GAO

Report to the Chairman of the Subcommittee on Human Resources, Committee on Post Office and Civil Service, House of Representatives

August 1987

ETHICS ENFORCEMENT

Filing and Review of the Attorney General's Financial Disclosure Report

GAO/GGD-87-108

GAO

United States
General Accounting Office
Washington, D.C. 20548

General Government Division

B-225267

August 4, 1987

The Honorable Gerry Sikorski
Chairman, Subcommittee on Human Resources
Committee on Post Office and Civil Service
House of Representatives

Dear Mr. Chairman:

This report responds to your April 30, 1987, request and to subsequent discussions with your office that we determine whether (1) Attorney General Edwin Meese III's public financial disclosure report for 1985 satisfied the requirements of the Ethics in Government Act (Public Law 95-521, as amended) and (2) the Department of Justice and the Office of Government Ethics (OGE) properly reviewed the Attorney General's disclosure report. The legal requirements for financial disclosure reports and reviews, the chronology of events in the filing and review of the Attorney General's report, and our analysis of those events in light of the statutory requirements are summarized below and discussed in detail in appendix I.

In brief, we found that the Attorney General did not disclose the assets in his partnership with Financial Management International, Inc. (FMII), as required by the Ethics in Government Act. The act permits nondisclosure of the assets of a private investment arrangement only if that arrangement is one of three types of statutorily exempt trusts. Mr. Meese's partnership with FMII did not meet the standards set forth in the act for the creation of such trusts. Therefore, Mr. Meese's disclosure form should have reported the identity of any partnership investment asset held at the end of 1985 that exceeded $1,000; its general category of value; and the source, type, and amount of income exceeding $100 that was generated by any partnership asset during 1985. The form should have also reported any partnership purchase, sale, or exchange of a stock, bond, or other security or of any real property interest exceeding $1,000. Finally, the form should have identified the investment vehicle by its legal name of "Meese Partners," not FMII.

We also concluded that while certain aspects of the report were questioned and corrected, neither the Department of Justice nor OGE obtained the required information about the partnership during their reviews of Mr. Meese's disclosure report. Justice Department officials discussed the partnership with Mr. Meese and obtained certain information about the partner, FMII. However, they excused disclosure of underlying assets on the basis of Mr. Meese's characterization of the partnership as "blind."

even though it did not meet the requirements in the Ethics Act for a statutorily exempt trust. OGE officials, on the other hand, did not question the partnership until it was called to their attention by the media. They have since notified Justice Department officials that they do not recognize "blind" arrangements created by the filer's own action. As of July 29, 1987, both Justice and OGE were still reviewing Mr. Meese's 1985 disclosure report.

At your request, we did not obtain official agency comments on this report. We did discuss the report with OGE officials, who said that they agreed with its substance. Department of Justice officials said they could not meet with us to discuss the report due to time constraints. As arranged with your staff, unless you publicly announce the contents of this report earlier, we plan no further distribution until 10 days from the date of publication. At that time, we will send copies to interested parties and make copies available to others upon request.

Sincerely yours,

William J. Anderson
Assistant Comptroller General

Contents

Abbreviations

FMII	Financial Management International, Inc.
DAEO	Designated Agency Ethics Official
OGE	Office of Government Ethics

The Filing and Review of the Attorney General's Financial Disclosure Report

Objectives, Scope, and Methodology

The objectives of our review were to determine whether (1) Attorney General Meese's public financial disclosure report for 1985 satisfied the requirements of the Ethics in Government Act (Public Law 95-521, as amended); and whether (2) the Department of Justice and the Office of Government Ethics (OGE) properly reviewed the Attorney General's disclosure report. We conducted our work between May and July 1987 by reviewing the laws and regulations pertaining to the financial disclosure process. We also interviewed current and former officials of the Department of Justice and OGE who were involved in the review of the Attorney General's disclosure report, and we reviewed relevant documents. At the requester's direction, we did not obtain official agency comments on this report, but we did discuss the report with OGE officials. They generally agreed with the substance of the report. Department of Justice officials said they could not meet with us to discuss the report due to time constraints. Our review was conducted in accordance with generally accepted government auditing standards.

Legal Requirements for Filing and Review of Financial Disclosure Statements

The Ethics in Government Act and its implementing regulations contain requirements for the filing of financial disclosure reports and for the review of those reports. The reporting and review requirements that were applicable to Attorney General Meese's disclosure report are discussed below.

Reporting Requirements

Under section 201(d) of the Ethics in Government Act, incumbents of high-level executive branch positions must file a public financial disclosure report (Standard Form 278) on or before May 15 of each year unless an extension is granted by the reviewing official.[1] In the annual report, the filing official must disclose a number of details about his or her financial affairs during the previous calendar year, including his or her income, interests in property, liabilities, and gifts and reimbursements.

Property interests that must be disclosed annually include assets such as stocks and bonds, beneficial interests in trusts, and interests in a business, partnership, or joint venture. Specifically, section 202(a) of the act

[1]The officials required to file such annual reports are identified in section 201(f) of the Ethics Act. The act also requires two other types of disclosure reports: (1) certain new appointees, presidential nominees, and presidential and vice presidential candidates must file a financial disclosure report pursuant to sections 201(a)-(c) and 202(b); and (2) individuals terminating employment in a position described in section 201(f) must file a termination report pursuant to section 201(e).

requires that an individual report the identity and category of value of each of his assets held at the close of the preceding calendar year that had a fair market value in excess of $1,000. The individual must also disclose the source, type, and value of income over $100 attributable to any asset held at any time during the preceding year. If the individual has purchased, sold, or exchanged an interest in real property or a stock, bond, or other form of security within the preceding calendar year, and the amount of the transaction exceeded $1,000, then the individual must briefly describe the transaction and identify its date and general category of value as required by section 202(a) of the act.

In addition to these general requirements with respect to the disclosure of interests in property, section 202(f) of the Ethics Act further specifies that:

"(1) Except as provided in paragraph (2), each reporting individual shall report the information required to be reported . . . with respect to the holdings of and the income from a trust or other financial arrangement from which income is received by, or with respect to which a beneficial interest in principal or income is held by, such individual, his spouse, or any dependent child.

"(2) A reporting individual need not report the holdings of or the source of income from any of the holdings of
—(A) any qualified blind trust (as defined in paragraph [3]); or
—(B) a trust (i) which was not created directly by such individual, his spouse, or any dependent child, and (ii) the holdings or sources of income of which such individual, his spouse, and any dependent child have no knowledge of,
but such individual shall report the category of the amount of income received by him, his spouse, or any dependent child from the trust under subsection (a)(1)(B) of this subsection."

Therefore, under section 202(f) of the act, an individual holding an income or an equity interest in a "financial arrangement" must disclose each asset in the arrangement unless the arrangement is an exempt trust that meets the specific statutory standards for its creation. Three types of such exempt trusts are permitted under the act: (1) a qualified blind trust, (2) a qualified diversified trust, and (3) an excepted trust. Appendix II describes the statutory standards for the creation of each type of trust. For example, one of the statutory requirements for the creation of a qualified blind trust is that the proposed trustee and the proposed trust instrument be approved in advance by the official's supervising ethics office, which, in the case of a presidential appointee such as the Attorney General, is the Office of Government Ethics. Although an excepted trust need not be pre-approved by OGE, the act specifies that it must be created without action or involvement by the employee.

