

ms
July 22, 1969

GENERAL
FG 12-4

Dear Bill:

This is in further response to your July 7 letter to the President concerning Mr. William B. Camp. You may tell Mr. Harrison that the President has no immediate intention of appointing a new Comptroller of the Currency. Perhaps Mr. Camp is considering other employment options, but we are not aware of his plans at the White House. I hope this information will be helpful in replying to Mr. Harrison.

With warm regard,

Sincerely,

Bill

William E. Timmons
Deputy Assistant to
the President

X
Honorable G. William Whitehurst
House of Representatives
Washington, D. C. 20515

bcc: w/ incoming to Sec. Kennedy *sent*

WET:TREASURY:EF:abp

W. WRIGHT HARRISON

9

RECEIVED
JUL 25 1969
CENT



OFFICE OF THE SECRETARY OF THE TREASURY
WASHINGTON, D.C. 20220

July 16, 1969

MEMORANDUM FOR BRYCE N. HARLOW

There follows a suggested reply to Congressman G. William Whitehurst's letter of July 7. We have received similar inquiries, and the message below is essentially what the Secretary says in response to these.

Brie
Dear Congressman Whitehurst:

as promised This is in further response to your July 2 letter
to the President
Concerning
Rep. William B.
Camp.
I can certainly appreciate your interest in the matter raised by Mr. Harrison of the Virginia National Bank in his letter to you of July 2, 1969. You may tell Mr. Harrison that the President has no immediate intention of appointing a new Comptroller of the Currency. Perhaps Mr. Camp is considering other employment options, but we are not aware of his plans at the White House. I hope this information will be helpful in replying to Mr. Harrison.

with Warm regard,

Sincerely,

William E. Zimmerman
title

Don
Donald A. Webster
Assistant to the Secretary

Honorable G. William Whitehurst
etc

bcc w/ie to Sec. Kennedy

WET: Treasury, ET

SECRETARY OF THE TREASURY

JUL 17 1969

Bryce

OK ✓

We hope to
make a change in
this position late this
year. Is this adequately
non-specific - without
getting the Congressman
out ~~out~~ on too long &
shaky a hint?
Wm W.

7
G. WILLIAM WHITEHURST
2ND DISTRICT, VIRGINIA

MEMBER
COMMITTEE ON ARMED SERVICES

R. BURNETT THOMPSON
ADMINISTRATIVE ASSISTANT

Congress of the United States
House of Representatives
Washington, D.C. 20515

1227 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, D.C. 20515
202-225-4215

DISTRICT OFFICE:
627-7471 EXT. 7550
ROOM 201, FEDERAL BUILDING
NORFOLK, VIRGINIA 23510

July 7, 1969

B H
The Hon. Richard M. Nixon
The White House
Washington, D. C.

Dear Mr. President:

Enclosed are copies of a letter and a report sent to me by Mr. W. Wright Harrison, President of Virginia National Bank. Mr. Harrison's bank is the second largest in the State of Virginia, and he is highly regarded in banking and civic circles in our State. Ordinarily I would not forward a message of this kind, but the importance of the writer in this case leads me to believe that you would want the benefit of his thinking.

While I am not in a position to judge Mr. Camp's effectiveness, I am impressed by the points raised by Mr. Harrison. Could you possibly provide me with information which will confirm or refute the statement made by Washington // Financial Reports?

Faithfully yours,

G. William Whitehurst

G. WILLIAM WHITEHURST

GWW/jiw
Enclosures

7/7/69
act. & refer
to Treasury
for direct reply.
(act)



**VIRGINIA
NATIONAL
BANK**

NORFOLK, VIRGINIA

W. WRIGHT HARRISON - PRESIDENT

July 2, 1969

The Honorable
G. William Whitehurst
House of Representatives
Washington, D. C.

Dear Bill:

Attached is a photostat of an announcement in "Washington Financial Reports", a weekly advisory service to which many national banks throughout the country subscribe. It purports to say that President Nixon is trying to force the Comptroller of the Currency, William B. Camp, to resign even though he holds an office on which there are three years remaining in his five year term.

If this is true, it will turn every major national banker against the administration. I am sure this would be disastrous as most of the financial community supported Mr. Nixon's election. I personally made a financial contribution, and I know of at least six other officers and directors in my own organization who did likewise. They are horrified at this development.

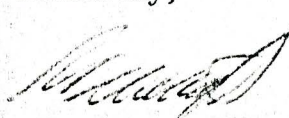
Bill Camp is the first career bank administrator to hold the position of Comptroller of the Currency. He joined the staff of the Comptroller's Office in February, 1937, and came up through the ranks as a national bank examiner receiving his commission as chief examiner from Secretary of the Treasury, John W. Snyder. He was named Deputy Comptroller of the Currency by Secretary of the Treasury, Douglas Dillon; and in November, 1966, he was nominated to be Comptroller of the Currency. On January 18, 1967, the Senate unanimously confirmed his nomination. Bankers throughout the nation look upon Mr. Camp as a highly trained, competent and efficient administrator.

The Honorable
G. William Whitehurst
July 2, 1969

To throw this man out of office for political payoff might bring havoc to the banking industry which is under severe trials from many directions at the present time. In addition, it would turn financial institutions, large and small, against the present Republican administration which they helped to create.

I hope you will use your influence to see that no such foolish step is taken.

Sincerely,



President

WWH:lb



WASHINGTON FINANCIAL REPORTS

A COMPLETE WEEKLY REPORT FOR ALL FINANCIAL INSTITUTIONS

Number 26

June 30, 1969

Summary and Analysis

WHITE HOUSE ASKS KENNEDY TO SEEK CAMP'S RESIGNATION

President Nixon will seek the resignation of Comptroller of the Currency William B. Camp, according to White House sources.

The White House has already instructed Treasury Secretary David M. Kennedy to ask Camp to resign. However, Kennedy has postponed action on the White House request pending final Congressional action on the Administration's surtax package.

The major thrust behind the action to remove Camp from office is the desire of the White House to get more Republicans into top regulatory jobs.

Whether the Administration is successful in replacing Camp remains to be seen. The Comptroller still has almost three years remaining on his five-year term. He was appointed by President Johnson in late 1966 and confirmed by the Senate in January 1967.

By refusing to resign, Camp could force a showdown with the President.

