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**Collection:** Roberts, John G.: Files  
**Folder Title:** JGR/PIC (Presidential Inaugural  
Committee) Audit Letter  
**Box:** 38

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THE WHITE HOUSE

WASHINGTON

October 21, 1985

Dear Mr. Gill:

Thank you for your letter requesting information on the donation of surplus funds from the Presidential Inaugural Fund to various charities, including Child Find, Inc., of New Paltz, New York. You inquired how much money Child Find received, and how Child Find was selected as a recipient.

The Committee for the 50th American Presidential Inaugural decided not to release information about the specific amounts donated to each of the 23 charities that shared some \$2 million of surplus inaugural funds. (One million dollars of the surplus was paid to the United States Treasury to reduce the national debt.) The funds involved are private funds, and it was felt that releasing information about specific amounts might be misinterpreted as indicating that some of the charities were worthier or more deserving of support than others.

The charities chosen to receive surplus inaugural funds were chosen as good examples of charitable activity that should be encouraged and could possibly be duplicated elsewhere across the country. The recipients were selected to represent all geographic areas of the country, as well as a diversity of types of charitable organizations and activities.

I hope the foregoing is helpful.

Sincerely,

Orig. signed by FFF  
Fred F. Fielding  
Counsel to the President

Mr. John E. Gill  
President, Children's Rights  
of New York, Inc.  
19 Maple Avenue  
Stony Brook, NY 11790

FFF:JGR:aea 10/21/85

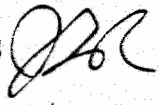
bcc: FFFielding/JGRoberts/Subj/Chron

THE WHITE HOUSE

WASHINGTON

November 12, 1985

MEMORANDUM FOR THE FILE

FROM: JOHN G. ROBERTS   
SUBJECT: PIC Counsels Meeting

Today from approximately 10:15-10:45 a.m. Mr. Fielding met in his office with Robert Barker, Pierre LaForce, and John Roberts, concerning the PIC Counsel's letter to the auditors. Mr. Fielding began the discussion by noting his concern over the lapse of insurance coverage, which occurred on November 1 and which Mr. Barker advised Mr. Fielding of by letter dated November 6. Mr. Barker noted that Fred Hale made that decision, without consultation. Mr. Fielding suggested noting the facts concerning the lapse of insurance coverage in the audit letter; Messrs. Barker and LaForce agreed that this was a good idea.

Mr. Barker noted that PIC had some \$250,000 left in the bank, \$50,000 of which would probably be given to the Building Sciences Museum at the request of John Rogers. Mr. Barker expressed the view that the remainder should be kept by PIC and not disbursed. Mr. Fielding questioned whether Fred Hale was under a fiduciary obligation to invest this sum prudently; Mr. LaForce stated he probably was (though no shareholders existed to challenge whatever Hale did) and that Hale was in fact investing the sum prudently (in money market funds).

Mr. Barker noted that Fred Hale was preparing the final tax return, and that PIC would file for exemption from D.C. taxes on investment earnings and that the exemption would be granted. Tom Moran, according to Mr. Barker, issued an opinion to that effect. Mr. Fielding asked if he should sign the letter to the auditors, and both Mr. Barker and Mr. LaForce recommended that he do so. Mr. Fielding noted that he was signing in reliance on the representations of Messrs. Barker and LaForce, who were familiar with the substance of the matters discussed in the letter.

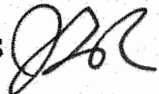
cc: Fred F. Fielding

THE WHITE HOUSE

WASHINGTON

November 12, 1985

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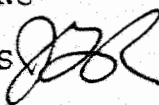
cc: Fred F. Fielding

THE WHITE HOUSE

WASHINGTON

November 8, 1985

MEMORANDUM FOR FRED F. FIELDING

FROM: JOHN G. ROBERTS   
SUBJECT: PIC - Audit Letter

Bob Barker has sent you a draft of a letter for your signature as General Counsel to PIC, to be sent to the PIC auditors. I understand a meeting has been set for 10:00 a.m., Tuesday, November 12, to discuss the letter.

The draft, which has been approved by Barker, LaForce, Hale, and Soll, discusses the pending and potential claims known to PIC. I have no way of independently assessing the accuracy or the comprehensiveness of the factual information in the letter. We are aware of some of the details of the Taste of America/Arata Exposition dispute, which appears to be accurately described in the letter. We are also aware of some of the details of the AFTRA complaint. The draft letter notes that the discrimination charge filed with the EEOC and referred to the D.C. Office of Human Rights is "dormant." You will recall that a decision was made not to take any affirmative action to close out the charge, since neither the complainants nor the Office of Human Rights are pressing it.

Barker also raises the question of continued insurance coverage. Barker's letter, dated November 6, states that insurance coverage "will expire" on November 1, 1985. Coverage is on a "claims made" basis, so PIC officers and directors are exposed. PIC's insurance brokers recommended continuation of coverage, but this recommendation was not followed.