In imposing specific standards for the establishment and maintenance of blind trusts, Congress explained that the absence of such standards in the past had resulted in a proliferation of "blind" arrangements for which there were no legal assurances of actual blindness, causing the public to question whether those devices provided an effective and ethical means of shielding officials from conflict-of-interest restrictions.[2] Additionally, Congress indicated that the Ethics Act's exemption of only those blind trusts meeting narrowly drawn standards reflected a careful weighing of the desirability of such trusts with the "legitimate interests of the public to have disclosure of the financial holdings of public officials."[3] Against this background, Congress explained that it viewed the provisions which became enacted as section 202(f)(1) as imposing a clear requirement that the assets of any financial arrangement other than a trust meeting the statutory criteria be disclosed annually, notwithstanding the nature of the financial arrangement.[4]

Therefore, an individual who holds an interest in any private investment vehicle other than a statutorily exempt trust is legally obligated to disclose the assets of the investment vehicle just as if the assets were held outright.[5] Specifically, the individual is required to report on Schedule A of Form 278 the identity of each asset held by the investment vehicle at the end of the calendar year that exceeds $1,000 and its general category of value. Also, the individual must report on Schedule A the source, type, and value of income exceeding $100 that was generated by any asset held by the investment vehicle at any time during the preceding calendar year. In the event that any asset consisting of a stock, bond, or other form of security or an interest in real property was purchased, sold, or exchanged during the preceding calendar year and the amount of the transaction exceeded $1,000, the individual would also be required to describe the transaction and state its date and category of value on Schedule B of Form 278.

One exception to full disclosure of assets in the report is permitted. Under OGE's instructions accompanying Form 278, a filer is excused

[2]S. Rep. No. 639, 95th Cong., 2d Sess. 4-9 (1978).

[3]Id. at 12.

[4]Id. at 15. See also H. R. Rep. No. 1756, 95th Cong., 2d Sess. 72, reprinted in 1978 U.S. Code Cong. & Ad. News 4381, 4388.

[5]See, for example, OGE Opinion 86x3, April 3, 1986, in which OGE interpreted the disclosure requirement in section 202(f)(1) as obligating an individual who participates in a private investment club to disclose all of the club's assets.

from detailing the holdings and day-to-day transactions of a public investment vehicle if the vehicle's portfolio is described in standard reference materials such as Moody's Bank and Finance Manual.[6] For example, an individual with an IRA invested solely in a mutual fund would be required to report only the name of the fund (and relevant income information) if the fund's portfolio is fully described in Moody's Bank and Finance Manual and therefore can be evaluated independently by the reviewing official.[7]

Review Requirements

The Ethics Act and its implementing regulations provide that an incumbent of a position requiring Senate confirmation must file his or her financial disclosure report with the reviewing official in the employing agency. That official must review the financial disclosure report within 60 days after the date of filing and transmit the report to OGE. OGE must review the report within 60 days after the date of its transmittal.

The reviewing responsibilities of the employing agency and OGE with respect to a presidential appointee's annual report are the same. These responsibilities are described in section 206(b) of the act as implemented by 5 C.F.R. 734.604(b). If, after reviewing a financial disclosure report, the reviewing official believes that the report is complete and in compliance with applicable law and regulations, he or she signs and dates the report. If, on the other hand, the reviewing official believes that additional information is required, the reviewer must request that information from the filing individual and set a date by which the information must be submitted. When the reviewing official receives the requested information, he or she must add it to the financial disclosure report.

If the reviewing official then determines that the supplemented report is complete and satisfies relevant legal requirements, he or she signs and dates the report. If the reviewer concludes that the report discloses a conflict of interest or otherwise is not in compliance with ethics laws and regulations, the reviewer must notify the individual and afford him or her a reasonable opportunity for a written or oral response. If, after considering the response, the reviewing official determines that the individual is in compliance with the law and regulations, the reviewer signs and dates the report. If not, he or she must notify the filing individual of the noncompliance and, after an opportunity for personal consultation,

[6] See General Instructions at VI(c), Schedule A Instructions at IIB, and Schedule B Instructions at IA.

[7] See Schedule A Instructions at IIB.

must notify the individual of appropriate remedial steps to assure compliance with the law and the date by which such steps must be taken. Appropriate remedial steps may include divestiture of a conflicting interest, recusal from involvement in issues that may pose a conflict, or establishment of a qualified trust

If the filing official complies with the request for remedial action, the reviewing official must note this compliance on the report and then sign and date the report. If the requested remedial action is not taken, the reviewing official must refer the matter to the President for appropriate action.

Chronology of Events in the Filing and Review of the Attorney General's Report

As discussed above, section 201(d) of the Ethics Act requires incumbents of high-level executive branch positions to file a public financial disclosure report by May 15 of the year following the reporting year. Thus, Attorney General Meese was required to file his public disclosure report for 1985 by May 15, 1986. On May 9, 1986, Mr. Meese requested and was granted a 20-day extension for filing his report by the Associate Attorney General (the reviewing official for the Attorney General's report), thereby making the document due on June 4, 1986. In his request, Mr. Meese said he needed additional time to compile information regarding the dates and amounts of financial transactions carried out as part of the divestiture he undertook upon assuming office as Attorney General in February 1985. A second extension of 15 days was asked for and was granted by the Associate Attorney General on June 3, 1986, with Mr. Meese citing the "press of business and my recent illness" as reasons why the compilation of information had not been completed. With that extension, the disclosure report was due on June 19, 1986, and Mr. Meese filed the report with the Associate Attorney General on that day.[2] (See app. III for a copy of Mr. Meese's disclosure report for 1985.)

That disclosure report was the first incumbent report filed by Mr. Meese as Attorney General. He had, however, filed the required nominee's financial disclosure report on January 10, 1985, shortly after he was nominated as Attorney General. This report was approved by OGE on January 24, 1985. On Schedule A of the 1985 incumbent report, Mr. Meese listed 38 assets or sources of income, most of which were valued at or below $5,000. The largest of his assets was identified as "Financial

[2]The total 35-day extension granted Mr. Meese was authorized by section 201(g)(2) of the Ethics Act, as implemented by the Department's regulations in 28 C.F.R. 45.735-27(b)(2).

Management International, Inc. (limited blind partnership)" (FMII), valued at between $50,001 and $100,000. The report listed dividend income from the partnership of between $5,001 and $15,000 for the reporting period. FMII was the only asset listed on Schedule B of the report as purchased during the 1985 reporting period; 28 of the 37 remaining assets and income sources were listed as having been sold during 1985. According to documents made public by Mr. Meese's attorneys, the sale of certain of the Attorney General's assets financed the purchase of the partnership with FMII and precluded the Attorney General from "controlling or knowing what was done with his money."

Justice Review of the Disclosure Report

On June 20, 1986, the Deputy Associate Attorney General, acting for the Associate Attorney General, forwarded the report to the Department's Designated Agency Ethics Official (DAEO), who was the Assistant Attorney General for Administration within the Justice Management Division. The Associate Attorney General said he sent the form to the Assistant Attorney General because the Assistant Attorney General's office was more knowledgeable about conflict-of-interest law than he was, and that this was his standard procedure for conducting such reviews. The Assistant Attorney General, in turn, had the report reviewed by the General Counsel for the Justice Management Division (who also served as the Alternate Agency Ethics Official) and a staff attorney within that Division. On June 23, 1986, the General Counsel referred the form to the Assistant Attorney General for the Office of Legal Counsel, who was the Deputy DAEO for the Office of the Attorney General.[1]

After completing their initial review of the form, the General Counsel and the staff attorney had several questions regarding items in the disclosure statement. Some of the questions were resolved by determining whether certain gifts and travel expenses had been paid for by firms that qualified as organizations exempt from taxation under 26 U.S.C. 501(c)(3). The General Counsel then talked with the Assistant to the Attorney General and Chief of Staff in the Office of the Attorney General about several other questions they had regarding Mr. Meese's disclosure report. As a result of those discussions, two gifts that were not required to be listed were taken off the form. The Assistant Attorney General and the General Counsel met with Mr. Meese to discuss four issues that were not resolved.