Under the law, the Comptroller can only be removed from office by the President "upon reasons to be communicated by him to the Senate."

The five-year term of the Comptroller was designed to insulate him from politics. Therefore, Presidential removal of Camp would have to be based on reasons other than merely removing Democrats from office to be replaced by Republicans.

However, sources point out that the White House can exert extreme pressure on Democratic holdovers to get them to resign.

* * *

9
GENERAL

FG 12-4

August 15, 1969

Dear John:

Thank you for your August 14 letter to Bryce reiterating your strong endorsement of Mr. William H. ~~x~~Copenhaver for appointment as Assistant Comptroller General.

I will bring your letter to Bryce's attention at the first opportunity, and Mr. Copenhaver will have most careful consideration.

With warm regard,

Sincerely,

William E. Timmons
Deputy Assistant
to the President

Honorable John N. ~~x~~Erlenborn
House of Representatives
Washington, D. C. 20515

bcc w/inc to Bryce Harlow
Harlow Flemming

WET:EF:ef

Nothing else sent to

Central Files as of 5/2/20
Reproduced at the Richard Nixon Presidential Library and Museum

JOHN N. EPLENBORN
14TH DISTRICT, ILLINOIS

COMMITTEES:
GOVERNMENT OPERATIONS
EDUCATION AND LABOR

Congress of the United States
House of Representatives
Washington, D.C. 20515

August 14, 1969

8-15
DU PAGE COUNTY OFFICE:
108 NORTH MAIN STREET
WHEATON 60187

WILL COUNTY OFFICE:
34 WEST VAN BUREN STREET
JOLIET 60431

Mr. Bryce N. Harlow
Assistant to the President
Executive Office Building
Washington, D.C. 20500

Dear Mr. Harlow:

In March, I joined several of my colleagues on the House Government Operations Committee in forwarding endorsement of William H. Copenhaver, minority counsel for the Committee, for the position of Assistant Comptroller General of the United States.

Shortly afterwards, we were given to understand that another employee of the House of Representatives had been selected for this position, and we relaxed our efforts in behalf of Mr. Copenhaver. Recently, however, it has come to our attention that the position remains open. I am writing, therefore, to urge consideration of Mr. Copenhaver.

In any event, it is hoped that the opinions of Republicans on the Government Operations Committee will be given weighted consideration in filling this vacancy. The General Accounting Office is an arm of Congress, and the Government Operations Committee works closely with it. Consequently, it seems highly desirable to me that there be the utmost mutual confidence between the people at the GAO and the members of the Committee.

I would appreciate your early reply.

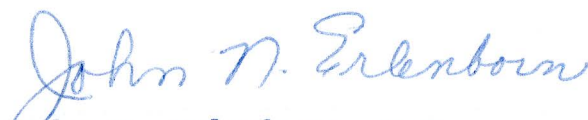
Mr. Bryce N. Harlow

-2-

August 14, 1969

With best regards, I am

Yours sincerely,

A handwritten signature in blue ink that reads "John N. Erlenborn". The signature is written in a cursive style with a large, looping initial "J".

John N. Erlenborn, M.C.
330 House Office Building

JNE/nm

gh

August 27, 1969

Dear Mrs. Dwyer:

Bryce Harlow has asked me to respond to your letter of the 18th in which you expressed your interest and that of your colleagues on the House Government Operations Committee in the appointment of the Assistant Comptroller General of the United States.

After careful consideration, Comptroller General Staats has recommended the appointment of Robert F.⁺Keller, GAO General Counsel, to the position of Assistant Comptroller General. Telephone records maintained in Harry Flemming's office show that a call was made to Mr. Frank Keenan of your office on July 22, seeking clearance of Keller and that approval was secured that day.

It is my understanding that the Flemming office also obtained clearance from the Ranking Minority Member of the Senate Government Operations Committee, the Ranking Minority Members of the House and Senate Appropriations Subcommittees on the legislative branch, the House and Senate Minority Leaders, as well as Senator Mathias (Keller's home state GOP Senator), and the Chairman of the Republican National Committee. On the basis of the above clearances, the President has signed the nomination papers on Mr. Keller for forwarding to the Senate after the Congressional adjournment.

Your interest in this matter is appreciated and I hope this clearance procedure is satisfactory. Please let me know if I may be of further assistance on this or any other matter.

With warm personal regard,

Sincerely,

BILL

William E. Timmons
Deputy Assistant to
The President

Honorable Florence Dwyer⁺
House of Representatives
Washington, D. C.

cc: Harry S. Flemming
3 Bill Casselman

WET:BC:VO:EF:ehw

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AUG 28 1969
CENTRAL FILES

FLORENCE P. DWYER
12TH CONGRESSIONAL DISTRICT
UNION-ESSEX SUBURBS, NEW JERSEY

WASHINGTON OFFICE:
2421 RAYBURN HOUSE OFFICE BUILDING
TELEPHONE: (202) 225-5361

DISTRICT OFFICE:
ROOM 202, 40 SOMERSET STREET
PLAINFIELD, NEW JERSEY 07060
TELEPHONE: (201) 754-6686

COMMITTEES:
BANKING AND CURRENCY
GOVERNMENT OPERATIONS

Congress of the United States
House of Representatives
Washington, D.C. 20515

August 18, 1969

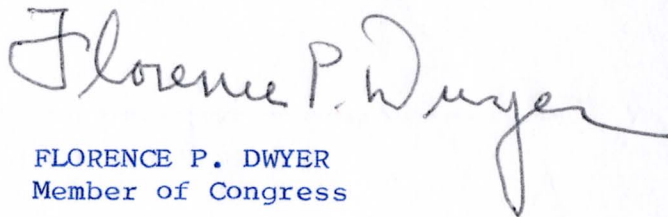
The Honorable Bryce Harlow
Assistant to the President
The White House
Washington, D. C.

Dear Bryce:

A number of my Republican colleagues on the Committee on Government Operations have expressed great interest in the impending appointment of an Assistant Comptroller General of the United States. I share that interest and concern. As ranking Minority Member of the Committee, which is the committee with primary jurisdiction over the General Accounting Office and the closest working relationship with that agency, it is my hope that my colleagues and I will be consulted on this appointment sufficiently in advance so that our views may be given meaningful consideration.

Thank you very much for your cooperation.