# WHITE HOUSE CORRESPONDENCE TRACKING WORKSHEET

ID # \_\_\_\_\_

CU

☐ O - OUTGOING

☐ H - INTERNAL

☐ I - INCOMING

Date Correspondence  
Received (YY/MM/DD) \_\_\_\_\_

Name of Correspondent: \_\_\_\_\_

☐ MI Mail Report

User Codes: (A) \_\_\_\_\_

(B) \_\_\_\_\_

(C) \_\_\_\_\_

Subject: \_\_\_\_\_

## ROUTE TO:

## ACTION

## DISPOSITION

Office/Agency	(Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Code	Completion Date YY/MM/DD
CU Holland		ORIGINATOR	85/11/06			1/1
		Referral Note:				
CUAT18		D	85/11/07		S	85/11/08
		Referral Note:				
			1/1			1/1
		Referral Note:				
			1/1			1/1
		Referral Note:				
			1/1			1/1
		Referral Note:				

### ACTION CODES:

A - Appropriate Action  
C - Comment/Recommendation  
D - Draft Response  
F - Furnish Fact Sheet  
to be used as Enclosure

I - Info Copy Only/No Action Necessary  
R - Direct Reply w/Copy  
S - For Signature  
X - Interim Reply

### DISPOSITION CODES:

A - Answered  
B - Non-Special Referral  
C - Completed  
S - Suspended

### FOR OUTGOING CORRESPONDENCE:

Type of Response = Initials of Signer  
Code = "A"  
Completion Date = Date of Outgoing

Comments: \_\_\_\_\_

Keep this worksheet attached to the original incoming letter.

Send all routing updates to Central Reference (Room 75, OEOB).

Always return completed correspondence record to Central Files.

Refer questions about the correspondence tracking system to Central Reference, ext. 2590.

WILKINSON, BARKER, KNAUER & QUINN

LAW OFFICES

1735 NEW YORK AVENUE, N. W.

WASHINGTON, D. C. 20006

(202) 783-4141

CABLE: "WILBAR"

TELEX: (710) 822-9349

TELECOPIER: (202) 833-2360

November 6, 1985

HAND DELIVER

ERNEST L. WILKINSON  
(1899-1978)  
GLEN A. WILKINSON  
(1911-1985)  
ROBERT W. BARKER  
ROSEL H. HYDE  
EARL R. STANLEY  
PAUL S. QUINN  
LEON T. KNAUER  
RICHARD ANTHONY BAENEN  
PIERRE J. LAFORCE  
GORDON C. COFFMAN  
MICHAEL A. FORSCEY

LUD ASHLEY, P. C.  
PATRICIA L. BROWN  
OF COUNSEL  
L. ANDREW TOLLIN  
KENNETH E. SATTEN  
F. THOMAS MORAN  
KENNETH D. PATRICK  
LUISA L. LANCETTI  
CHRISTINE V. SIMPSON

Fred F. Fielding, Esq.  
Counsel to the President  
The White House  
Washington, D.C. 20500

Re: PIC - Audit Letter

Dear Fred:

A number of loose items continue to filter to Pete LaForce, Tom Moran and myself for final disposition.

The most recent issue which needs prompt resolution is a proposed opinion letter to the auditors.

Enclosed herewith is a draft letter which has been reviewed by Pete LaForce and myself, as well as by Fred Hale and Bruce Soll. I forward it to you for appropriate action.

In his letter of October 31 to me, Fred Hale says that the pressing concern for the attorneys' audit letter lies with the auditors. They remain hesitant in issuing an qualified opinion which they would issue without our letter. He says he has instructed Peat, Marwick & Mitchell to issue an opinion with or without the attorneys' audit letter, if the attorneys' letter is not promptly forthcoming. Accordingly, we should resolve this matter promptly.

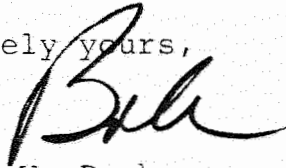
If you desire to sit down with Pete and me to review this or any other matters pending from the Inauguration, we should be happy to do so. In any event, I wish you would advise me of your action on the proposed audit letter. There remain open questions of insurance coverage not mentioned in the draft of audit letter. In this letter to me, Fred Hale indicates that as of November 1, 1985 coverage on the insurance program furnished by Johnson & Higgins will expire. The only policy that will remain in effect until May 1, 1986 is workmen's compensation. Since

Fred F. Fielding, Esq.  
November 6, 1985  
Page Two

the coverage of directors and officers liability and corporate reimbursement was on a "claims made" basis instead of a "claims occurring" basis, the officers and directors remain uncovered. I enclose herewith a copy of a letter to Lee Graves from Johnson & Higgins. I assume that Fred Hale has the authority to make these policy decisions.

Please give me a call if you want to sit down on this. Fred Hale has asked to be advised on our decision and action in connection with the attorneys' audit letter.

Sincerely yours,

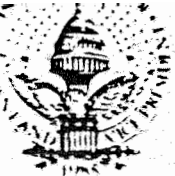
A handwritten signature in black ink, appearing to read 'Barker', written over the closing 'yours,'.

