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Umbrellas and frowns were the order of the day in Chapel Hill Tuesday as the rains fell for the second straight day.

# **Corruption charges** anger Terry Sanford

by Merton Vance Staff Writer

apparently ignorant of campaign laws and added that he sent Smathers a telegram saying that "the secretary has

Serving the students and the University community since 1893 Chapel Hill, North Carolina, Wednesday, January 28, 1976

The Asily Car Heel

Weather: continued cloudy

# Union employee charges faulty auditing by firm

### by Dan Fesperman Staff Writer

An anonymous female caller claiming to be a Carolina Union employee said Friday that irregularities in Union financial records should have been noticed last summer when a reputable department is disturbed over firm audited them.

connection with the alleged embezzlement of approximately director.

speculate on the possibility of such an auditing error.

Irregularities noticed in December by Union Director Howard Henry were to send him information concerning the responsible for an investigation that resulted last week in the arrest of Jon Thomas, assistant Union director until promise. October 1975.

counts of embezzlement.

Indianapolis police originally reported that Thomas was charged with embezzling about \$40,000, but a state justice department official said "I don't added. "Warrants had to be issued know where they got that figure."

information officer of the N.C. Department of Justice, said Tuesday that one of the 16 charges concerns Thomas's activity during September 1973. Thomas was named assistant director in July 1972.

Satterfield added that the justice accusations made last week against SBI The caller's charge came in investigator Troy Green by Thomas's attorney, John Hammond.

Green handled the investigation of \$26,000 by a former Union assistant the Thomas case after the UNC Internal Audit, which had been called in by Union officials have since refused to Henry, turned the investigation over to the SBI at the request of an undisclosed University administrator.

> Hammond said Green had promised specific charges against Thomas and called Green a liar when he denied this

Hammond also had claimed that a Thomas, 31, was arrested at his office deal had been struck between he and in Indianapolis and charged with 16 Green, Satterfield said. "He said he was told that warrants would not be issued if Thomas cooperated and went back to North Carolina," Satterfield said.

"This is completely untrue," he because it was determined that Mr.

Thomas was a security risk at his job in Indianapolis, where he had access to large sums of money."

Thomas is employed with the Market Square Arena in Indianapolis, and his work concerns ticket sales revenue.

Satterfield also denied Hammond's other charges. "He is lying," he said. Hammond could not be reached for comment Tuesday.

"Our (the justice department's) last understanding," Satterfield added, "is that they (Thomas and Hammond) are going to fight extradition."

Thomas's extradition hearing is scheduled for Feb. 17 in Indianapolis. Extraditions are handled through governors' offices, Satterfield said, adding that Thomas's extradition has been forwarded by Gov. James Holshouser to Indiana Gov. Otis T. Bowen.

"Thomas's family is prominent in Indiana," Satterfield said, "and I don't know whether they will have any influence or not."

If the governor does not grant the extradition, he said, the issue would be decided in the courts.

"And the courts are not always effective for this," he said. He then



Howard Henry Carolina Union Director

referred to the recent Robert Williams kidnaping case in Monroe, N.C. "It took 15 years to extradite him."

Former North Carolina Governor Terry Sanford sharply attacked charges Tuesday that he is leaving his name Florida presidential primary ballot in order to receive additional federal matching funds to pay his campaign debts.

Sanford said the accusations are untrue and resulted from ignorance of campaign laws on the part of Florida Secretary of State Bruce Smathers.

Smathers said Monday that Sanford planned to obtain additional federal funds by refusing to sign a sworn affidavit necessary to remove his name from the ballot.

Sanford, now president of Duke University, withdrew as a candidate for the Democratic presidential nomination Friday.

United Press International quoted Smathers as saying he thinks Sanford is "an honorable man" but that Smathers is upset over what he calls a loophole in federal campaign laws which he says allows candidates to pass on campaign debts to taxpayers.

But Sanford said Smathers is

done me an injustice."

Sanford said Smathers' statement implies that he (Sanford) asked to have his name placed on the ballot. "This is not true," he said.

A Florida law requires the names of all announced candidates to be placed on the primary ballot. In order to have his name removed, a candidate must file a sworn affidavit stating that he is no longer running.

"I resented having my name put on that ballot," Sanford said, adding that he would not have entered the Florida primary had his name not been automatically placed on the ballot.

Although Sanford said he will leave his name on the ballot, he said he will not accept any more federal matching funds even if they are offered.