Sincerely,


FLORENCE P. DWYER
Member of Congress

FPD/Kv

cc: The Hon. Harry Dent
Deputy Counsel to the President
The White House
Washington, D. C.

The Hon. Harry Flemming
Special Assistant to the President
The White House
Washington, D. C.

gh
GENERAL

FG 12-4

August 27, 1969

Dear John:

As Bryce is on a short vacation, this will acknowledge your letter of the 22nd endorsing Mr. William H. Copenhaver for the position of Assistant Comptroller General of the United States.

Your high regard, and that of your colleagues, for Bill Copenhaver's considerable knowledge and abilities is, of course, shared by all of us who are acquainted with him. After careful consideration, however, Comptroller General Staats has recommended the appointment of Robert F. Keller, GAO General Counsel, to the position of Assistant Comptroller General.

This action has been cleared with the House and Senate leadership and concurred in by the Ranking Minority Members of the House and Senate Government Operations Committees and the House and Senate Appropriations Subcommittees on the Legislative Branch. The nomination papers have been signed by the President and will be sent to the Senate after the congressional recess.

Let me assure you, however, that your hearty support for Bill Copenhaver will not go unnoticed for other appropriate positions in the Administration.

With warm regard,

Sincerely,

BILL

William E. Timmons
Deputy Assistant to
The President

Honorable John Myers
House of Representatives
Washington, D. C. 20515

bcc: Harry Flemming *sent 8/28*

WET:BC:VO:EF:ehw
3

RECEIVED
AUG 27 1969
CENTRAL FILES

JOHN T. MYERS
7TH DISTRICT, INDIANA

HOME ADDRESS:
921 SECOND STREET
COVINGTON, INDIANA 47932

WASHINGTON OFFICE:
511 HOUSE OFFICE BUILDING 20515
TELEPHONE: 202-225-5805

✓
COMMITTEES:
AGRICULTURE
GOVERNMENT OPERATIONS

7TH DISTRICT OFFICE:
203 FEDERAL BUILDING
TERRE HAUTE, INDIANA 47808
TELEPHONE: 812-232-1652

Congress of the United States
House of Representatives
Washington, D.C. 20515

August 22, 1969

Bryce N. Harlow, Special Assistant
to the President
The White House
Washington, D. C.

Dear Mr. Harlow:

It is my understanding that consideration is being given Mr. William Copenhaver for the position of Assistant Comptroller General of the United States. I wish to add my personal endorsement.

Since my election to Congress nearly three years ago, I have served on the House Committee on Government Operations. During that time, Bill in his staff capacity has been of immeasurable help to me. Having some acquaintance with his work, I have no hesitancy in recommending him to you and certainly hope serious and favorable consideration will be given his application.

My thanks and good wishes.

Sincerely,


John Myers

dg

GENERAL

FI 5

FG 12-4

JL 4-2

THE GENERAL COUNSEL OF THE TREASURY
WASHINGTON, D. C. 20220



September 16, 1969

Dear Mr. Morrison:

Mr. Tod R. Hullin, Administrative Assistant to John D. Ehrlichman, has referred to us your letter of September 9, 1969, addressed to the President.

We have read very ^{Thomas} carefully your complaint filed on behalf of Mr. Donofrio against Mr. William B. Camp. We have asked that we be furnished Mr. Camp's answer to the allegations made in the petition.

As an attorney, you can appreciate that we cannot become involved in this matter during the time it is in litigation. However, we shall see that the proper officials receive the judgment and other papers in connection with this case in order to review what action should be taken.

Your defense of Federal employees during your term in Congress is most commendable. As General Counsel of the Treasury I feel that it is only appropriate that Mr. Camp should have a right to his day in court prior to any official action being taken. This seems only fair; and to do otherwise would be establishing a most dangerous precedent.

Very truly yours,

(Signed) Paul W. Eggers

Paul W. Eggers

X
~~Honorable James H. Morrison~~
Suite 012, First National Bank Bldg.
1701 Pennsylvania Avenue, N. W.
Washington, D. C. 20037

4)
GENERAL

FG 12-4

PU 2-3

Camp, William B.
Donofrio, Thomas F.
Toledo Blade

cc/ JH
October 13, 1969

Dear Elliott:

Thank you for your letter of October 8th, the enclosed editorial and your letter to Paul Block.

I am looking into this matter and I will bring it to the President's attention.

Thanks for bringing it to my attention.

Best personal regards.

Yours sincerely,

John D. Ehrlichman
Counsel to the President

Mr. Elliott Roosevelt
Elliott Roosevelt International, Inc.
1688 Meridian Avenue
Miami Beach, Florida 33139

bcc:
Peter Flanigan
Arthur Burns
(with copy of incoming for information only)

RECEIVED
OCT 15 1969
CENTRAL FILES

OCT 10 1969

*slow
burn
ack
looking
to it
attention*

Elliott Roosevelt International, Inc.

1688 Meridian Avenue, Miami Beach, Florida 33139

October 8, 1969

Telephone
538-0411

Mr. John Erlickman
Legal Counsel to the President
White House
Washington, D. C.

Dear John:

I want you to see a copy of a letter I addressed to the
Toledo "Blade".

I believe it would be to President Nixon's best interest
to see this letter and enclosed copy of the editorial.

Very truly yours,


ELLIOTT ROOSEVELT

ER:rlc
Enc. (1)

Elliott Roosevelt International, Inc.

1688 Meridian Avenue, Miami Beach, Florida 33139

October 8, 1969

Telephone
538-0411

Mr. Paul Block, Publisher
Toledo "Blade"
Toledo, Ohio

Dear Paul:

I hope you will forgive me for addressing you by your first name; however, I knew your father as did my father and we were long-time friends.

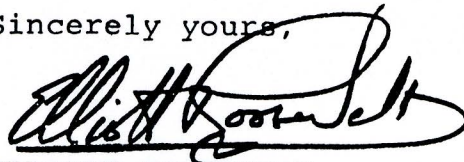
I have just had the opportunity to read the editorial published in the Toledo "Blade" on Friday, September 12, 1969, regarding Thomas F. Donofrio's suit against the United States Comptroller, Mr. Camp. I congratulate you on your courageous stand.

I have had an intimate relationship with Mr. Donofrio for twenty years and can guarantee you he has no more connections with the Mafia than I do, and I have none.