Robert W. Barker

Enclosure

cc: Mr. Fred Hale





(date)  
~~October 22, 1985~~

THE COMMITTEE  
FOR THE  
50TH AMERICAN  
PRESIDENTIAL  
INAUGURAL

Washington, D.C.  
20550

202 433-7140

GENERAL COUNSEL

Fred F. Fielding

DEPUTY GENERAL COUNSEL

Robert W. Barker

ASST. GENERAL COUNSEL

Pierre J. LaForce

STAFF COUNSEL

Charles G. Bakaly

Pamela Fennell

Kemp R. Harshman

Charles G. Sabo

Bruce Soll

LEGAL COORDINATOR

INAUGURAL BALIS

Gari Redmon

EXECUTIVE ASST

Dianna Holland

ADMINISTRATIVE ASST

Liza Wilcox

LEGAL COMMITTEE

Robert W. Barker

Chairman

Donald C. Alexander

Howell E. Begle, Jr.

Diane Burkley

Roger A. Clark

Gordon C. Coffman

Armand P. D'Amato

John R. Erickson

Edward Forgotson

Jonathan B. Hill

Thomas Moran

Marc Nuttle

Anne O'Connell

George Pantos

Robert A. Peavy

Edward M. Prince

Ronald E. Robertson

Milton A. Rudin

Timothy Ryan

Carter Saunders

John Williams

Peat, Marwick, Mitchell & Co.  
1990 K Street, N.W.  
Washington, D. C. 20006

Re: Committee for the 50th American  
Presidential Inaugural

Gentlemen:

You have requested that we furnish you with certain information in connection with your examination of the accounts of the Committee for the 50th American Presidential Inaugural, a District of Columbia nonprofit corporation, for the period ending . As General Counsel for the Committee I advise you as follows in connection with your inquiry.

Subject to the last paragraph of this letter, this is to advise you that neither I, nor any of the lawyers over whom I exercise general legal supervision as General Counsel, have given substantive attention to, or represented the Committee in connection with, material loss contingencies coming within the scope of Clause (a) of Paragraph 5 of the Statement of Policy referred to in the last paragraph of this letter, except as follows:

1. Taste of America. This organization staged an "authorized" (not "official") event in connection with the Inauguration. It has submitted a claim totaling \$70,000.00. It alleges that it is due compensation for certain catering functions, and it also seeks damages for losses it claims to have suffered as a result of the Committee's failure to include promotional literature in a Committee mailing and for alleged Committee-caused interference with its functions. The claim was first submitted on January 29, 1985. Subsequently, after discussions with Taste of America's principal and other investigation, Committee officials determined that the claim was without merit. Taste of America has threatened legal action, but, to date, no suit has been filed. Counsel for the Committee is without sufficient information to determine

whether suit will be filed, and, if so, what the possibility of success would be.

In a related matter, one of Taste of America's suppliers, Arata Expositions, has filed a suit in the Superior Court for the District of Columbia, claiming \$22,393.60 for goods furnished to Taste of America at its Inaugural function. The suit purports to treat Taste of America as part of the Committee. However, the Committee is not properly named in the complaint, nor has service of process been made on it. Counsel for the Committee and counsel for Taste of America have both advised counsel for Arata that Taste of America is not affiliated with the Committee. It is unknown at this time what course of action will be taken by Arata. Counsel for the Committee has notified Taste of America that it intends to seek indemnification for any liability or costs arising as a result of the Arata suit.

2. National Union Fire Insurance Company. A claim has been made by National Union for an additional auto insurance premium of \$25,000. National Union provided the insurance coverage for the Committee's motor vehicles. National Union claims that the Committee utilized a significantly greater number of vehicles than originally represented, thereby increasing the liability insurance exposure of National Union and, accordingly, that it is entitled to an additional premium. The Committee rejected this claim in early 1985, shortly after it was made. No further communication has been received from National Union. However, Johnson & Higgins, the insurance broker which handled the Committee's insurance, recently wrote the Committee concerning this claim.

3. Brumfield-Gallagher, Inc. By letter dated March 11, 1985, this marketing organization made a claim for \$46,828.00 in unrealized commissions, alleging that negligence and inefficiency in the handling of telephone order sales had resulted in significantly reduced commissionable sales. The Committee promptly rejected this claim. Since then, the Committee has heard nothing further from this complainant. Based on present information, it does not appear that any suit will be filed in this matter.

4. AFTRA Complaint. A controversy arose between the Committee's production company, Jani Productions, and the unions representing artists and performers concerning a recruitment advertisement run by Jani Productions. The unions claim that the ad was anti-union and discriminatory. By agreement dated January 14, 1985, Jani Productions and the unions entered into a settlement of this dispute. However, a complaint was filed with the Equal Employment Opportunity Commission charging the

Committee with discrimination in connection with the Jani Productions ad. Pursuant to law, the complaint was referred to the District of Columbia Office of Human Rights where it has laid dormant. The Committee has not been contacted by the District of Columbia Office of Human Rights, nor has the complainant sought further action. In view of the foregoing, it would appear that no further action will be taken.

