I need to know what to do

Apple says: we'll get the right guys
30 min later, Rick and Tom call

LT offer to come over, they say no, they'll come

At same point I'd given VF status report.

They came around 3p.

LT: begin who Father, who can in 10-15 min later.

LT: and BT take thru facts

LT: may agree there is a/s suspects but don't risk judgment on prediction.

LT: kick around with them no options for what to do.

I asked if they'd do in my I told them they said: can't do.



CGEPR 0310

(5)

They asked to see CC.

↳ She comes

↳ UF leaves

↳ I stay to min and splits for the Hill

Later I gave doc back to Catherine. I'd had them a few ~~hrs~~
mly in the UFic office.

BLE returns Ron Hill around 6:30 or 7p

- Finds Vince, we call Rick Wade, who had an unreturned call in

- After speaking w/cc, FBI thinks they have predication to investigate

↳ checks

↳ allegation of kickbacks, relayed by CC

↳ could have a team of agents in on Friday

- UF had told me we had auditors, which I thought was great

↳ didn't want to raise stakes

↳ didn't know enough

- We tell under: we've got auditors, we make decision we'll go with auditors

o You said no traps. What are these traps?

- I don't know. I do know there was no FBI or Justice prohibition syst. we
talking to them.

- we were clearly under the impression we were talking to someone else there.

o FBI can make predication decision w/o Justice

- I figure that's what they do.

- we are aware of dilemma. one had, allegation of wrong doing - could look like coverup
but credibility very slim.

CGEPR 0311

(6)

Understand: at this point, still believable that nothing wrong

• why no agents?

I just told you. All we had were allegations. Not approp. to send FBI in
guns blazing.

This evening, came home. We called.

He'd make argument he should come in with his own folks. He'd agreed that
statements made to auditors would be ~~under~~ hearsay, whereas statements to
FBI ~~that~~ would be.

Called at 7-7:30 said: I was wrong - statements to auditors would be admissible!

Answer indicated that he was not working on his own, but reporting to S/O

Fri Ly

at 7:30 for meeting with auditors. I thought think UP, no.

We heard auditors - no smoking guns, but allegations.

Watkins had developed cover of ~~and~~ P-R Review.

Told them FBI around if you need them.

Worked out reputation of system.

audit team also:
b/c they had the
cash

- They reported small losses. I in turn reported to

- First report. Horner story started unfolding.

audit team - financial matters.

WPR team - focusing on mgt. (See O'Connor's report)

CGEPR 0312

(7)

10/30, 12, 3, 5.

Learning about how he'd.

By the end of the day seems like about \$18 grand uncracked for.
for less update, signed REAR with work things etc.

I called FBI was, maybe 2 times - to give status report.
Told them we have some info. contribution.

~~at home~~

They confirm said again they thought they had production we told them we planned to have
auditors continue working thru Sat.

Get phone numbers for home, signal

By late Fri. I'd intend to auditors - I think s/o is dirty in this office

Set

was at home babysitting.

Called to Vince, Peter & couple of names.

Up 4p. Vince calls, says auditors about to do round-up.

VF summarizes. A message, huge drop in bank balance, down from \$1.5-
2.0 to \$300,000

VF says come ~~here~~ this ^{seems like FBI's} ^{ask} ^{OK} from Carl where else.

Carl comes with field agent from D.C.

Bk. Peter, Peter, Jennifer. 2 FBI, Jack Miller (Bk). Don't go phone.

Account review. 2 things new to Bk

1) drop in account

2) Bk pulling \$2,800 in cash out of his drawer



CGEPR 0313

(8)

Looking Fishing

piece by piece.

- (1) ~~Dismissed~~
- "Pest" per. of C.
- UF holding FBI
- back part of
- Findings

BD had been questioned about each ~~part~~ night before.

FBI announces that they have predicate to investigate
- said they had spoken with office of Public Integrity

we ask what they shall do?

They say: let Pest complete report. We will
complete rule and investigate. IP need be

termally Haverhill
is per some extent
with heavily

key
point

we ask cause we heard allegations investigated in a reasonable
way, and presented facts to

Pest says: no audits possible, it's a mess, we're losing most from total history,
they say they want more time.

They said they want to look Sunday, begin Drafting next mon, have something
for the FBI to look at by Wed.

~~the you hand~~

• Do you talk to Mr. Henry, anybody?

I talked to no-one other than Uva. I knew Jeff was involved from Foster in
press aspect. Had bumped into CC, told her to keep quiet about seen Henry.
H. let her McHenry.

Any increasing pressure Thursday - d Friday?

Fair to everyone was appalled about what kind of discussion of personal
status, but no pressure.

Any more -



CGEPR 0314

①

Sunday

checked-in with Percy, that's about it.

starting the security precautions.

↳ wanted people dropped hard drive.

↳ changed locks Saturday or Sunday.