Not only can I vouch for the character of Thomas Donofrio but so can my brothers and, if my father were alive, he, also, could vouch for his character.

Thank you for trying to see that justice is maintained in the United States.

Sincerely yours,



ELLIOTT ROOSEVELT,
Executive Director
Tourist Development Authority
Miami Beach, Florida

ER:rlc

PRESERVATION COPY

EDITORIAL BY HOME TOWN PAPER

On September 12, 1969, the Toledo Blade, a highly respected daily newspaper, ran an editorial in behalf of Donofrio, entitled, "The Burden of Proof." Toledo, Ohio, is the home town of Mr. Donofrio. Congressman John Dent, on September 18, 1969, placed the following article in the Congressional Record:

E 7618

CONGRESSIONAL RECORD—*Extensions of Remarks September 18, 1969*

WILL HON. WILLIAM B. CAMP,
COMPTROLLER OF THE CURRENCY,
VOLUNTARILY RETIRE,
OR WILL HE BE FORCED TO
RESIGN?

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. DENT. Mr. Speaker, my distinguished colleague, Hon. ARNOLD OLSEN, a member of the House Post Office and Civil Service Committee, which committee has legislative jurisdiction over all of our Federal employees, placed in the CONGRESSIONAL RECORD of September 10, 1969, remarks, the title of which read, "Request the Retirement and Resignation of Hon. William B. Camp, Comptroller of the Currency," and which included a letter to President Richard M. Nixon, requesting the resignation and retirement of William B. Camp, Comptroller of the Currency, together with a lawsuit brought by Thomas F. Donofrio, of Toledo, Ohio, as plaintiff, against William B. Camp, as defendant.

Perhaps the most significant repercussion of this lawsuit to date, aside from leaving Mr. Camp in a very "sticky" predicament, was the editorial in the hometown paper of Mr. Donofrio, namely, the Toledo Blade, an outstanding and highly respected newspaper published in Toledo, Ohio, which had this to say about Mr. Donofrio in an editorial on its editorial page on September 12, 1969.

The editorial is entitled "The Burden of Proof" and is as follows:

THE BURDEN OF PROOF

Toledo businessman Thomas F. Donofrio's suit charging the U.S. comptroller of the currency with slander and libel is of greater than passing interest just because it takes on a high federal official. But there is more to the matter than that.

Mr. Donofrio accuses comptroller William B. Camp, whose job is to supervise national banks, with spreading word among various public and business circles that the Toledoan is a member of what is termed the Mafia or Cosa Nostra. If the comptroller did so, then it is entirely appropriate that he be called to account in a court of law.

For those tags—referring to the professional underworld—are not the kind that ought to be hung on anybody in loose talk, and they are bandied about altogether too freely these days. Alleging Mafia or Cosa Nostra connections is so clear a form of character assassination that it has become in practice as libelous per se as the courts have long recognized calling someone a Communist to be.

Mr. Donofrio asserts in his \$2 million damage suit that he lost expected commissions from business deals spoiled by the statements that he accuses Mr. Camp of making about him. The kind of merger and acquisition activities that Mr. Donofrio said he engaged in is, of course, well known to many Toledoans. He and other members of his family have been enterprising operators of a variety of businesses here and elsewhere for a good many years. In the process of parlaying small stakes into wide and diverse interests, they have built a reputation for what might be deemed particularly shrewd opportunism at turning a profit.

But that alone is certainly no grounds for suspecting ties to the so-called Mafia or Cosa Nostra. And if such suspicions about Mr. Donofrio were indeed generated by Mr. Camp, we suspect he will be hard put to discharge the burden of proof that the damage suit places on him.

To my way of thinking, this is a justifiable indictment by inference, of Mr. Camp, because who would know Mr. Thomas Donofrio better, personally, or by reputation, than the publisher and personnel of his hometown newspaper?

When you appraise the whole matter, another important question arises, if Mr. Camp is correct, then why did the top officials of our Armed Forces give Mr. Donofrio a top security clearance?

If Mr. Camp is right, then the officials of the Armed Forces were wrong and, of course, it well could be vice versa.

But the top officials of the Armed Forces are not being sued; it is Mr. Camp, that is being sued, for \$2,000,000, for his wrongdoing. As a Member of Congress from another State, with no ax to grind, but rather a person just believing in fair play, I construe this editorial as a tribute to Mr. Donofrio.

I feel sure that this outstanding newspaper could have easily remained silent, had not Mr. Donofrio earned the respect and confidence of his fellow citizens of Toledo, Ohio.

All of this seems to add up to the point that Mr. Camp has evidently outlived his further usefulness in the office of Comptroller of the Currency and should be retired and replaced.

It is a rather sticky mess which has fallen in the lap of President Nixon, especially since the office of Comptroller of the Currency is a very sensitive and delicate position because it controls the destiny of over 4,700 national banks throughout the United States.

My congratulations therefore go to the Toledo Blade for having the courage to stand up for one of its hometown citizens, and to Congressman ARNOLD OLSEN for his remarks in the RECORD.

PRESERVATION COPY

THE BLADE'S Pages of Opinion

PAGE 18

TOLEDO, OHIO, FRIDAY, SEPTEMBER 12, 1969

BCR's Unending Quest

PERIODICALLY, it seems, meetings of the Board of Community Relations (BCR) erupt into introspective, soul-searching indictments of its failure to find its proper role in this city.

That was the case last December when, in an atmosphere of crisis, BCR pressed for a hurried meeting with Mayor Ensign to discuss budgetary problems, its tattered image, and, as one board member put it, its "loss of credibility." Now, once again the BCR is in the same stew, struggling on without notable success to carve out a niche in the community from which it can function with some measurable effectiveness. At its session last week, BCR Chairman Burt Silverman summed up the basic problem succinctly when he said, "We don't have the clout and the muscle to get action when action is needed."

If that is so after more than 23 years on the local scene, BCR itself must face up to the fact that its search for identity may never prove successful. When BCR was formed in 1946, there was a clear-cut need in this community for an agency that could serve as a catalyst in human relations, as a sounding board for ideas in dealing with social problems, and as an important channel of communication among ethnic groups in the city. It was then a bold experiment in intergroup relations that, to give it its due, did make some contributions to a better community.