5. Insurance Claims. A number of miscellaneous claims have been filed against the Committee with respect to which there is insurance coverage. As of July 19, 1985, the insurance adjuster handling these claims reported that there remained five open claims. These are described below:

- a. Claim #005751. Claimant -- David Messing. \$3,268.60 paid and AIAC continues to have an open reserve of \$1,500 for automobile bodily injury.
- b. Claim #005737. Claimant -- Mayflower Cab Company. File remains open with an auto PD reserve of \$600 and an auto BI reserve of \$1,000. Although nothing has been paid on this claim, the claimant is represented by attorney, and AIAC is in the process of investigating.
- c. Claim #006896. Claimant -- Carol Slate. Claimant indicates she caught her heel on carpet and fell. Medical bills total \$400.00. Open reserve of \$1,500. Claim is still being investigated.
- d. Claim #006059. Claimant -- Tammy Moline. Claimant presented a claim for the loss of an earring. She indicated that she was struck in the head when decorations fell and this caused her to lose an earring. Claim has been denied. Open reserve carried of \$1,000.
- e. Claim #005891. Claimant -- [not supplied]. Auto related claim. Open reserve \$5,000. Insured's driver not supplied.

Further, this is to advise you that we are unaware of any unasserted claims or assessments.

The information set forth herein is as of October 22, 1985 except as otherwise noted, and we disclaim any undertaking to advise you of changes which thereafter may be brought to my

attention or to the attention of the lawyers over whom I exercise general legal supervision.

This response is limited by, and in accordance with, the ABA Statement of Policy Regarding Lawyers' Responses to Auditors' Requests for Information (December 1975); without limiting the generality of the foregoing, the limitations set forth in such Statement on the scope and use of this response (Paragraphs 2 and 7) are specifically incorporated herein by reference, and any description herein of any "loss contingencies" is qualified in its entirety by Paragraph 5 of the Statement and the accompanying Commentary (which is an integral part of the Statement).

Yours truly,

Fred F. Fielding  
General Counsel



THE COMMITTEE  
FOR THE  
50TH AMERICAN  
PRESIDENTIAL  
INAUGURAL

October 31, 1985

1019 19th Street, N.W.  
Suite 1000  
Washington, D.C. 20036  
202/872-1985

Mr. Robert W. Barker  
Wilkinson, Barker, Knauer & Quinn  
Law Offices  
1735 New York Avenue, N.W.  
Washington, D.C. 20006

Re: Committee for the 50th American Presidential  
Inaugural Committee - Audit Letter

Dear Bob:

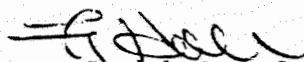
Your audit letter of October 22, 1985 has been reviewed and I find no substitutive changes in the status of Items 1 through 5. In regard to the automobile insurance premium discussed in Item 2, the Committee has taken a firm position with Johnson & Higgins that no part of the additional premium is due or will be paid by the Committee. Johnson & Higgins has taken no action at this time.

The concern with "pressing" for an attorney's audit letter lies with Pete, Marwick, Mitchel & Company. They remain hesitant in issuing a qualified opinion to the Committee. I have instructed Pete, Marwick to issue an opinion, with or without an attorney's audit letter, if the audit letter is not immediately forthcoming.

Futher, I wish to bring to your attention that as of November 1, 1985 coverage on the insurance program furnished by Johnson & Higgins will expire. Enclosed is a copy of captioned instructions given, through Mr. Lee Graves, to Johnson & Higgins and their response. The renewal premiums offered by Johnson & Higgins are not reasonable and therefore it is not cost effective to continue this coverage. The only policy that will remain in effect, until May 1, 1986, is workmens compensation.

Please, keep me posted on the status of the attorney's audit letter so my office may coordinate it with Pete, Marwick in the issuance of the audit opinion.

Sincerely,

  
Frederick G. Hale

encl: 2

FGH/ef



Buenos Aires  
Adelaide  
Brisbane  
Hobart  
Melbourne  
Perth  
Sydney  
Batem-Farm  
Belo Horizonte  
Campanas  
Carthage  
Porto Alegre  
Rio de Janeiro  
Salvador  
Sao Paulo  
Santiago  
Bogota  
Cali  
London  
Paris  
Tehran  
Munich  
Rome  
Padua  
Tokyo  
Auckland  
Christchurch  
Wellington  
Lima  
Hong Kong  
Singapore  
Taipei  
Caracas  
Maracaibo  
Puerto La Cruz

You have advised us that you do not desire this coverage, due to cost considerations. We will therefore not pursue this coverage with the underwriters. However, we have enclosed several copies of renewal applications should you change your decision. (We do recommend reconsideration as this first annual renewal period is a "ripe period" for claims, as we discussed.)

Mr. Lee Graves

Page 2

October 25, 1985

2) Comprehensive General Liability/ Automobile Liability

You have instructed us to not renew this coverage.

Please note that as long as activities are performed by, or on behalf of, the Committee, a third-party liability exposure exists for the Committee, whether such liability be direct or "vicarious". We therefore recommend consideration of one of the following:

- a) Renewal of this insurance.
- b) Obtaining coverage for the interest of the Committee under the insurance of another. If, as you have indicated, all activities of the Committee are being performed by Hale, McKenzie & Co., consideration should be given to naming the Committee as an Additional Named Insured on the Hale, McKenzie & Co. insurances.

3) Fidelity

We will advise of the cost of a renewal of this coverage.

4) Property Insurance

You have instructed us to not renew this coverage.

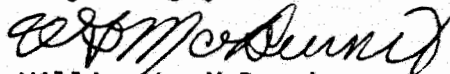
5) Accidental Death and Dismemberment Insurance

You have instructed us to not renew this coverage.