[1]Although documents indicate that the form was sent to the Office of Legal Counsel, no one in that Office recalls having reviewed Mr. Meese's disclosure report.

The first issue they discussed concerned two assets listed in the report—stock in Santa Fe Southern Pacific and the Los Angeles Housing Authority—that had been described on a May 24, 1985, recusal notice as having been sold. Mr. Meese had sent this notice to the heads of offices, bureaus, boards, and divisions within the Department of Justice and all personnel within the Office of the Attorney General. The General Counsel said that they concluded the recusal notice was in error, and the disclosure report correctly disclosed that the two assets had not been sold as of the end of the calendar year. The second issue involved consulting fees owed to Mr. Meese's wife by the William Moss Institute, which had been listed on his disclosure report as a liability. The General Counsel said they determined this should have been listed as an asset, and Mr. Meese agreed to do so.

The third issue involved legal fees and expenses incurred by Mr. Meese's attorneys during an independent counsel investigation at the time of his nomination as Attorney General in 1984. The fees were listed as a liability of "over $250,000" on the 1985 nomination and incumbent disclosure statements. The nomination disclosure statement indicated that reimbursement of legal fees and expenses by the U.S. Court of Appeals had been applied for pursuant to the provisions of 28 U.S.C. 593(g) and that the amount, if any, of Mr. Meese's ultimate liability for such fees and expenses was dependent upon the court's action on the application.[10] On the incumbent report as originally drafted, the legal fees were still listed as a liability, but a note had been added that the liability had been satisfied pursuant to the order of the Court of Appeals. The General Counsel and the staff attorney said they knew from newspaper accounts that the order had granted less than the attorneys had originally requested, and they questioned whether Mr. Meese was still liable for the remainder of the legal fees. However, the General Counsel said that Mr. Meese told her that the law firms had accepted the court award as full satisfaction of the obligation, thereby eliminating any question of a continuing liability. Also, the staff attorney said that she and the General Counsel decided that the attorneys' acceptance of the court award did not "rise to the nature" of a reportable gift because it was common practice in similar cases for attorneys to accept court awards as full payment of legal fees. She said they did require that the incumbent

[10]An amendment to the Ethics in Government Act, Public Law 97-409 (Jan. 3, 1983), permitted the U.S. Court of Appeals for the District of Columbia Circuit to award reimbursement, at the court's discretion, for all or part of the attorney's fees incurred by the subject of an independent counsel investigation during that investigation if (1) no indictment is brought against the subject and (2) the attorney's fees would not have been incurred but for the investigation. Mr. Meese's asked for reimbursement of $720,824.49, and was awarded $472,190.00.

report be amended by adding a statement that "by prior agreement the law firms have accepted the court award as full satisfaction of the obligation," and Mr. Meese agreed to do so.

The fourth issue raised with Mr. Meese by the General Counsel and the Assistant Attorney General was his listing of the FMII limited blind partnership. The General Counsel said she asked Mr. Meese to describe the partnership more fully, and he told her that it was a California partnership with a general partner and limited partners. He said he did not know how the money in the partnership had been invested because it was a blind partnership, and he received only quarterly reports on the value of the asset.

On July 1, 1986, the General Counsel used the computers in the Department's Antitrust Division to determine what information was available concerning FMII in the computerized Dun and Bradstreet listing of businesses.[1] She found, among other things, that FMII was listed as an investment counselor which sold to the general public; that W. Franklyn Chinn was described as president, sole owner, and sole employee of FMII; and that the company operated from the residence of Mr. Chinn.

The General Counsel said that she considered the limited blind partnership to be similar to a mutual fund or limited partnership. Normally, she said, the nature of the business would have to be listed on the disclosure form, but in this case that was not possible because Mr. Meese did not know how the assets were invested. She said that the emphasis in Justice is that an asset be reported, not that all possible information about that asset be presented. The General Counsel said that under 18 U.S.C. 208, officials cannot act in matters involving a company in which they know they have a financial interest. Since the investments made by Mr. Meese's partnership were reported to be blind, the General Counsel concluded that Mr. Meese could not know of any financial interest aside from the financial interests of the general partner (FMII). Both the General Counsel and the staff attorney who conducted the review said they did not attempt to determine whether the investments made through the partnership were really blind to Mr. Meese (e.g., by requesting and reviewing the partnership agreement) because they said they depend on

[1]Dun's Marketing Services, a company of the Dun & Bradstreet Corporation, publishes the "Million Dollar Directory," which includes general information about the 160,000 U.S. businesses with an indicated net worth of over $500,000. For example, the Directory lists the name of the business, the names of officers and executives, and the firm's principal line of business. The computerized listing from the Department's Antitrust Division that was used by the General Counsel to research FMII includes smaller companies not included in the published listing.

filers to be truthful in their disclosure statements. Neither did they contact OGE regarding the limited blind partnership.

On July 1, 1986, the Assistant Attorney General signed the form in the space for the "Designated Agency Ethics Official/Reviewing Official," although Justice officials said that space should have been reserved for the Associate Attorney General. On July 3, 1986, the Associate Attorney General signed the form as an "Other Reviewer." The Associate Attorney General said his role in the review process was to ensure that the form was complete and had been reviewed by someone knowledgeable about conflict of interest law. He said he believes the burden is on the filer to be accurate, and said he has no opinion as to whether the citation of a "limited blind partnership" was sufficient information to determine whether a conflict-of-interest existed. After being signed by the reviewing officials, the form was sent to the Department's Personnel Office for transmittal to the Office of Government Ethics. According to Justice officials, the Personnel Office collects disclosure statements from all officials in the agency and sends them to OGE as a group by September 30.

OGE Review of the Disclosure Report

Mr. Meese's financial disclosure report was received by OGE on September 29, 1986. According to OGE officials, the disclosure report was initially reviewed by an analyst in OGE's Monitoring and Compliance Division, who raised certain questions regarding the gifts and reimbursements reported on the form. According to the OGE Director, this initial first level review was completed on November 17, 1986. The report was then forwarded for review to the OGE Chief Counsel, who also raised certain questions concerning reported gifts. Some of those questions included whether gifts came from personal friends, whether gifts came from charitable organizations recognized within 26 U.S.C. 501(c)(3), and the applicability of the Foreign Gifts and Decorations Act. According to the Justice Department's staff attorney who reviewed Mr. Meese's report, the OGE Chief Counsel called her on November 20 and November 24, 1986, and asked questions about the gifts, trips, and tax-exempt status of organizations reported on the form. The Chief Counsel said that after a lengthy process involving numerous telephone calls and other research, he resolved the questions that had been raised sometime between January and March 1987.

OGE officials said they did not raise any questions regarding the limited blind partnership during the course of their review. The OGE Director testified in hearings before a Senate Subcommittee that the analyst

noted the limited blind partnership during his review, but he incorrectly assumed that it was a pooled arrangement or similar to an excepted trust and did not raise it with an OGE attorney.[12] The OGE Director said he first learned of questions regarding the partnership when reporters called him in mid-April 1987, shortly before publication of news accounts about the partnership. The Department of Justice's General Counsel who reviewed the form said that after the issue was made public, the OGE Chief Counsel called her and requested a copy of the partnership agreement, which she said she did not have.

On April 28, 1987, the OGE Director wrote to the General Counsel at the Department of Justice who had conducted the review of Mr. Meese's disclosure report and requested a copy of the limited partnership agreement and any underlying documentation that established the character and nature of Mr. Meese's interests in the FMII limited partnership. In that letter, the OGE Director noted that the basic instructions to the financial disclosure form require that "in the case of holdings that are nonpublic such as privately held limited partnership interests, sufficient disclosure must be made to give reviewers an adequate basis for the conflicts analysis required by the Ethics in Government Act."[13] The Director also stated that OGE does not recognize "blind" arrangements created by a filer's own action and included an informal advisory opinion, cited in appendix II, that discusses this principle.