But the fact that this is 1969 and BCR is still casting about for its proper role only underscores the doubt that exists in many quarters that it should prolong its quest. As has been pointed out earlier, in contrast to the 1946 era when it was, in fact, a pioneering creation, scores of other groups, commissions, and organizations exist today that are actively involved in community relations and with improving the social, economic, and educational lot of minority citizens. Whether it is defending civil rights, strengthening school curricula, opening more jobs, implementing inner-city renewal, or in other ways fighting discrimination and bias, there are agencies with the resources to do the job with more efficiency and less rancor than attend BCR efforts.

Under the circumstances that seem to surround BCR activities, it is little wonder that this board has failed to win the support and confidence of local government, community leadership, and the public in general. It has simply never been able to make up its mind whether it should be an activist body, a conciliatory agency, an advisory board, or an innovative group. In this case, perhaps the Rev. G. J. Johnson, vice chairman of the board, made the most pertinent point of all last week when he observed, "If we can't do anything, we ought to fold up and stop fooling the community."

lance to grapple with inflation before it began to consume us. But weathering it now may at least put a roof over the heads of thousands presently inundated by the high cost of housing.

The Burden Of Proof

TOLEDO businessman Thomas F. Donofrio's suit charging the U.S. comptroller of the currency with slander and libel is of greater than passing interest just because it takes on a high federal official. But there is more to the matter than that.

Mr. Donofrio accuses comptroller William B. Camp, whose job is to supervise national banks, with spreading word among various public and business circles that the Toledoan is a member of what is termed the Mafia or Cosa Nostra. If the comptroller did so, then it is entirely appropriate that he be called to account in a court of law.

For those tags—referring to the professional underworld—are not the kind that ought to be hung on anybody in loose talk, and they are bandied about altogether too freely these days. Alleging Mafia or Cosa Nostra connections is so clear a form of character assassination that it has become in practice as libelous per se as the courts have long recognized calling someone a Communist to be.

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But that alone is certainly no grounds for suspecting ties to the so-called Mafia or Cosa Nostra. And if such suspicions about Mr. Donofrio were indeed generated by Mr. Camp, we suspect he will be hard put to discharge the burden of proof that the damage suit places on him.

PRESERVATION COPY

BROUGHT FORWARD

GENERAL

FG 12-4

10/28/69

Previously filed

Date

NAME HEDDENS, Barret S., Jr.

ORGANIZATION _____

GENERAL

Same

11/14/69

New File Symbol

Date

FINAL ACTION Treasury
to above

November 14, 1969

Dear Barret:

Thank you very much for your recent letter to the President expressing your concern about the Office of the Comptroller of the Currency being placed under an employment ceiling.

I am in complete agreement with your views concerning the need for competent examiners, and I share your concern over the attrition problems.

As you probably know, we have undertaken numerous programs in an effort to bring inflation under control, and the Federal employment ceilings are only one facet of our campaign. The relationship of the Office of the Comptroller of the Currency to these ceilings is based primarily upon a legal interpretation of the statutes. We are striving to fulfill the intents of the Congress, but at the same time we fully appreciate the need to adequately provide for the examination needs of our national banks.

Barret, you made some excellent points, and we will continue to study this problem. I certainly appreciate your taking time to offer such constructive suggestions regarding this important matter.

With warm regards,

Sincerely,

/s/ Charles E. Walker

Charles E. Walker
Acting Secretary

Mr. Barret S. Heddens, Jr.
President & Chief Executive Officer
First National Bank of Kansas City
Kansas City, Missouri 64141

Date

11-18-69

F

From the desk of Paul R. Beach

To:

Mr. Sloan

Director, Executive Secretariat
Room 3406 Main Treasury Ext. 2471

RECEIVED
NOV 19 1969
CENTRAL FILES

Files
THE WHITE HOUSE OFFICE

REFERRAL

To: Honorable David Kennedy
Secretary of the Treasury

Date: October 28, 1969

GENERAL

FG12-4
PE
PR 7-2/H
FI 2

(5)

ACTION REQUESTED

- _____ Draft reply for:
_____ President's signature.
_____ Undersigned's signature.
- _____ Memorandum for use as enclosure to reply.
- ☒ Direct reply on behalf of President
☒ Furnish information copy.
- _____ Suitable acknowledgment or other appropriate handling.
- _____ Furnish copy of reply, if any.
- _____ For your information.
- _____ For comment.

NOTE

Prompt action is essential.

If more than 48 hours' delay is encountered, please telephone the undersigned immediately, Code 1450.

Basic correspondence should be returned when draft reply, memorandum, or comment is requested.

REMARKS:

Please express regrets the President will be unable to meet with Mr. Heddens and arrange for a meeting with someone in your department, if appropriate.

Description:

☒ Letter:  Telegram: Other:

To: The President

From: Barret S. Heddens, Jr., Pres., ⁺ First National Bank of Kansas City, Kansas
City, Missouri

Date: October 23, 1969

Subject: Expresses concern about the Office of the Comptroller of the Currency being placed under an employment ceiling and asks for an opportunity to meet with him or anyone else he would suggest in this regard.

By direction of the President:

Hugh W. Sloan, Jr.
Staff Assistant to the President

RECEIVED

OCT 29 1969

CENTRAL FILES

FIRST NATIONAL BANK

of Kansas City

KANSAS CITY, MISSOURI 64141

BARRET S. HEDDENS, JR.
PRESIDENT & CHIEF EXECUTIVE OFFICER

CAPITAL \$ 12,000,000.00
SURPLUS \$ 13,000,000.00
UNDIVIDED
PROFITS AND \$ 24,000,000.00
RESERVES

Thursday, October 23, 1969

The Honorable Richard M. Nixon
The White House
Washington, D. C. 20500

My dear President Nixon:

It was just a year ago this month, several weeks before the election, when you and I had our last opportunity to visit. That was on the occasion when you and Mrs. Nixon graced a small luncheon meeting prior to your closed circuit television address to the Republican Women.

For some weeks now, I have been most concerned over a particular matter which I shall describe in this letter, but I first wish to apologize for the length of the letter. I am noted for short letters and the length of this letter only indicates the importance of the matter in my mind.

A few weeks ago I learned that the Office of the Comptroller of the Currency has been placed under an employment ceiling as part of the Government's efforts to hold back Federal employment and Federal expenditures in the war against inflation. This has caused serious concern to me and to many of my fellow commercial bankers for while we believe very much in your efforts and the need to trim all Federal expenditures, we believe that a ceiling on the Comptroller's Office, because of its unique position, will not help in this endeavor. On the other hand, it could create serious problems in the banking community.