Should you decide to pursue an extension of coverage under the Directors and Officers Liability insurance, please return a completed and signed application and the additional data requested in Item 6 of the application (as appropriate) prior to the November 1 expiration date.

Thank you.

Very truly yours,



William L. McBurnie  
Vice President

cc: Mr. Paolo Carega



Peat, Marwick, Mitchell & Co.  
Certified Public Accountants  
1990 K Street, N.W.  
Washington, D.C. 20006  
202-223-9525

Handwritten notes in the top right corner: "11/7" and "11/4" with some scribbles.

October 29, 1985

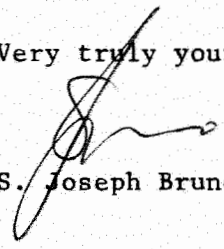
Mr. Fred F. Fielding, Esquire  
General Counsel  
Committee for the 50th American  
Presidential Inaugural  
The White House  
Washington, D.C. 20500

Dear Mr. Fielding:

Please find enclosed a copy of the March 11, 1985 letter written by Mr. Frederick G. Hale, requesting certain information relating to the audit of the Presidential Inaugural financial statements. We would appreciate having your response as soon as possible so we can issue our accountant's report.

Mr. Hale informed me this morning that Mr. Barker has prepared a response and is circulating it for review.

Very truly yours,

  
S. Joseph Bruno, Partner

SJB:sld  
Enclosure  
cc: Frederick G. Hale



THE COMMITTEE  
FOR THE  
50TH AMERICAN  
PRESIDENTIAL  
INAUGURAL

March 11, 1985

Washington, D.C.  
20599

202/433-7100

Fred F. Fielding, Esquire  
General Counsel  
Committee for the 50th  
American Presidential Inaugural  
The White House  
Washington, DC 20500

Dear Fred:

Our auditors are performing an examination of our financial statements. Please furnish to them the information requested below involving matters as to which you have been engaged and to which you have devoted substantive attention on behalf of the Committee for the 50th American Presidential Inaugural (Committee) in the form of legal consultation or representation. Please provide the information requested below taking into consideration matters that existed at February 28, 1985 and for the period from that date to the date of your response. Your response should be sent to our auditors, Peat, Marwick, Mitchell & Co.

1990 K Street, N.W.  
Washington, D.C. 20001

Pending or Threatened Litigation  
(excluding unasserted claims and assessments)

Please furnish to our auditors a list of all litigation, claims, and assessments (excluding unasserted claims and assessments) considered by Management to be mutual. Information regarding each case should include:

1. The nature of the litigation,
2. The progress of the case to date,
3. How management is responding or intends to respond to the litigation; e.g. to contest the case vigorously or to seek out-of-court settlement, and
4. An evaluation of the likelihood of an unfavorable outcome and an estimate, if one can be made, of the amount or range or potential loss.

Fred F. Fielding  
March 11, 1985  
Page 2 of 2

#### Unasserted Claims and Assessments

Please furnish a list of all unasserted claims and assessments considered by the Committee to be probable of assertion and, if asserted, to have at least a reasonable possibility of an unfavorable outcome. Information regarding each case should include:

1. The nature of the matter,
2. How management intends to respond if the claim is asserted, and
3. The possible exposure if the claim is asserted.


We understand that whenever, in the course of performing legal services for us with respect to a matter recognized to involve an unasserted claim or assessment which may call for financial statement disclosure, you have formed a professional conclusion that we should disclose or consider disclosing such possible claim or assessment, as a matter of professional responsibility to us you will so advise us and will consult with us concerning the question of such disclosure and the applicable requirements of Statement of Financial Accounting Standards No. 5. Please specifically confirm to our auditors that our understanding is correct.

We have assured our auditors that your list of unasserted claims and assessments includes all such claims and assessments that you have advised us are probable of assertion and must be disclosed in accordance with Statement of Financial Accounting Standards No. 5.

#### Other Matters

Please identify the nature and reasons for any limitation on your response. The scheduled completion date of the auditors' examination is such that you should send your letter to Peat, Marwick, Mitchell & Co., on or about March 15, 1985.

Very truly yours,

  
Frederick G. Hale  
Chief Financial Officer

cc: Bruce Soll



11/12: FFF, Baker, Lofgren, JLR

PIC audit letter and insurance coverage

Dm: Hake make decision not to continue. All paid accordingly.  
No consultation.

FFF: raise in audit letter? PL: everything in letter -  
is covered. B: adding it might be good idea.

B: \$250 K in bank. Roger request for another \$50 K for  
Bly Museum.

FFF: nervous about age of this? PL: nothing that's been  
missed.

FFF: advice of buying of its coverage.

B: action anticipated; PL concurs.

Roger Hake to file tax return. Norman preparing application for D.C.  
tax exemption for earnings on investments.

Keep corporation in existence.

FFF: feeding data to audit? PL: Hake doing this.

BB: D.C. trust; AFFAT claim as dead.

FFF: using data on basis of report of PL and BB.