Shortly after sending this letter, the OGE Director said he called the Deputy Attorney General to determine the status of the Justice Department's investigation of individuals involved in the Wedtech Corporation and to determine whether Mr. Meese may become a subject of that criminal investigation. The OGE Director said that the Deputy Attorney General told him that Mr. Meese had requested the appointment of an independent counsel to investigate any wrongdoing on his part in relation to the Wedtech Corporation. The OGE Director said his Office then stopped their investigation and processing of Mr. Meese's disclosure statement because of OGE's policy of deferring any action on its part pending completion of a criminal investigation. The OGE Director also called the Justice Department's General Counsel from whom he had

[12]Testimony before the Subcommittee on Oversight of Government Management of the Senate Governmental Affairs Committee (July 9, 1987).

[13]In testimony on this issue before the Subcommittee on Oversight of Government Management of the Senate Governmental Affairs Committee on July 9, 1987, the OGE Director said that if the underlying documents revealed enough information to make a conflicts analysis, further disclosure would not be required. If the documents were insufficient for that analysis, the entire assets of the limited blind partnership would have to be disclosed.

requested the partnership agreement in early May 1986 and agreed with her that she should postpone any further review or inquiries concerning the Attorney General's financial disclosure form. On May 13, 1987, the General Counsel confirmed that agreement through a letter sent to the OGE Director and, in light of the subsequent announcement by the Deputy Attorney General that the Independent Counsel would be investigating Mr. Meese, she presumed that OGE's request for further information was withdrawn until she heard from him again.

On July 1, 1987, the Associate Attorney General called the OGE Director seeking advice regarding the limited blind partnership described on Mr. Meese's financial disclosure report for 1986, which was filed on June 15, 1987. After determining that the Independent Counsel had no objection to OGE's proceeding with the disclosure review, the OGE Director advised the Assistant Attorney General for Administration within the Justice Management Division that he should proceed with his analysis and forward to OGE the underlying documents to determine if a conflicts analysis could be made on the basis of those documents. The OGE Director said that the Associate Attorney General told him that those documents were insufficient for a conflicts analysis, at which time the OGE Director said he told the Associate Attorney General that disclosure of the assets would probably be required. The OGE Director recently testified that he had reviewed the documents and concluded that the holdings had to be disclosed.[14] He also noted that his Office expects to send a letter to the Justice DAEO indicating what questions will have to be addressed by Justice before OGE can certify the disclosure report for 1986. As of July 29, 1987, OGE and the Department of Justice were still reviewing Mr. Meese's 1985 disclosure report.

Conclusions Regarding the Filing and Review of the Attorney General's Report

Attorney General Meese, in his 1985 financial disclosure report, did not disclose the assets held, purchased, or sold by his partnership with FMH, or the income attributable to specific assets of the partnership, as required by the Ethics in Government Act. Also, although certain items were questioned and corrected with regard to other aspects of the report, the Department of Justice and OGE did not obtain the information necessary to identify the partnership investments during their reviews.

[14]Testimony before the Subcommittee on Oversight of Government Management of the Senate Governmental Affairs Committee (July 9, 1987).

Disclosure of FMII Partnership Was Insufficient

As previously discussed, the Ethics in Government Act requires an official to disclose the underlying assets of a private investment arrangement unless the arrangement qualifies as one of three types of trusts meeting specific statutory standards. (See app. II for a discusssion of those standards.) Mr. Meese's partnership with FMII did not constitute one of those three types of trusts for a number of reasons. For example, it could not be considered a "qualified blind trust" or a "qualified diversified trust" because the arrangement was not preapproved by OGE. The partnership could not be considered an "excepted trust" because Mr. Meese and his wife participated in its formation. Accordingly, the "blind" label affixed to the partnership did not insulate its underlying assets from disclosure under the Ethics Act. The act therefore required Mr. Meese to fully disclose the assets of the partnership, just as if he had held the assets directly. That is, he was required to list on Schedule A of the disclosure report any asset held by the partnership at the end of 1985 with a value in excess of $1,000 and its general category of value. Also, he was required to report on Schedule A the source, type, and amount of income exceeding $100 that was generated by any asset held by the partnership at any time during 1985. Mr. Meese did not so disclose the individual assets of the partnership. Instead, he incorrectly reported the partnership itself as a single asset.

Mr. Meese was also required by the Ethics Act to report on Schedule B of the disclosure report any partnership purchase, sale, or exchange of any stock, bond, or other form of security or of any real property interest if the amount of the transaction exceeded $1,000. According to a statement made public by Mr. Meese's attorneys on July 6, 1987, FMII invested partnership funds in 11 "same-day trades" of securities during 1985. The statement lists only the gross income or loss from each trade and does not indicate whether the individual purchases and sales exceeded the $1,000 disclosure threshold. However, monthly account statements of the trading account for the partnership indicate that each of the individual purchases and sales in 1985 exceeded $1,000. Mr. Meese did not report any of those transactions on his disclosure form, indicating only that he purchased FMII during 1985. Since all of the FMII transactions exceeded $1,000, Mr. Meese should have detailed these transactions on his disclosure report.

Furthermore, Mr. Meese inaccurately identified the partnership as "Financial Management International, Inc." FMII was actually the general partner that managed the investments of the two limited partners, Mr and Mrs. Meese. Neither Mr. nor Mrs. Meese owned any part of Financial

Management International, Inc. The legal name of the partnership was, according to the partnership agreement, "Meese Partners."

Justice and OGE Reviews Did Not Obtain the Required Information

Both the Department of Justice and OGE were required by the Ethics in Government Act to review Mr. Meese's disclosure report for completeness and compliance with the ethics laws and regulations and to apprise Mr. Meese if additional information was required. However, neither Justice nor OGE obtained information from Mr. Meese concerning the holdings of his partnership and the transactions involving those holdings as required by the disclosure provisions of the Ethics Act.

As discussed previously, the Department of Justice officials who reviewed Mr. Meese's disclosure report questioned several items and corrected the report in some respects. They also met with Mr. Meese to obtain further information about the partnership. Mr. Meese told the officials that the partnership was established in California, that there was a general partner and limited partners, and that he was not aware of the assets of the partnership. Department of Justice officials accepted the nondisclosure of those assets because of Mr. Meese's statement that the partnership was blind. However, the asserted "blind" nature of an investment arrangement does not excuse a reviewing official from requiring that the underlying assets be disclosed unless the arrangement constitutes a statutorily exempt trust.

The only other information obtained by Justice Department officials was a Dun and Bradstreet computerized listing that identified FMII as an investment counselor and generally described the firm's structure and operations. Since the listing did not provide any information concerning the assets in which FMII had invested on behalf of Mr. and Mrs. Meese, it failed to satisfy the Ethics Act's disclosure requirements. Only a public listing of an investment vehicle's portfolio, such as the type provided by Moody's Bank and Finance Manual, will excuse a filing official from detailing the assets held by an investment vehicle on his financial disclosure report.

As noted in the chronology, OGE officials did not question the partnership or request additional information until April 1987. In testimony before the Senate Subcommittee on Oversight of Government Management in July 1987, the OGE Director said that had the asset been described correctly as "Meese Partners" instead of FMII, the private

character of the investment arrangement would have been more apparent and OGE analysts would have been more likely to raise questions about the arrangement.