As you may know, the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation and the Board of Governors of the Federal Reserve System (the bank regulatory agencies) do not receive any appropriated funds. The budget for the Comptroller of the Currency comes from assessments made against national banks. These assessments are paid directly to the Comptroller of the Currency and by statutory language are not considered government funds. The

Comptroller utilizes this fund to pay for the national bank examiners and other expenses of his office. Therefore, as the funds are not appropriated funds, a ceiling has no effect on the Federal budget. I, as a banker, and I am sure many others feel as I do, consider the assessment for the Office of the Comptroller of the Currency as a good investment by us in the safety and solvency of the national banking system. The ever-increasing need for trained national bank examiners to conduct required examinations of national banks, I am certain, is obvious to you. There is a constant need for recruiting and training of personnel to enter into this demanding field. Different from other Government agencies, the volume of work is not controlled by additional statutory responsibilities, but is solely determined by the size and number of banks in the national banking system. Therefore, if one large state bank converts to the national system, which has occurred in the past couple of years, there is an immediate need for hundreds of trained national bank examiners whereas, if the conversions are from national to state, which has not been the recent trend, the demands on the Comptroller's Office are lessened. In this particular period of increasing size and number of national banks, with the added complexity of the liquidity squeeze, there is actually almost an emergency need for more trained national bank examiners. Indeed, in recognition of this fact, the Office of the Comptroller of the Currency increased its assessment rate on national banks just several months ago to meet the growing demands on this Office. Placing this Office in the same category as the normal appropriated fund government agency is like comparing apples to oranges. It is even more incongruous when there is no ceiling on the Federal Deposit Insurance Corporation or the Board of Governors of the Federal Reserve System (the other Federal bank regulatory agencies). An employment ceiling on the Office of the Comptroller of the Currency restricts its services at a time when they should be expanded with no effect upon the budget, and no effect against the war on inflation. The vital business of the Comptroller of the Currency's Office is to examine and regulate national banks, regardless of other Governmental needs, which is why Congress separated their budget and fiscal arrangements from the normal government process.

In the last several years, in my opinion, the morale and competency of the young examiners recruited by the Comptroller's Office has been far better than at any time in my memory. Since the "freeze", I have visited with examiners while they were performing their normal functions in this institution and I have also had many visits with presidents of other national banks. It has been my findings across the

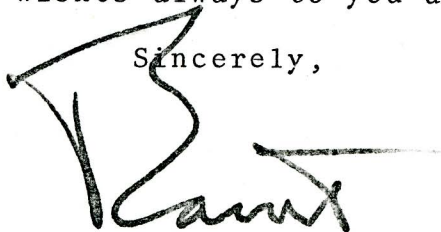
country that national bank presidents have been pleased with the increased expertise and professionalism of the examiners assigned to their banks. All bankers I have talked to, however, have been quite cognizant of the attrition problem which is not peculiar to the Comptroller's Office. All bankers I visited with also believe the Comptroller's Office recruitment plan was working well although the force is understaffed.

Mr. President, I would be most pleased to visit with you, any member of your staff or anyone else you would care to assign me to. In all modesty, I believe I have a feel of this situation as President of a large regional national bank which ranks in the top five banks nationally on a basis of percentage of correspondent bank balances to total deposits. Many of our correspondent bank customers are national banks and I think I know their problems and how very much they welcome good examinations by competent men from the Office of the Comptroller of the Currency. Such examinations are costly to national banks but speaking for this bank, we feel even the increased assessment is money well spent toward a worthwhile investment.

Your consideration of my concern on this particular problem will be deeply appreciated.

My very best wishes always to you and Mrs. Nixon.

Sincerely,

A handwritten signature in dark ink, appearing to read "Barret", with a large, stylized initial "B" at the start.

Barret S. Heddens, Jr.
President & Chief Executive Officer

BSH:bc

JAN 26 1970

Southern California Edison Company

P. O. BOX 351

LOS ANGELES, CALIFORNIA 90053

cc/nd
HOWARD P. ALLEN
VICE PRESIDENT
ASSISTANT TO THE PRESIDENT

TELEPHONE
213-624-7111

January 20, 1970

GENERAL

FG 12-4
FG 120

Mr. Peter M. Flanigan
Assistant to the President
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500

Dear Peter:

I understand that Charles Reed of Los Angeles (see attached biographical sketch) is under consideration for either the Comptroller of the Currency or Chairman of the FDIC. I have known Chuck for many years and want to endorse his appointment.

He is a CPA and partner in one of the national accounting firms, Arthur Andersen and Company. He has had experience in banking and is an individual of broad gauge judgment, administrative competence and effectiveness with people. He has a keen mind, is thorough and thoughtful. I have known him and have observed him socially, in business dealings and in his work in civic and community affairs.

In my judgment Mr. Reed would do an outstanding job in either of the positions. The Administration would be fortunate to attract him to federal service. I know he would have to make a substantial financial sacrifice to accept either of the positions.

Sincerely,



HPA:rb

Enclosure

cc Messrs. Robert H. Finch
→ John D. Ehrlichman

RECEIVED

FEB 3 1970

CENTRAL FILES

Nothing else sent to

Central Files as of 2/14/70

BIOGRAPHICAL DATA

CHARLES HENRY REED

Born: July 17, 1917
Des Moines, Iowa

Married,
Two minor children.

Grammar School:

Des Moines & Grinnell, Iowa (Grades 1-3)
Chicago, Illinois (Graduated 1929)

High School:

Hyde Park High, Chicago (1929-1930)
Evanston Township, Illinois (Graduated 1933)

College:

Northwestern University,
Night School, Chicago Campus (1933-1936)
Grinnell College, Grinnell, Iowa,
Graduated June, 1939, B.A. Degree
Northwestern University - Graduate work,
Night School, Chicago Campus (1939-1940)
U.C.L.A. - CPA Review course - 1947.