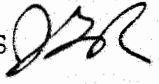
file this and memo  
to file & insert  
into

THE WHITE HOUSE

WASHINGTON

November 13, 1985

MEMORANDUM FOR FRED F. FIELDING

FROM: JOHN G. ROBERTS   
SUBJECT: Arata Expositions Inc. v. Presidential  
Inaugural Committee -- "A Taste of  
America"

Charles E. Wilson, counsel for Arata Expositions, has served John Lifton with the summons and complaint in his suit against the Presidential Inaugural Committee -- A Taste of America. You will recall that Lifton was registered agent for the 1981 Inaugural Committee. Wilson served Lifton, apparently assuming he was also agent for the 1985 committee, by certified mail/return receipt, pursuant to Rule 4(c)(3) of the District of Columbia Superior Court Rules. Roger Clark, counsel for Lifton, was kind enough to forward the summons and complaint to you, rather than simply returning it to Wilson.

Bob Barker and Bruce Soll have been handling all of this litigation. I recommend sending the correspondence to them for appropriate handling. I do not think we need to respond to Clark, and certainly do not recommend a reply from this office to Wilson.

Attachment

THE WHITE HOUSE  
WASHINGTON

November 15, 1985

Dear Roger:

Thank you for sending along the complaint and summons that counsel for Arata Expositions attempted to serve on John Liftin, in the mistaken belief that Mr. Liftin was an agent for the 1985 Inaugural Committee. The 1985 Inaugural Committee has not yet been served in this action, but it appears that Arata is pressing a claim against Taste of America, and is including the Inaugural Committee in the belief that Taste of America is part of or otherwise affiliated with the Inaugural Committee. Both Taste of America and the Inaugural Committee agree this is not the case.

Should you or Mr. Liftin receive any other papers from counsel for Arata, I would simply return them to him and advise him that Mr. Liftin is not an agent for the 1985 Inaugural Committee.

Thank you for your assistance.

Sincerely,

Orig. signed by FFF

Fred F. Fielding  
Counsel to the President

Roger A. Clark, Esquire  
Rogers & Wells  
1737 H Street, N.W.  
Washington, DC 20006

FFF:JGR:aea 11/15/85  
bcc: FFFielding  
JGRoberts  
Subj  
Chron

THE WHITE HOUSE

WASHINGTON

November 13, 1985

MEMORANDUM FOR ROBERT W. BARKER, ESQUIRE  
WILKINSON, BARKER, KNAUER & QUINN

BRUCE SOLL, ESQUIRE  
MICHAEL K. DEEVER & ASSOCIATES, INC.

FROM: FRED F. FIELDING *Orig. signed by FFF*  
COUNSEL TO THE PRESIDENT

SUBJECT: Arata Expositions Inc. v. Presidential  
Inaugural Committee -- "A Taste of  
America"

As you will see from the attached, counsel for Arata Expositions has attempted to serve the Presidential Inaugural Committee -- A Taste of America by serving the agent for the 1981 Inaugural Committee. I am forwarding this correspondence to you for appropriate handling.

Attachment

FFF:JGR:aea 11/13/85

cc: FFFfielding  
JGRoberts  
Subj  
Chron

THE WHITE HOUSE

WASHINGTON

November 13, 1985

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Attachment

FFF:JGR:aea 11/13/85

cc: FFFielding  
JGRoberts  
Subj  
Chron



**WHITE HOUSE  
CORRESPONDENCE TRACKING WORKSHEET**

*JR002*

*J.R.*

- ☐ **O - OUTGOING**  
☐ **H - INTERNAL**  
☐ **I - INCOMING**  
 Date Correspondence Received (YY/MM/DD) 1 1

Name of Correspondent: Roger Clark

☐ **MI Mail Report** User Codes: (A) \_\_\_\_\_ (B) \_\_\_\_\_ (C) \_\_\_\_\_

Subject: Arata Expositions, Inc. v. Presidential Inaugural Committee - "A Taste of America"

**ROUTE TO:**

**ACTION**

**DISPOSITION**

Office/Agency (Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Code	Completion Date YY/MM/DD
<u>CUNOLL</u>	<b>ORIGINATOR</b>	<u>85/11/09</u>			<u>1 1</u>
<u>CUAT 18</u>	Referral Note:	<u>85/11/12</u>		<u>S</u>	<u>85/11/23</u>
	Referral Note:	<u>1 1</u>			<u>1 1</u>
	Referral Note:	<u>1 1</u>			<u>1 1</u>
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	Referral Note:	<u>1 1</u>			<u>1 1</u>

**ACTION CODES:**

- A - Appropriate Action  
 C - Comment/Recommendation  
 D - Draft Response  
 F - Furnish Fact Sheet to be used as Enclosure  
 I - Info Copy Only/No Action Necessary  
 R - Direct Reply w/Copy  
 S - For Signature  
 X - Interim Reply

**DISPOSITION CODES:**

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*1737 H Street, N.W.*  
*Washington, D.C. 20006*

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November 7, 1985

359747 *CU*

The Honorable  
Fred F. Fielding  
Counsel to The President  
The White House  
Room 2, West Wing  
1600 Pennsylvania Avenue, N.W.  
Washington, D.C. 20500

Dear Fred:

Enclosed is a Complaint and Summons against the Presidential Inaugural Committee which was served on my former partner, John Liftin, who was the registered agent for the Presidential Inaugural Committee which we set up for the 1981 Inauguration. The Complaint apparently relates to your 1985 Inauguration Committee's activities, so I assume that you will see to it that the matter is taken care of. Warm regards.