Sanford has already received \$244,000 in federal matching funds, which he does not have to return unless he has a surplus after paying his campaign debts. However, he said he expected to have some money left to return to the government.

Touche Ross & Co., an Atlanta-based firm, audited the Student Activities Fund records last summer and reported no inconsistencies.

The Student Activities Fund, directed by Frances W. Sparrow, handles all financial accounts for the Union and most student organizations.

When asked Monday if the firm might have conducted a faulty audit, Sparrow said, "How can they audit checks that we never received?"

Thirteen of the counts against Thomas concern illegal check usage, while the other three counts concern stealing cash.

After answering this reporter's questions, Sparrow conferred privately with Henry for several minutes and then said, "Until the (legal) process is complete, I cannot say anything about this."

She added that Touche Ross & Co. is one of the top-ten auditing companies in the United States.

Henry refused to speculate as to why last summer's audit discovered no irregularities.

Thomas allegedly embezzled cash from the Union long before the Touche Ross audit. John Satterfield, public

## No solutions this year Election laws remain muddled

**A News Analysis** by Nancy Mattox and Chris Fuller **Staff Writers** 

Any promise of clarifying the current election laws, which have been called vague and unenforceable by Student Government officials and former candidates, will apparently go unfulfilled for now.

"This year's Campus Governing Council is in no position to change the election laws," Brooke Bynum, former Elections Board chairperson said during a CGC Rules and Judiciary Committee hearing on the laws Sunday.

She said that any laws which could be passed by CGC in their remaining two meetings could not possibly be fairly enforced, since some candidates would undoubtedly be already running their campaigns in accordance with current

Committee members Dick Pope and Ben Steelman said before the meeting that there were no recommendations the committee could make to the council at this late date in the session, which ends Feb. 24.

Steelman said that if necessary, he could introduce "pressing reforms" to the council in committee of the whole. A committee of the whole, which must include a quorum (half plus one) of CGC representatives, may report bills like any regular committee. It is a device used to speed up the legislative process and improve the chances of passing a particular piece of legislation.

Pope, however, said he would not support any bill in committee of the whole, since not even the committee hearings produced a quorum-Steelman and Pope were the only committee members present.

The hearings, set up by CGC for the purpose of offering alternatives to the complex election laws, have been attended only once by 2 members of the committee other than Steelman and Pope, who apart from conducting routine questioning, have dominated the hearings with statements about their personal grievances.

Pope asked Bynum at the Sunday hearing what her opinion was on what he called spending violations by Student Body President Bill Bates in last spring's elections. Pope told the Daily Tar Heel earlier that he was convinced Bates had overspent. He based his cohvictions on

## Speaker pro-tem quits; CGC thaws BSM funds

### by Mary Anne Rhyne Staff Writer

Campus Governing Council Speaker Pro Tem Laura Dickerson resigned her office one month before the end of her term at Tuesday night's regular CGC

anything all year but spout off," Mike O'Neal and former CGC Finance

information given him by former Student Body Treasurer Mike O'Neal.

He charged that neither Bynum nor Student Attorney General Andromeda Monroe would investigate Bates because they were both Bates appointees.

Bynum, who was noticeably irritated. said that because she was not Elections Board chairperson at the time of the alleged infractions, she was virtually powerless to do anything but examine Bates' campaign spending reports.

When Bynum asked why then-Elections Board chairperson Ricky Bryant was not at the hearing, Steelman replied that he had been unable to contact Bryant.

Pope also asked Bynum if the Graduate and Professional Students Federation could be recruited to tend polls in graduate voting districts. Bynum replied that she had asked for and received aid from GPSF President Gwen Waddell, but not from any other graduate students.

Relatively few graduate students vote in student elections, Bynum said, noting that most of the current graduate CGC representatives were elected by less than 12 votes.

Pope asked Bynum if a clause should be added to the election laws making it necessary for the winners in each election to be notified by the Elections Board (he himself had once found out about his election to an office through a third party.) Bynum replied that most

Pleae turn to page 2

meeting.

"They (the CGC) haven't done

more meaningful issues on the CGC have been frustrated. I only hope things will get better next year."

The council partially unfroze the Black Student Movement Gospel Choir funds. The bill called for the immediate release of 50 per cent of the previously frozen funds.

Former Student Body Treasurer

# Town services please residents

### by Russell Gardner Staff Writer

A public opinion survey released to the Chapel Hill Board of Aldermen Monday night reveals that citizens generally rate Chapel Hill boards and services favorably and town recreation facilities unfavorably.