Work Experience:

1933-1934 Odd jobs - bakery helper, grocery clerk, gardener,
etc. - Evanston, Illinois.
1934-1936 Messenger and bookkeeper, First National Bank
of Chicago, Chicago, Illinois.
1936-1939 Accountant, bookkeeper for 4 related companies
in Grinnell, Iowa: Lannom Mfg. Co.,
Hildebrand Shoe Co., Craig Glove Co.,
Morrison-Shults Mfg. Co.
1939-1940 Internal auditor - General Mills, Chicago.
1940-1941 Traveling auditor - General Mills, Minneapolis.
1942-1946 U.S. Navy, Intelligence and Deck Officer;
Honorable Discharge, Senior Lieutenant.
1946 (3 mos.) Public accountant, Lars Hanson, Duluth, Minn.
1946 (4 mos.) Traveling auditor, Safeway Stores, San Francisco.
1946-1952 Public Accounting (CPA 1948) - Arthur Andersen & Co.,
Los Angeles.
1952-1956 Loan Officer (Asst. Vice Pres.), United California
Bank, Los Angeles.
1956-Present Partner, Arthur Andersen & Co., Los Angeles.
Have had firmwide responsibility for
banking industry since 1966.

Bob

LAW, NAGEL AND CLARK

ATTORNEYS AT LAW

SUITE 2030, WESTERN FEDERAL SAVINGS BUILDING
DENVER, COLORADO 80202 292-2300

JOHN M. LAW
ROBERT L. NAGEL
RALPH M. CLARK
WILLIAM D. SCHEID
JOHN C. MULVIHILL
VIRGIL E. CARRIER

March 5, 1970

3
GENERAL

FG 12-4

WHITE, LOWELL

Mr. Robert M. Flanigan
Republican State Chairman
1711 Pennsylvania Street
Denver, Colorado

Re: Leslie H. Fisher

Dear Bob:

As we discussed on the phone the other day, my good friend, Lowell White, has sent to you a letter and enclosures relative to the above named person and with the request that you forward his letter and the recommendation it contains to the appropriate person on the Whitehouse Staff.

It is my personal hope that you will honor Mr. White's request in this respect. Mr. White is a distinguished member of the Bar of the State of Colorado and indeed is a leader thereof. I, as do my fellow lawyers, repose particular trust and confidence in Mr. White and I am therefore hopeful that his request will be forwarded to the Whitehouse and with your personal request that it be given careful consideration by those who are charged with the responsibility of helping the President choose those people for positions of high importance in his Administration.

Very truly yours,

Ralph M. Clark

Ralph M. Clark
X

RMC:sc

From the desk of

Robert Flanigan

for
Comptroller
of Currency
of Federal
Reserve

Pete

File
Fleming

Legal
staff
FDIC

Bob

letter
to
Paul

File

RECEIVED
MAR 19 1970
CENTRAL FILES

LOWELL WHITE
WALTER A. STEELE
JOHN E. CLOUGH
FRED N. HOLLAND
R. ERIC PETERSON
LOWELL M. FORTUNE
CLIFFORD L. BEEM
MARK C. HINMAN

LAW OFFICES
WHITE AND STEELE
AMERICAN NATIONAL BANK BLDG.
DENVER, COLORADO 80202

March 4, 1970

222-2591

Mr. Robert M. Flanigan
Republican State Chairman
1711 Pennsylvania Street
Denver, Colorado

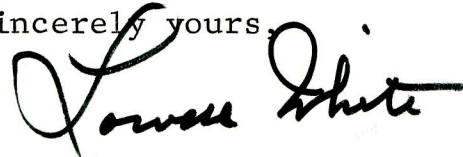
Dear Mr. Flanigan:

I would like to urge the appointment of Leslie H. Fisher, General Counsel of the Federal Deposit Insurance Corporation, for Comptroller of Currency. Ralph Clark has suggested that I write you a letter of recommendation and ask that you transmit this letter to the proper person on the White House staff. I am enclosing such a letter and hope that you will send it to the proper person. If you are in a position to make a favorable comment, of course that would be most helpful.

I am sorry that I have not had the pleasure of meeting you. At one time I was most active in Republican politics, at least active enough to be elected as a part of the Colorado delegation to two national conventions.

Wishing you much success in your important job, I am

Sincerely yours,



1:45

Enc.

CC Mr. Ralph M. Clark
Attorney at Law
Western Federal Savings Bldg.
Denver, Colorado 80202

LOWELL WHITE
WALTER A. STEELE
JOHN E. CLOUGH
FRED N. HOLLAND
R. ERIC PETERSON
LOWELL M. FORTUNE
CLIFFORD L. BEEM
MARK C. HINMAN

LAW OFFICES

WHITE AND STEELE

AMERICAN NATIONAL BANK BLDG.
DENVER, COLORADO 80202

March 4, 1970

222-2591

Mr. Robert M. Flanigan
Republican State Chairman
1711 Pennsylvania Street
Denver, Colorado

Re: Leslie H. Fisher

Dear Mr. Flanigan:

It comes to my attention that Mr. Leslie H. Fisher has been proposed or is being considered for appointment to the position of Comptroller of the Currency. Because of Mr. Fisher's extraordinary experience and qualifications, I wish to urge favorable consideration for his appointment as Comptroller of the Currency.

Mr. Fisher is presently General Counsel of the Federal Deposit Insurance Corporation, and has been with that Corporation for some seventeen years. He is a Republican who has been working in generally Democratic surroundings which may have made his position more difficult; if so, more credit should be given to his achievements.

For the past six years I have had the privilege of working with Mr. Fisher specifically with regard to the liquidation of three Colorado banks. I have intimate knowledge of his abilities and accomplishments, not only with regard to the problems in Colorado, but with the problems in various other communities, particularly with regard to the liquidation of the San Francisco bank, where he made a noteworthy contribution in bringing some 300 law suits into one plan for a common disposition of the whole.

During Mr. Fisher's service to the Federal Deposit Insurance Corporation there have been a number of persons who had the title of General Counsel and who were, theoretically, his

Mr. Robert M. Flanigan
Page Two
March 4, 1970

superiors. However, I have learned that for many years the burden of making determinations and decisions has fallen on Mr. Fisher, regardless of his title or position with the Federal Deposit Insurance Corporation. His large experience and tremendous work load has given him an amazing insight not only into the legal problems, but generally as to the management and needs of banks, and the needs of communities which the banks serve. He has necessarily become familiar with the laws relating to banks and banking and is entirely familiar with the Federal Reserve System. If I am correct in saying that no one is better qualified to do the job of Comptroller of the Currency, then I am sure Mr. Fisher would prove that the Republican President made a great appointment.