At some point, he'd talked to Beth who reminded me that as Fed employees must report every day.

By Sunday, Pat seemed to have named Enns investigatory → indicate.
Also found out, they had crazy computer system which didn't
record at some pt.

Monday 5/17

Wither returned mid-day - probably 11am.

Percy and I met with him in his office or hers. Maybe long conversation, the
Monday was first I heard about maybe dismissing

Mon or Tues: called FBI, told them the action was still working. Sound
like maybe well target ok.

~~There~~ These suspicious must be way-up

Wed. 5/18

↳ Percy called very early. Told him that ^{decision made} with staff would be ^{discussed}

I told her it might snow up FBI some.

she said, I know & I know

I told her we needed to tell FBI

I called Rick White

is it a



CGEPR 0315

(10)

Who never talks

We said if FBI can get to then before Bled, can peel some of them out of hand.

Bk says ok, let me see what I can do.

Came to ~~work~~ with, around 8:15 or 8:30.

Found Betty, Eleanor, David.

Bk explained point to David

He thinks about it.

He says we're going to go ahead with plan.

Bk told him: FBI thinks that's a bad idea.

Dw said we're going ahead with plan.

He also handed me two papers

- talk points

- ~~more~~ slit ones to Melody.

on the way to BW's office, right around 9:00: bumped into Foster, both realized FBI in fpts, they broke down to DW's

DW says will take it out of fpts.



Bk called ~~back~~ ~~Bk~~ FBI, told them they're fine. "they make approp. noise."

Told them what not done yet,
All will break loose.

DD also "I assume FBI?"

"to say, just mention, you can use it to say your contr comment

"it's being looked into, contr comment further"

-learned then then had already been announced.

-told to just shall stop talking about it, as it for now

(11)

Geo. gets bumped in briefing

o Is that security?

we've got people there

we're doing what we can, but we don't have uniforms there

↳ I'm certain some files got out

Geo. gets killed in afternoon.

Get a P phone calls.

My contact primarily with Foster.

Thursday

Short staff mtg.

UF announces termination

↳ Titled to Long Horn

Fri. P. P. c. c. re: Bond letter

↳ clear everything we were over

was there all day w/ P. c. c. , J. m. k.

I in P. c. c.'s office, Long calls: get up here

- Mtg. is in progress

- Everybody is there, including BN, UF



CGEPR 0317

- colligand arrives 30 sec after I L. clearly has had contact in this.

Trying to pop George for briefing.

All 5 for questions about how FBI got here.

↳ Bk explains: can't just investigate, need a predicate

George goes out and briefs. We hang out and listen in Press office. He does a pretty good job.

(12)

o was anyone uncomfortable with notion of - a 'being' student?
I walked in like. But no, no one is uncomfortable.
Nobody said anything about this guy - some sort of here - something

My intention is that s/t is going down from a P.S. perspective
From FBI.

There was clearly a statement. Geo. was taken in from colleague. Colleague
hands it over. Geo. scribbles down a couple things, hands it over
I do not remember an extended discussion on this.

I know about the things. CC is true - existence of memo 2/15 memo: in
this mty.

I lots of discussion about why - how does that work.

Also. Draft of ^{review} Audit report prepared. See Wed.

They also had draft of engagement letter.

Had seen it old in engagement letter - Thursday, worked on it.

I heard from Brian (Kof) in meeting (Pete PR person) that report was
final.

There was a portion of report which was unclear, they ^(Pete) wanted to clarify.

Weekend

CGEPR 0318

- nothing much.

- Friday night like, I got original report. - asked Carl if he increased a copy of it.
He said no, but called back and said yes he would.

Next thing is meeting of "all hands" - can't recall - which day - Geim, George, Mark, Penelope.
At some point a lot of work in unBretman - something

(13)

o not a branch of my ~~own~~ policy ~~year~~ ^{your} view of, the straight }
No.

Marty with Mike trying to get to bottom, which led to the investigation.

But Mike insisted that we didn't branch ~~to~~ my policy, we can't do it again.

Told Benin should allow him to say: "It is none of this statement we agree with or."

~~where~~ At point by window, ^{to press} which we had to fix.

So then we had mtg. in Mike's office.

There by G.S. named ~~reinstatement~~

I asked Perry, continued to help merge aspect of this

FBI called ~~in~~ to be in tension.

Small things ~~in~~ - practical right of office, regarding to press relations issue

Bill Kennedy

b. 30

Doesn't remember saying 'highest level'

he considered Foster & Watkins
high levels

\$ Did not hear HRC in as of
time he talked to FBI First time
he heard was when he saw copy
of Watkins memo to Foster

Clinton Presidential Records Digital Records Marker

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a tabbed divider. Given our digitization capabilities, we are sometimes unable to adequately scan such dividers. The title from the original document is indicated below.