Statutory Requirements for the Creation of Exempt Trusts

The Ethics Act sets forth standards under which three types of trusts may be exempted from general disclosure requirements. The basic requirements for the first type, a qualified blind trust, are: (1) the individual or institution in charge of the trust must be truly independent from the government official (section 202[f][3][A]); (2) the trust instrument must meet certain minimum standards (e.g., the instrument must prohibit communications between the trustee and the interested party concerning the identity of the trust holdings and sources of income) (section 202[f][3][C]); and (3) the proposed trustee and the proposed trust instrument must be approved by the official's supervising ethics office (section 202[f][3][D]), which in the case of a presidential appointee is the Office of Government Ethics. A qualified blind trust is blind only as to those assets acquired by the trustee. A government official must annually report on any asset that he initially placed into the trust, and he remains subject to conflict-of-interest restrictions with respect to the asset until the trustee notifies him that the asset has been sold or has become less than $1,000 in value (section 202[f][4][A]).

Under 202(f)(4)(B), a qualified diversified trust may be established for the benefit of a presidential appointee if it is preapproved by the Director of OGE in concurrence with the Attorney General. Not only must a diversified trust meet certain requirements applicable to qualified blind trusts (e.g., an independent trustee), it also must conform to additional, special criteria. For example, a diversified trust must consist of a "well-diversified portfolio of readily marketable securities," and no security may be held if the issuing entity has "substantial activities in the area of the reporting individual's primary area of responsibility" (section 202[f][4][B]).

The final type of trust recognized by the Ethics Act is an excepted trust. The basic features of such a trust are: (1) the trust must not have been created directly by the reporting individual, his spouse, or dependents; and (2) the reporting individual, his spouse, and dependents may not have any knowledge of the identity of the trust holdings or sources of income (section 202[f][2][B]). In an informal advisory opinion, OGE held that a filing official cannot create an excepted trust by his own action. (See OGE Opinion 84x8, June 4, 1984).

Attorney General Meese's Financial Disclosure Report for 1985

Financial Disclosure Report

Page 1

Reporting Status (Check Appropriate Box)	Agency Use Only	OGE Use Only	Date of Appointment (Candidate) / Termination Date (If Applicable)
☐ Incumbent ☐ New Entrant, Nominee or Candidate ☐ Termination Filer		SEP 29 1986	

	Last Name	First Name and Middle Initial	Department or Agency (If Applicable)
Reporting Individual's Name	MEESE	EDWIN III	
Position for Which Filing	Title of Position: Attorney General		Department of Justice
Location of Present Office	Address (Number, Street, City, State and ZIP Code): Room 5111, Tenth St. and Constitution Ave., NW Washington, D.C. 20530		Telephone No. (Include Area Code): (202) 633-2001
Executive Branch Agencies Contacted During the Preceding 12 Months (If Not Same as Above)	Title of Position(s) and Date(s) Held: Counsellor to the President, 21 January 1981 to 25 February 1985		

Presidential Nominees Subject to Senate Confirmation	Name of Congressional Committee Considering Nomination	Do You Intend to Create a Qualified Diversified Trust?
		☐ Yes ☐ No

Certification	Signature of Reporting Individual	Date (Month, Day, Year)
I CERTIFY that the statements I have made on this form and all attached schedules are true, complete and correct to the best of my knowledge and belief.	Edwin Meese III	19 June 1986
Other Review (If desired by agency)	Signature of Other Reviewer	Date (Month, Day, Year)
Agency Ethics Official's Opinion	Signature of Designated Agency Ethics Official Reviewing Official	3 July 1986
	N. Lawrence Wallace	1 July 1986
Office of Government Ethics Use Only	Signature	Date (Month, Day, Year)

Comments of Reviewing Official (If additional space is required, use the reverse side of this sheet)

PREVIOUS EDITION USABLE

Reporting Periods

Incumbents Complete Schedules A, B, C and Part I of D. The reporting period is the preceding calendar year except for Part II of Schedule C and Part I of Schedule D where you must also include any positions held or agreements or arrangements made from the beginning of the filing year until the date you file.

Termination Filers Complete Schedules A, B, C and Part I of D. The reporting period begins at the end of the period covered by your previous filing and ends at the date of termination.

Nominees, New Entrants and Candidates for President and Vice President Complete Schedules A, C and D. Candidates do not file Part II of Schedule D.

- **Schedule A** – The reporting period for Income (BLOCK C) and *Transactions Test* (BLOCK D) is the preceding calendar year and the current calendar year up to the date of filing. Value assets in BLOCK B as of any date you choose that is within 31 days of the date of filing.
- **Schedule C, Part I** (Liabilities) – The reporting period is the preceding calendar year and the current calendar year up to any date you choose that is within 31 days of the date of filing.
- **Schedule C, Part II** (Agreements and Arrangements) – Show any agreements or arrangements as of the date of filing.
- **Schedule D** – The reporting period is the preceding **two** calendar years and the current calendar year up to the date of filing.

Assets and Income

Page Number

Schedule A

BLOCK A
Assets & Income Sources

BLOCK B
Valuation of Assets

BLOCK C
Income

BLOCK D
Transactions
Test

Reporting Individual's Name: Meese, Edwin III

Assets and Income

Page Number | Schedule A

All Filers In BLOCK A report (a) the identity of each asset held for the production of income at the close of the reporting period which had a fair market value exceeding $1000 and (b) any other asset or source of income which generated over $100 in income during the reporting period. This includes but is not limited to employers, stocks, bonds, tax shelters, bank accounts, real property, mutual funds, pensions, IRA assets, assets of certain trusts, commodities futures, personal businesses and partnership interests. **Exclude** your personal residence unless you rent it out. See instructions for rules on bank accounts and complex holdings.

All Filers In BLOCK B report the value of each asset listed in BLOCK A which had a fair market value exceeding $1000 at the close of the reporting period.

All Filers In BLOCK C report the type and amount of income exceeding $100 or more received from the assets and other sources of income listed in BLOCK A. You must report the **actual amount** of any income not of a type specifically noted below. You need not report the actual amount of your spouse's earned income, only the source in BLOCK A. You may not check "qualified trust" unless you have a blind trust which has been specifically approved by the Office of Government Ethics. If you, your spouse or dependent child are the beneficiary of a trust which no one of you created and has no knowledge of the assets, refer to the instructions to see if it qualifies as an "excepted trust". If "none" (or less than $101) is checked under Category of Amount of Income, no other entries need be made in BLOCK C for that item.

Incumbents and Termination Filers only In BLOCK D, for any real property, stocks, bonds, commodities futures and other securities listed in BLOCK A, did you purchase, sell or exchange the item during the reporting period for a value that exceeds $1000?