George Rabinowitz, a UNC political science professor, presented the survey to the aldermen.

The survey, based on a 169-person sample which included 54 students, was conducted last fall by one of Rabinowitz's classes.

Town residents were asked to give their overall opinions of various Chapel Hill services and departments. Responses were rated on a seven-degree. scale, ranging from "excellent" to "very poor."

The fire department rated highest among town boards and services, followed by the bus system, social and

## David Williams launches campaign for presidency

Parks and recreation rated poor

David Williams, a junior English major insights into what sort of changes should be from Boone, announced his candidacy made."

cultural activities, garbage collection, the police department, the Board of Aldermen, the school board and street maintenance.

Parks and recreation was the only area receiving less than a 50 per cent favorable response, and 30 per cent of the sample rated the service "poor" or "very poor."

Alderman R.D. Smith said the survey represents too small a sampling of a population of over 30,000 residents and 20,000 students to be significant.



Rabinowitz admitted that the sampling was small and that "all survey results should be interpreted with a certain amount of skeptical awareness."

Also at the meeting, the board endorsed and granted \$1,200 for a proposed seminar on participatory planning methods to be held by the UNC Department of City and Regional Planning for the fall 1976 semester.

Town Manager Kurt Jenne stated the proposed seminar could be helpful in obtaining citizen input for the Town Planning Program, espeically in the establishment of the town's Long Range

In other action, the board voted to request that the Orange County Board of Commissioners expand the town's planning district by adding 8.7 square miles to the present planning area.

Development Plan.

Tuesday for the office of Student Body President, becoming the first person to announce for a major office in the upcoming Feb. 25 election.

Williams acknowledged the potentialities of a "cohesive, concerned and dedicated Student Government," and attacked the performance of this year's administration as "political brinkmanship."

"At a time when the University was wrangling with questions ranging from grading practices to faculty tenure, the Student Government-ostensibly the vehicle for student input into the decisionmaking process-was consumed by surreptitious cloak-and-dagger games," he said.

Williams, who currently holds no Student Government office, said, "My experiences outside Student Government and my observations of the workings of Student Government make me feel that I have certain

He listed several primary proposals he would seek to implement if elected. Among them was the possibility of establishing a student to represent student interests before state and local governing boards.

"Governmental bodies other than those on campus affect our campus lives," Williams said, citing a possible out-of-state tuition increase and a Carrboro bus system as possible areas of interest.

Williams' other proposals include the formation of a Student Government news bureau to work in conjunction with other campus media, the establishment of a Student Government grant officer to solicit grant monies for student organizations, the implementation of educational policy reforms including adding voting students to major faculty committees and developing a student internship program.

A member of the UNC Debate Team, Williams worked with the N.C. Department

Staff photo by Margaret Kirk **David Williams** 

of Administration's Service-Learning Internship Program, the Academic Reform Committee, the Chapel Hill-Carrboro Affairs Committee on the possibilities of a bus referendum, and the November studentfaculty-administration conference on -Nancy Mattox campus governance.

If the commissioners expand the district, the town will set up an advisory committee of residents in the affected areas to work with the staff in the development of zoning recommendations.

In addition, the board authorized Jenne to take the necessary steps to maintain operation of the Morgan Creek Sewage treatment plant, after Jenne warned that an emergency situation has resulted from the sudden failure of a centrifuge.

Jenne explained that failure of the centrifuge which is used to separate digested waste from liquid waste has made it impossible to dispose of waste in a normal manner.

Dickerson said Tuesday.

In a written statement she added that she took the action "to show myself as someone of intelligence rather than a 'petty politico,' to use a nicely coined phrase."

Dickerson said she wanted to resign as long as four months ago, when she first noticed that "nothing was being accomplished. I stayed mostly because of a few people who seemed sincerely to have the interests of the student at heart and were not there for some sort of ego trip."

CGC Speaker Dan Besse expressed disappointment at Dickerson's resignation but said "I understand her sentiments and share some of them. Some of my own efforts to deal with

Committee Chairperson Bill Strickland froze the funds last fall, charging that the choir maintained an illegal checking account. The charge is still under investigation by the Finance Committee.

The remaining 50 per cent of BSM funds would be reserved in case the group is found guilty and required to pay a fine.

Another bill passed by the council provides for a mechanism for the alteration of student fees. To alter fees a resolution must be passed by CGC and approved by two thirds of the student body voting in a campus-wide referendum providing at least 20 per cent of the eligible students voters participate.