Divider Title: Tom Kubic

Tom Rabe -

6/18

It was alleged
of that Callan
Cure

First word he heard was May 13, 1:00 pm Rich
made an update of what he heard from
Rich said from the info. There were allegations
of irregularities w/ key true employees in the trial office.

Follow-up scheduled at 2pm for all the details (public wanted
an update)

Tom or Rich or Tom Carl gave full details
interview w/ people at WH.

Tom said he wanted to contact the
Rich said to contact the
to get them on board - anti-poll
Tennis gave down + met with. needed someone
to do the investigation.

That evening a supervisor came for a briefing
(per [unclear]) [unclear] 7:40 pm - [unclear]
up a game plan for investigation.

(Penciled
office -
[unclear]
[unclear]
[unclear])

Actively reported included: gathering of funds (not
monies, provide these Acts extortion (Rich said)
under eye of potential criminal activity.

Lead to have full office on standby for
further investigation (Rich, Tom Carl and Jerry met)

(2)

Friday am

Fred Versaber - call by Tom Kyrac

Friday Afternoon

Called Jerry McDowell at day and walked
him through the facts. He said he would
a call from himself, including allegations
entertainment. Junior Gasar and it - They would
maintain contact through audit. Jerry brought
up - was he a speaker of Jack Keany (head of
Chambers Div.) - Jerry said it should be handled
of justice integrity because of involvement per se

of justice official. Tom told Jerry that he
would call - had an call call for
complexity at Public Integrity. to be the joint of
contact. Not uncommon to bring up at
the Asst. Dir. level (Jerry Potts) Day Con (Assoc. Dir.)
Fred Potts - Executive Director
(Clarke
Dep. Dir.) -

- * Asst. Dir. - Jerry Potts
- * Assoc. Dir. - Day Con
- * Dep. Dir. - Fred Clarke

Fred said he brought home. Tom thought Dr. Scoville
The Director would be called to bring at some
point. Tom did not bring Asst. Dir.

Monday
Rene (and St. Legue) Wade would update Kubic

Rubin instructed Wake and Carl to keep him apprised over the weekend.

Monday Evening

- Tom Cal visited him Monday Eve; Harlan was set up for 8pm. Tom was joined by a field officer for the 8pm briefing.

No conversations over weekend.

May 17

It still a going.

Tom spoke w/ Wake & Carl and discussed findings and potential criminal activity.

Tom was aware as early as Thurs. (15) that there was consideration to place employees. Rubin had discussions on mechanics of interviews by FBI, in context of going.

Tom was consulted. Super agents went to White House. Tom didn't feel initially that there was enough information to send up to field investigators. Thought it was unusual the supervisor would go to ~~blatant~~ investigate, but given it was WOT, and dealing w/ the press that it was appropriate to have a higher level of attention.

(4)

Carl & Wade consulted w/ Rubi before going to WH. Rubi didn't consult before going then going in. Rubi agreed off in Wade and Carl mtg. at WH.

Tim saw no reason that WH was speaking w/ Lauren. Saw it as a coyulant or possible criminal activity. Rubi heard of no inappropriate from McDowell at day.

Abst. Agent in charge for Oklahoma City Div. (Rubi is assigned)
Saw current job. in current job for 9 months.

Rubi not ^{sure} of past practice w/ regard to contact to Lauren - did not think calling her was inappropriate.

~~Apple~~ Diff between Apple & Wade.

Apple's Shop deals w/ property theft. Rubi's Shop deals more w/ fraud, embezzlement. It was fairly unclear as to who should investigate.

Wade & Apple talked previously about jurisdiction. Apple's got come on a gov't case, federal prop. theft

What time Apple called previously at the time. Rubi had more question than answer on Friday. Name was entire of file -

(3)

* Fred Verigler
Kubi spoke w/ Verigler on Friday.
8:00 am mtg w/ Dep. Asst. Dir. meet w/
Asst. Dir. - Kubi would have tried at that
time before that mtg. Fred may have seen
Judge before that mtg.

* By some that there was a priority? Some
of arguery?

(Fred there was)
Kubi not one of the younger, rather a mature
matter. Kubi used to handle mature cases.
He didn't feel that full support as his
staff were being pressured. He was concerned of
quantity of lawsuits - would someone (charging
of fees - 800 or more) that records were secure.
Kubi's concern of work - Undercharged that
Kennedy was concerned - barely looked to his
neglect. That whether would then go in.

~~Handwritten scribble~~

* Then Kubi seemed no longer from
above - and made determination that
negotiation would go forward. "Bridging up"
~~is not been~~ are negotiated items not known
making items.

* All superior make determination to open a
case - to initiate an investigation. * During
work with field office. By Asst. of other agents.

④

* Allegations against lower level employees in
the White House - not high level public
affairs - mounted a letter up management.
Bridging up is mostly information.


CGEPR 0326