BLOCK A — Assets & Income Sources: Identify each asset and income source of yours, your spouse(S) and your dependent child (DC). NONE ☐

BLOCK B — Valuation of Assets: Category of Value (X)

BLOCK C — Income: Type of Income (X); Category of Amount of Income (X)

BLOCK D — Transactions Test

No.	S, J, DC	Assets & Income Sources	B: None (or less than $1001)	B: $1,001–$5,000	B: $5,001–$15,000	B: $15,001–$50,000	B: $50,001–$100,000	B: $100,001–$250,000	B: Over $250,000	C: Dividends	C: Rent	C: Interest	C: Capital Gains	C: Excepted Trust	C: Qualified Trust	C: Other (Specify Type)	C: None (or less than $101)	C: $101–$1,000	C: $1,001–$2,500	C: $2,501–$5,000	C: $5,001–$15,000	C: $15,001–$50,000	C: $50,001–$100,000	C: Over $100,000	Actual Amount (Only if Other Specified)	Date (Mo, Day, Yr) (Only if Honoraria)	D: Yes	D: No
Examples		X Y Z Common				x				x									x									
Examples		Doe Jones & Smith, Hometown USA			x											[illegible]									$150,000			
1	S	Santa Fe Southern Pacific		X						X								X										
2	S	Southern California Edison (pref.)		X						X							X											
3	S	Sterling Drug		X						X								X										
4	S	Texaco		X						X								X									X	
5	S	AT&T Bond	X									X					X										X	
6	S	Arkansas Power and Light Bond	X									X					X										X	
7	S	Columbia Gas System Bond	X									X					X										X	
8	S	Los Angeles Harbor Authority Bonds			X							X						X										X
9	S	New York Telephone Bond	X									X					X										X	
10	S	Pacific Gas and Electric Bond	X									X					X											

PREVIOUS EDITION USABLE

Reporting Individual's Name: [illegible]

Assets and Income

Page Number | Schedule A

All Filers In BLOCK A report (a) the identity of each asset held for the production of income at the close of the reporting period which had a fair market value exceeding $1000 and (b) any other asset or source of income which generated over $100 in income during the reporting period. This includes but is not limited to employers, stocks, bonds, tax shelters, bank accounts, real property, mutual funds, pensions, IRA assets, assets of certain trusts, commodities futures, personal businesses and partnership interests. **Exclude** your personal residence unless you rent it out. See instructions for rules on bank accounts and complex holdings.

All Filers In BLOCK B report the value of each asset listed in BLOCK A which had a fair market value exceeding $1000 at the close of the reporting period.

All Filers In BLOCK C report the type and amount of income exceeding $100 or more received from the assets and other sources of income listed in BLOCK A. You must report the **actual amount** of any income not of a type specifically noted below. You need not report the actual amount of your spouse's earned income, only the source in BLOCK A. You may not check "qualified trust" unless you have a blind trust which has been specifically approved by the Office of Government Ethics. If you, your spouse or dependent child are the beneficiary of a trust which no one of you created and has no knowledge of the assets, refer to the instructions to see if it qualifies as an "excepted trust." If "none (or less than $101)" is checked under Category of Amount of Income, no other entries need be made in BLOCK C for that item.

Incumbents and Termination Filers only In BLOCK D for any real property, stocks, bonds, commodities futures and other securities listed in BLOCK A did you purchase, sell or exchange the item during the reporting period for a value that exceeds $1000?

BLOCK A: Assets & Income Sources — Identify each asset and income source of yours, your spouse(S) and your dependent child (DC). NONE ☐

BLOCK B: Valuation of Assets — Category of Value (X)

BLOCK C: Income — Type of Income (X); Category of Amount of Income (X)

BLOCK D: Transactions Test — If yes, complete Part B of this schedule for those assets, including those sold for a loss

#	Assets & Income Sources	B: None (or less than $1001)	$1 001 – $5 000	$5 001 – $15 000	$15 001 – $50 000	$50 001 – $100 000	$100 001 – $250 000	Over $250 000	Dividends	Rent	Interest	Capital Gains	Excepted Trust	Qualified Trust	Other (Specify Type)	C: None (or less than $101)	$101 – $1 000	$1 001 – $2 500	$2 501 – $5 000	$5 001 – $15 000	$15 001 – $50 000	$50 001 – $100 000	Over $100 000	Actual Amount (Only if Other Specified)	Date (Mo., Day, Yr.) (Only if Honoraria)	D: Yes	No
Example	JKL Company				X				X									X								X	
Example	Doe Jones & Smith, Hometown, USA			X											Partnership income									$10,000			
1	Southern California Edison Bonds		X								X						X									X	
2 S	Southwestern Bell Telephone Bond	X									X					X										X	
3 S	Keystone Custodian Funds			X					X			X						X								X	
4 S	National Permanent Federal Savings and Loan Account				X						X							X									X
5	White House Federal Credit Union Accounts			X							X							X									X
6 S	Multiple Sclerosis Society														Consulting fee												
7	Pension Entitlement, Public Employees Retirement System, State of California				X											X											X
8	Pension Entitlement, Alameda Co., CA, Retirement Board				X																						X
9	Pension Entitlement, TIAA-CREF (Univ. of San Diego)				X											X											X
10 S	William Moss Institute														Consulting fee												

PREVIOUS EDITION USABLE

SF 278 (Rev. 1/85)
FPM Chapter 734
U.S. Office of Personnel Management

Form Approved
OMB No. 3209-0002

Reporting Individual's Name	Assets and Income	Page Number		Schedule A
MEESE, EDWIN III				

All Filers In BLOCK A report (a) the identity of each asset held for the production of income at the close of the reporting period which had a fair market value exceeding $1000 and (b) any other asset or source of income which generated over $100 in income during the reporting period. This includes but is not limited to employers, stocks, bonds, tax shelters, bank accounts, real property, mutual funds, pensions, IRA assets, assets of certain trusts, commodities futures, personal businesses and partnership interests. **Exclude** your personal residence unless you rent it out. See instructions for rules on bank accounts and complex holdings.

All Filers In BLOCK B report the value of each asset listed in BLOCK A which had a fair market value exceeding $1000 at the close of the reporting period.

All Filers In BLOCK C report the type and amount of income exceeding $100 or more received from the assets and other sources of income listed in BLOCK A. You must report the **actual amount** of any income not of a type specifically noted below. You need not report the actual amount of your spouse's earned income, only the source in BLOCK A. You may not check "qualified trust" unless you have a blind trust which has been specifically approved by the Office of Government Ethics. If you, your spouse or dependent child are the beneficiary of a trust which no one of you created and has no knowledge of the assets, refer to the instructions to see if it qualifies as an excepted trust. If "none" (or less than $101) is checked under Category of Amount of Income, no other entries need be made in BLOCK C for that item.

Incumbents and Termination Filers only In BLOCK D for any real property, stocks, bonds, commodities futures and other securities listed in BLOCK A did you purchase, sell, or exchange the item during the reporting period for a value that exceeds $1000?

		BLOCK A Assets & Income Sources	BLOCK B Valuation of Assets							BLOCK C Income																	BLOCK D Transactions Test	
		Identify each asset and income source of yours, your spouse(S) and your dependent child (DC) NONE ☐	Category of Value (X)							Type of Income (X)						Other (Specify Type)	Category of Amount of Income (X)								Actual Amount Only if Other Specified	Date (Mo. Day Yr.) Only if Honoraria	If yes, complete Sch. B Part I for those assets including those sold for a loss	
	S or DC		None (or less than $1001)	$1,001–$5,000	$5,001–$15,000	$15,001–$50,000	$50,001–$100,000	$100,001–$250,000	Over $250,000	Dividends	Rent	Interest	Capital Gains	Excepted Trust	Qualified Trust		None (or less than $101)	$101–$1,000	$1,001–$2,500	$2,501–$5,000	$5,001–$15,000	$15,001–$50,000	$50,001–$100,000	Over $100,000			YES	NO
Examples		X Y Z Common				x				x									x								x	
		Doe Jones & Smith, Hometown, USA			x											Partnership income									$50,000			
1	JT S	Americtech		X						X							X										X	
2	JT S	Bell Atlantic		X						X							X										X	
3	JT S	Bell South		X						X							X										X	
4	JT S	NYNEX		X						X							X										X	
5	JT S	Pacific Telesis		X						X							X										X	
6	JT S	SW Bell		X						X							X										X	
7	JT S	US West		X						X							X										X	
8		Financial Management International, Inc. (limited blind partnership)					X			X											X						X	
9																												
10																												

PREVIOUS EDITION USABLE

278-209

Page Number		Schedule B

Part I
Transactions

Incumbents and Termination Filers only: Report any purchase, sale or exchange by you, your spouse or dependent child during the reporting period of any real property, stocks, bonds, commodities futures, and other securities when the amount of the transaction exceeded $1,000. Include transactions that resulted in a loss. Do not report a transaction involving property used solely as your personal residence or a transaction between you, your spouse or your dependent child.