Sincerely,

*Rogers*  
Roger A. Clark

Enclosure

LAW OFFICES  
McCARTHY, WILSON & ETHRIDGE  
104 SOUTH WASHINGTON STREET  
ROCKVILLE, MARYLAND 20850

(301) 762-7770

JOSEPH S. MCCARTHY (1918-1983)  
CHARLES E. WILSON, JR.  
PAUL H. ETHRIDGE

November 4, 1985

G. CLIFTON PATTERSON, III  
THOMAS PATRICK RYAN  
DAVID LEE RUTLAND

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. John M. Lifton  
Quadrex Securities Corp.  
500 Park Avenue  
New York, New York 10022

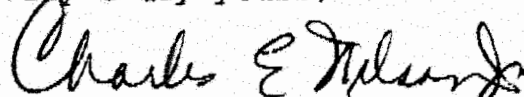
Re: Arata Expositions, Inc., Plaintiff v.  
Presidential Inaugural Committee - "A  
Taste of America", Defendant, CA No.  
2412-85

Dear Mr. Lifton:

You are hereby notified as agent that suit has been filed against Presidential Inaugural Committee, A Taste of America by Arata Expositions, Inc., in the Superior Court of the District of Columbia, CA No. 2412-85. Attached is a copy of the Complaint as well as a Summons which is served upon you by virtue of your receipt of this letter and the attached material. This service is in accordance with Rule 4(c)(3) of the Civil Rules of the Superior Court of the District of Columbia.

It will be appreciated if you will make arrangements for the filing of the necessary responsive pleading in your behalf.

Very truly yours,

  
Charles E. Wilson, Jr.

CEWjr/cjm  
Enclosure



CA Form 1

**Superior Court of the District of Columbia****CIVIL DIVISION****500 Indiana Avenue, N.W.****Telephone: 727-1790****ARATA EXPOSITIONS, INC.***Plaintiff*

vs.

**PRESIDENTIAL INAUGURAL COMMITTEE  
A TASTE OF AMERICA***Defendant*Civil Action File No. 2412-85Serve: John M. Liftin  
1737 H Street, N.W.  
Washington, DC 20006**SUMMONS**

To the above named Defendant:

You are hereby summoned and required to serve an Answer to the attached Complaint, either personally or through an attorney, within twenty (20) days after service of this summons upon you, exclusive of the day of service. A copy of the Answer must be mailed to the attorney for the party plaintiff who is suing you. The attorney's name and address appear below. If plaintiff has no attorney, a copy of the Answer must be mailed to the plaintiff at the address stated on this Summons.

You are also required to file the Answer with the Court either before service or within five (5) days after you have served it. The Answer must be filed in Room JM 220 at 500 Indiana Avenue, N.W. between 9:00 a.m. and 4:00 p.m., Mondays through Fridays or between 9:00 a.m. and 12:00 Noon on Saturdays, but not on Sundays or holidays.

**IMPORTANT: IF YOU FAIL TO SERVE AND FILE AN ANSWER WITHIN THE TIME STATED ABOVE, OF IF, AFTER YOU ANSWER, YOU FAIL TO APPEAR AT ANY TIME THE COURT NOTIFIES YOU TO DO SO, A JUDGMENT BY DEFAULT MAY BE ENTERED AGAINST YOU FOR THE MONEY DAMAGES OR OTHER RELIEF DEMANDED IN THE COMPLAINT. IF THIS OCCURS, YOUR WAGES MAY BE ATTACHED OR WITHHELD OR PERSONAL PROPERTY OR REAL ESTATE YOU OWN MAY BE TAKEN AND SOLD TO PAY THE JUDGMENT. IF YOU INTEND TO OPPOSE THIS ACTION, DO NOT FAIL TO ANSWER WITHIN THE REQUIRED TIME.**

If you wish to talk to a lawyer and feel that you cannot afford to pay a fee to a lawyer, promptly contact one of the offices of the Legal Aid Society (NA-8-1161) or the Neighborhood Legal Services (628-9161) for help or come to Room JM 220 at 500 Indiana Avenue, N.W. for more information concerning places where you may ask for such help.

**THOMAS A. DUCKENFIELD**  
*Clerk of the Court***Charles E. Wilson, Jr. #14076**

Name of Plaintiff's Attorney

**McCarthy, Wilson & Ethridge  
100 South Washington Street**Address **Rockville, MD 20850****(301) 762-7770**

Telephone

Date: **October 21, 1985**

**PUEDE OBTENERSE COPIAS DE ESTE FORMULARIO EN ESPANOL EN EL TRIBUNAL SUPERIOR DEL DISTRITO DE COLUMBIA, 500 INDIANA AVENUE, N.W., SALA JM 220**

**YOU MAY OBTAIN A COPY OF THIS FORM IN SPANISH AT THE SUPERIOR COURT OF D.C., 500 INDIANA AVENUE, N.W., ROOM JM 220**

IN THE SUPERIOR COURT FOR THE DISTRICT OF COLUMBIA

ARATA EXPOSITIONS, INC.  
649 Lofstrand Lane  
Rockville, Maryland 20850

Plaintiff

vs.