In addition to his knowledge, Mr. Fisher, with his soft spoken manner, has the capacity to instill confidence and respect in those with whom he deals, regardless of whether or not their claims are adverse to his position. His integrity, knowledge, industry, ability and faithfulness would make him an ideal servant of the people and reflect credit upon the Republican administration.

I am enclosing a copy of a statement made by Mr. K. A. Randall, Chairman of the Board of the Federal Deposit Insurance Corporation, with regard to Mr. Fisher which I am sure will be of interest. Incidentally, Mr. Randall himself has made an unusual record and a great deal of credit goes to him for making the Federal Deposit Insurance Corporation a more efficient business organization, rather than one filled with political considerations.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Lowell White". The signature is written in a cursive, flowing style with a long horizontal stroke extending to the right.

1:49

NOMINATION OF LESLIE H. FISHER
FOR 1967 JUSTICE TOM C. CLARK AWARD

In behalf of the Board of Directors of the Federal Deposit Insurance Corporation, it is my very great pleasure to nominate Mr. Leslie H. Fisher for the 1967 "Justice Tom C. Clark Award" of the District of Columbia Chapter of the Federal Bar Association. Mr. Fisher, Deputy General Counsel of the Federal Deposit Insurance Corporation since July of 1966, formerly served as Chief of the Litigation and Liquidation Section of the Legal Division of the Corporation. He was born August 11, 1910, in Kansas City, Missouri. He has served a total of fourteen years with the FDIC.

Mr. Fisher received his AB degree from the University of Kansas in 1932. In 1935, he graduated with an LLB from the Washington University Law School in St. Louis, Missouri, where he practiced law through 1941. He was admitted to the Bar in Missouri and Federal Courts in 1934 and the Supreme Court of the United States in 1946.

In 1941, Mr. Fisher joined the U. S. Navy as an enlisted man, being commissioned in the Naval Reserve in 1943. He left active service in 1946 and was finally retired from the Reserves as a Commander in 1965.

Following his Navy duty, in 1946 he joined American Fidelity and Casualty Company as manager of that firm's Dallas, Texas, District Office. In 1953 he severed that connection to join FDIC as an attorney.

No one who has served on the Corporation's legal staff, in its 34-year history, has ever been faced with the sudden and almost staggering load of litigation as has been encountered by Mr. Fisher during the past three years. Quite likely, no one, either in or out of Government, has had to cope with such a multitude of legal problems as was thrust upon Mr. Fisher by the failure of the San Francisco National Bank, and some twenty other failing banks, beginning in February, 1964. This most unusual run of bank failures, each of which required this Corporation to accept the role of receiver, precipitated litigation on a scale hitherto not encountered. It suddenly became Mr. Fisher's duty to defend the lawsuits filed against the several receiverships, and in some cases against the Corporation itself, and at the same time to initiate litigation against those persons responsible for the failures. This Mr. Fisher has done with professional competence and quiet determination.

Mr. Fisher has the very fine, and unusual, talent of making friends with people with whom he must deal adversely. This facility for handling people has served him, and the Corporation, well in the very sensitive atmosphere that surrounds a bank failure. Because of this talent, the Corporation has been the beneficiary of a quality service far beyond that which could be expected of legal counsel, measured merely by ordinary professional standards.

Despite a burdensome caseload and with only a small staff to assist him, Mr. Fisher has persevered through a morass of

emotional claimants and dilatory defendants. Much litigation has been successfully concluded; the remaining cases seem well under control. No greater tribute can be given a lawyer by his client.

The impact of this Corporation on the economic stability of the United States has been far-reaching. Deposit insurance brought almost immediate banking stability to the country, and it preserved the competition and the local orientation which the nation demanded.

The symbol of confidence that the Corporation now presents has not been simply a matter of evolution.

In that context, Mr. Fisher's career in this agency of the United States Government has been a brilliant one, and he must be regarded as one of its principal advisers during the last decade. In my view, the sustained level of his general and specific accomplishments during this period exemplifies the highest level of public service. Under any circumstances, it should serve as an outstanding example of the opportunities, responsibilities, and contributions which can characterize the professional life of a career lawyer.

These are changing times in the banking industry and, as with any change, new problems arise which challenge the ability of those upon whom the responsibility falls. I speak for the Federal Deposit Insurance Corporation in noting that Mr. Fisher's knowledge and skill will continue to aid us immeasurably in the future in

reaching sound solutions to problems where presently no precedent exists.

As Chairman of the Board of Directors, I have found Mr. Fisher's considered judgment and advice to be of enormous help in the performance of the Corporation's duties and responsibilities. He has been a bulwark of wisdom and dependability in bringing about effective and efficient management of the Corporation's affairs.

Mr. Fisher's contributions to the Government, the public, the Federal Deposit Insurance Corporation, and the banking industry have been outstanding. I consider him thoroughly qualified to be the recipient of the "Justice Tom C. Clark Award." His career in the Government has been a truly splendid testimonial to the significant contributions which may be made by career lawyers in the Government who are willing to accept the opportunities and responsibilities offered in Government services.

(Signed) K. A. Randall

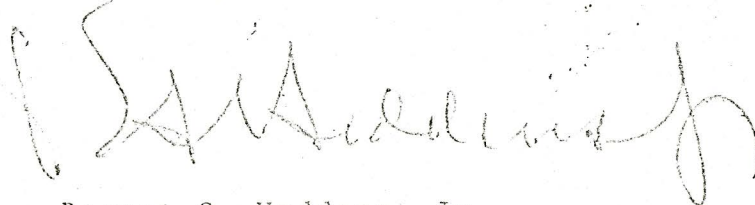
K. A. Randall
Chairman

Mr. Secretary, I urge you to recommend Bill Camp's reappointment to this all important office. The national banks in this country need Mr. Camp's proven ability to supervise and guide our regulatory authority.

Attached is a copy of my letter to the President.

My very best wishes always.

Sincerely,

A handwritten signature in dark ink, appearing to read "Barret S. Heddens, Jr.", with a large, stylized initial "B" and a long, sweeping flourish extending to the right.

Barret S. Heddens, Jr.
Chairman of the Board

BSH:bc

Enclosure