NONE ☐

S or JT	Exam ple	Identification of Assets	Type of Transaction (X) Purchase	Sale	Exchange	Date (Mo., Day, Yr.)	Amount of Transaction (X) $1,001 - $15,000	$15,001 - $50,000	$50,001 - $100,000	$100,001 - $250,000	Over $250,000
		X-Y-Z Corporation				2/1/83					
1		[illegible]		X		5/23/85	X				
2		Allis-Chalmers Mutual Savings		X		5/23/85	Less than $1,001				
3		Retail Banking system		X		5/23/85	Less than $1,001				
4		Central Illinois Public Service		X		5/23/85	X				
5		Consolidated Edison of New York		X		5/23/85	X				
6		Commonwealth Power		X		5/23/85	Less than $1,001				

Part II
Gifts, Reimbursements and Travel Expenses

Incumbents and Termination Filers only: Report the source, a brief description and the value of: (1) all gifts of transportation, lodging, food or entertainment received from one source totaling $250 or more unless received as personal hospitality at the donor's personal or family residence; (2) other gifts received from one source totaling $100 or more in value; and (3) cash reimbursements of $250 or more received from one source. Exclude gifts and reimbursements received by your spouse that were given totally independent of their relationship to you. **Exclude** transportation, lodging, food and reimbursements from the U.S. Government. For (1) and (2) **exclude** gifts from relatives and **exclude** gifts of $35 or less when aggregating them for the total from one source. See instructions for further exclusions.

NONE ☐

S	Source (Name and Address)	Brief Description	Value
	Example: Natl Assn of Rock Collectors NY, NY	Airline ticket, hotel room & meals incident to national conference 8/15/83	$500
	Natl Assn of Rock Collectors NY, NY	Leather briefcase for retiring president	$125
1	Shih-Chieh Hung Oakland, California	Original oil painting of Mr. Meese	$1,500
2	Boosters Clubs of America	Tennis shirt, shorts and shoes	$144
3	San Diego Industry-Education Council San Diego, California	Eagle mounted on wooden base	$150
4	Christian Legal Society Los Angeles, California	Plaque	$151
5	Northwestern University School of Law Chicago, Illinois	Initialed leather portfolio	$140
6	Mrs. Theodore Cummings (personal friend) Beverly Hills, California	Jade sculpture of horses and crystal figure of elephant	$675

PREVIOUS EDITION USABLE

Reporting Individual's Name: MEESE, EDWIN III

Page Number | Schedule B

Part I
Transactions

Incumbents and Termination Filers only: Report any purchase, sale or exchange by you, your spouse or dependent child during the reporting period of any real property, stocks, bonds, commodities futures, and other securities when the amount of the transaction exceeded $1,000. Include transactions that resulted in a loss. Do not report a transaction involving property used solely as your personal residence or a transaction between you, your spouse or your dependent child.

NONE ☐

	Identification of Assets	Purchase	Sale	Exchange	Date (Mo, Day, Yr)	$1,001–$5,000	$5,001–$15,000	$15,001–$50,000	$50,001–$100,000	$100,001–$250,000	Over $250,000
E	XYZ Common	x			7/1/83	x		x			
1	[illegible]		X		5/23/85		x				
2	Monarch Machine Tool		X		5/23/85	X					
3	Niagara Mohawk Power		X		5/23/85	Less than $1,000					
4	Safeway Stores		X		5/23/85	X					
5	Southern California Edison (preferred)		X		5/23/85	X					
6	Sterling Drug		X		5/23/85	X					

Part II
Gifts, Reimbursements and Travel Expenses

Incumbents and Termination Filers only

Report the source, a brief description and the value of (1) gifts of transportation, lodging, food or entertainment received from one source totaling $250 or more unless received as personal hospitality at the donor's personal or family residence, (2) other gifts received from one source totaling $100 or more in value, and (3) cash reimbursements of $250 or more received from one source. Exclude gifts and reimbursements received by your spouse that were given totally independent of their relationship to you. **Exclude** transportation, lodging, food and reimbursements from the U.S. Government. For (1) and (2) **exclude** gifts from relatives and exclude gifts of $35 or less when aggregating them for the total from one source. See instructions for further exclusions.

NONE ☐

	Source (Name and Address)	Brief Description	Value
Examples	Nat'l Assn. of Rock Collectors, NY, NY	Airline ticket, hotel room & meals incident to national conference 6/15/83	$500
	Nat'l Assn. of Rock Collectors, NY, NY	Leather briefcase for retiring president	$125
1	St. Louis Bar Foundation, St. Louis, Missouri	Travel for Mrs. Meese and lodging for Mr. and Mrs. Meese, July, 1985	$450
2	Ronald Camba (personal friend), Oakland, California	Framed silk screen	$275
3	The Honorable Robert Badinter, Minister of Justice, Paris, France	Bronze medallion	$100
4	Dr. and Mrs. James Holderman (personal friends), Columbia, South Carolina	Framed print of eagle and crystal eagle	$650
5	Harvard University, Cambridge, Massachusetts	Lodging while attending meetings of Executive Session on Community Policing during March, 1985 and October, 1985	$985
6	ABA Fund for Public Education, Chicago, Illinois	Lodging while attending American Bar Association annual meeting in London during July, 1985	$2,912

PREVIOUS EDITION USABLE

Page Number	Schedule B

Part I
Transactions

Incumbents and Termination Filers only Report any purchase, sale or exchange by you, your spouse or dependent child during the reporting period of any real property, stocks, bonds, commodities futures, and other securities when the amount of the transaction exceeded $1,000. Include transactions that resulted in a loss. Do not report a transaction involving property used solely as your personal residence or a transaction between you, your spouse or your dependent child.

NONE ☐

	Identification of Asset	Type of Transaction (X)			Date (Mo., Day, Yr.)	Amount of Transaction (X)							
					2/1/83								
		X											
		X						X					

Part II
Gifts, Reimbursements and Travel Expenses

Incumbents and Termination Filers only

Report the source, a brief description and the value of: (1) in-kind gifts of transportation, lodging, food or entertainment received from one source totaling $250 or more unless received as personal hospitality at the donor's personal or family residence; (2) other gifts received from one source totaling $100 or more in value; and (3) cash reimbursements of $250 or more received from one source. Exclude gifts and reimbursements received by your spouse that were given totally independent of their relationship to you. **Exclude** transportation, lodging, food and reimbursements from the U.S. Government. For (1) and (2) **exclude** gifts from relatives and **exclude** gifts of $35 or less when aggregating them for the total from one source. See instructions for further exclusions.

NONE ☐

	Source (Name and Address)	Brief Description	Value
	Learn Nat'l Assn. of Rock Collectors, NY, NY	Airline ticket, hotel room & meals incident to national convention (1/31)	$300
	Nat'l Assn. of Rock Collectors, NY, NY	Leather briefcase for returning president	$1[illegible]
	Institute for Contemporary Crafts, San Francisco, California	Lecture, February, 1985	$2[illegible]
	John M. Ashbrook Center for Public Affairs, Ashland College, Ashland, Ohio	Travel for Mr. and Mrs. Meese	$6,00
	Illinois Institute for Continuing Legal Education, Chicago, Illinois	Lodging, Hot Springs, Ohio	$ [illegible]

PREVIOUS EDITION USABLE

Page Number | Schedule B

Part I
Transactions

Incumbents and Termination Filers only Report any purchase, sale or exchange by you, your spouse or dependent child during the reporting period of any real property, stocks, bonds, commodities futures, and other securities when the amount of the transaction exceeded $1,000. Include trans-

ar lists that resulted in a loss. Do not report a transaction involving property used solely as your personal residence or a qualified blind trust between you, your spouse or your dependent child.

NONE ☐

Identification of Assets	Type of Transaction (X)			Date (Mo., Day, Yr.)	Amount of Transaction ($)									

Part II
Gifts, Reimbursements and Travel Expenses

Incumbents and Termination Filers only:
Report the source, a brief description and the value of (1) all gifts of transportation lodging, food or entertainment received from one source totaling $250 or more unless received as personal hospitality of the donor's personal or family residence, (2) other gifts received from one source totaling $100 or more in value and (3) cash reimbursements of $250 or more received from one source. Exclude gifts and reimbursements received by your spouse that were given independently independent of their relationship to you. **Exclude** transportation lodging, food and reimbursements from the U.S. Government. For (1) and (2), **exclude** gifts from relatives and **exclude** gifts of $35 or less when aggregating them for the total from one source. See instructions for further exclusions.

NONE [X]

Source (Name and Address)	Brief Description	Value
Nat'l Assn. of Rock Collectors, NY, NY	Airline ticket, hotel room & meals incident to national conference 6/15/85	$500
Nat'l Assn. of Rock Collectors, NY, NY	Leather briefcase for retiring president	$175

FILER'S NEDITION USABLE

Page Number		Schedule B

Reporting Individual's Name: [illegible]

Part I
Transactions

Incumbents and Termination Filers only: Report any purchase, sale or exchange by you, your spouse or dependent child during the reporting period of any real property, stocks, bonds, commodities futures, and other securities when the amount of the transaction exceeded $1,000. Include transactions that resulted in a loss. Do not report a transaction involving property used solely as your personal residence, or a transaction between you, your spouse or your dependent child.

NONE ☐

	Identification of Assets	Type of Transaction (X): Purchase	Sale	Exchange	Date (Mo., Day, Yr.)	Amount of Transaction (X): $1,001–$5,000	$5,001–$15,000	$15,001–$50,000	$50,001–$100,000	$100,001–$250,000	Over $250,000
Example	XYZ Common	x			2/1/83			x			
1	[illegible]NEX		X		5/24/85	X					
2	Pacific Telesis		X		5/24/85	X					
3	[illegible] Bell		X		5/24/85	X					
4	[illegible] West		X		5/24/85	X					
5	Financial Management International, Inc	X			5/23/85				X		
6											

Part II
Gifts, Reimbursements and Travel Expenses

Incumbents and Termination Filers only: Report the source, a brief description and the value of: (1) in-kind gifts of transportation, lodging, food or entertainment received from one source totaling $250 or more unless received as personal hospitality at the donor's personal or family residence, (2) other gifts received from one source totaling $100 or more in value, and (3) cash reimbursements of $250 or more received from one source. Exclude gifts and reimbursements received by your spouse that were given totally independent of their relationship to you. **Exclude** transportation, lodging, food and reimbursements from the U.S. Government. For (1) and (2) **exclude** gifts from relatives and **exclude** gifts of $35 or less when aggregating them for the total from one source. See instructions for further exclusions.

NONE ☒

	Source (Name and Address)	Brief Description	Value
Examples	Nat'l Assn. of Rock Collectors, NY, NY	Airline ticket, hotel room & meals incident to national conference 6/15/83	$500
	Nat'l Assn. of Rock Collectors, NY, NY	Leather briefcase for retiring president	$125
1			
2			
3			
4			
5			
6			

PREVIOUS EDITION USABLE

[illegible]

Page Number	[illegible]	Schedule C

Part I
Liabilities

All Filers Report liabilities over $10,000 owed to any one creditor at any time during the reporting period by you, your spouse or dependent child. Check the highest amount owed during the reporting period. **Exclude** a mortgage on your personal residence unless it is rented out; loans secured by automobiles, household furniture or appliances; and liabilities owed to relatives. See instructions for revolving charge accounts.

NONE ☐

	Creditor (Name and Address)	Type of Liability	Date Incurred	Interest Rate	Term if applicable	$10,001 to $15,000	$15,001 to $50,000	$50,001 to $100,000	$100,001 to $250,000	Over $250,000
Examples	First District Bank, Washington, DC	Mortgage on rental property, Rehoboth Beach, Delaware	1981	13%	25 yrs		*	X		
	John Jones, 123 J St., Washington, DC	Promissory note	1976	10%	on demand	X				
1	Dickstein, Shapiro and Morin, Washington, D.C.									
	E. Robert Wallach, Esq., San Francisco, California	Legal fees and expenses	[illegible]							X*
	*NOTE: Liability certified pursuant to order of D.C. Circuit Court of Appeals under the provisions of 28 U.S.C. 593(f). By prior agreement the law firms have accepted the court award as full satisfaction of the obligation.									

Part II
Agreements Or Arrangements

All Filers. Report your agreements or arrangements for future employment, leaves of absence, continuation of payment by a former employer (including severance payments), or continuing participation in an employee benefit plan. See instructions regarding the reporting of negotiations for any of these arrangements or benefits.

NONE ☐

Status and Terms of any Agreement or Arrangement	Parties	Date (Mo., Yr.)
Example: Pursuant to partnership agreement, will receive capital account & partnership share calculated on service performed through 1/83	Doe Jones & Smith, Hometown, USA	7/85 (partnership agmt)
Vested pension rights	Alameda County, California Retirement Board	Jan. 1967
Vested pension rights	Public Employees Retirement System, State of California	Jan. 1975
Vested pension right	TIAA-CREF (University of San Diego)	Jan. 1981

PREVIOUS EDITION USABLE

278-106

Page Number		Schedule
	12	D

Part I
Positions Held Outside U.S. Government

All Filers Report any positions held during the applicable reporting period. Positions include but are not limited to those of an officer, director, trustee, general partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise or any nonprofit organization or educational institution. **Exclude** positions with religious, social, fraternal, or political entities or those solely of an honorary nature.

NONE ☐

Organization (Name and Address)	Type of Organization	Position Held	From (Mo., Yr.)	To (Mo., Yr.)
Example: Nat'l Assn. of Real Estate Attys., Nr. Rr.	Non-profit education	President	6/82	6/84
Doe Jones & Smith, Hometown, USA	Law firm	Partner	7/75	11/84
Ronald Reagan Presidential Foundation	Non-profit education	Trustee and Vice Chairman	March, 1985	Present

Part II
Compensation in Excess Of $5000 Paid by One Source

Nominees and New Entrants only Report sources of such compensation received by you or your business affiliation for services directly provided by you during the reporting period. This includes the names of clients and customers of any corporation, firm, partnership or other business enterprise or any nonprofit organization when you directly provided the services generating a fee or payment of more than $5,000. You need not report the U.S. Government as a source.

NONE ☐

Source (Name and Address)	Brief Description of Duties
Examples: Doe Jones & Smith, Hometown, USA	Legal services
Metro University (client of Doe Jones & Smith), Hometown, USA	Legal services in connection with university construction

PREVIOUS EDITION USABLE

Requests for copies of GAO reports should be sent to:

U.S. General Accounting Office
Post Office Box 6015
Gaithersburg, Maryland 20877

Telephone 202-275-6241

The first five copies of each report are free. Additional copies are $2.00 each.

There is a 25% discount on orders for 100 or more copies mailed to a single address.

Orders must be prepaid by cash or by check or money order made out to the Superintendent of Documents.

United States
General Accounting Office
Washington, D.C. 20548

Official Business
Penalty for Private Use $300

Address Correction Requested

First-Class Mail
Postage & Fees Paid
GAO
Permit No. G100