CA No. \_\_\_\_\_

PRESIDENTIAL INAUGURAL COMMITTEE  
A TASTE OF AMERICA

Serve: William C. Anton, Chairman  
P. O. Box 50036  
Washington, D. C. 20004-0036

Defendant

C O M P L A I N T  
(Debt)

The plaintiff, Arata Expositions, Inc., by and through its attorney, Charles E. Wilson, Jr., sues the defendant, Presidential Inaugural Committee, A Taste of America, (PIC), and, as cause of action, states:

1. That jurisdiction of this Court is founded on D. C. Code §11-921.
2. That on or about January 18 - 20, 1985, the plaintiff, Arata Expositions, Inc. provided goods and services to the defendant, PIC, in connection with the Presidential Inaugural celebration known as A Taste of America.
3. That pursuant to an invoice evidencing the services rendered by the plaintiff, the defendant has paid certain sums in relation thereto and in partial satisfaction of its obligation.
4. That despite demand made on the defendant by the plaintiff for the additional sums owed, the defendant, PIC, has refused to make any further payment towards the remaining balance to the plaintiff, Arata Expositions, Inc. in the amount of Twenty-Two Thousand Three Hundred Ninety Three Dollars and Sixty Cents (\$22,393.60).

- 2 -

WHEREFORE, the plaintiff, Arata Expositions, Inc., demands judgment against the defendant, PIC, in the amount of Twenty-Two Thousand, Three Hundred and Ninety-Three Dollars and Sixty Cents (\$22,393.60), plus interests and costs including reasonable attorney's fees.

McCARTHY, WILSON & ETHRIDGE

By:

Charles E. Wilson, Jr. #14076  
104 South Washington Street  
Rockville, Maryland 20850  
(301) 762-7770  
Attorneys for Plaintiff



THE WHITE HOUSE  
WASHINGTON

11/15

TO:

FFF

FROM: John G. Roberts, Jr.  
Associate Counsel  
to the President



☐ FYI

☐ COMMENT

☐ ACTION

AS REQUESTED - I THOUGHT  
IT NOT INADVISABLE TO  
GIVE CLARK A LITTLE IDEA  
OF WHAT THE SUIT IS  
ABOUT.

THE WHITE HOUSE

WASHINGTON

November 13, 1985

*John*  
MEMORANDUM FOR FRED F. FIELDING

FROM: JOHN G. ROBERTS *JGR*

SUBJECT: Arata Expositions Inc. v. Presidential  
Inaugural Committee -- "A Taste of  
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*Note to Clark, pls*

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WASHINGTON

November 15, 1985

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Should you or Mr. Liftin receive any other papers from counsel for Arata, I would simply return them to him and advise him that Mr. Liftin is not an agent for the 1985 Inaugural Committee.

Thank you for your assistance.

Sincerely,

Fred F. Fielding  
Counsel to the President

Roger A. Clark, Esquire  
Rogers & Wells  
1737 H Street, N.W.  
Washington, DC 20006

FFF:JGR:aea 11/15/85  
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JGRoberts  
Subj  
Chron

THE WHITE HOUSE

WASHINGTON

November 15, 1985

MEMORANDUM FOR FRED F. FIELDING

FROM: JOHN G. ROBERTS 

SUBJECT: PIC Directors Resolution Approving \$50,000  
Disbursement to the National Building Museum

John Rogers has asked you to review a proposed PIC directors resolution approving the disbursement of \$50,000 to the National Building Museum. Rogers serves on both the PIC board and the Museum board, so the proposed transaction presents a classic conflict of interest for Rogers. I asked our intern Andrew Richner to research D.C. law on this subject (both PIC and the Museum are D.C. nonprofit corporations); a copy of his memorandum is attached.

The issue was most fully considered in Stern v. Lucy Webb Hayes National Training School for Deaconesses and Missionaries, 381 F. Supp. 1003 (D.D.C. 1974), which ruled that the interested director should (1) fully disclose to the other directors his conflict of interest, and (2) refrain from voting on the issue. This proposed transaction may go forward, but Rogers should not sign the resolution, and the resolution should state that his position on the Museum board is known to the signing directors. Such explicit written disclosure is apparently not strictly required, but, in my view, is desirable to avoid any evidentiary questions concerning the fact or adequacy of the required disclosure.

A revised resolution with cover memorandum is attached for your review and, with respect to the cover memorandum, your signature.

Attachment

cc: Andrew Richner

THE WHITE HOUSE

WASHINGTON

November 14, 1985

MEMORANDUM FOR JOHN G. ROBERTS

FROM: ANDREW RICHNER *AR*

SUBJECT: Director Conflict of Interest -- The  
Committee for the 50th American Presidential  
Inaugural and the National Building Museum

FACTS

The Committee for the 50th American Presidential Inaugural ("PIC") and the National Building Museum (the "Museum") are to be engaged in a transaction whereby PIC will appropriate \$50,000 to the Museum. Both entities are incorporated in the District of Columbia under the District of Columbia Nonprofit Corporation Act. John Rogers is presently serving as a director on the boards of both corporations.

QUESTION PRESENTED

To what extent may Rogers, as an interested director, be involved in the transaction pursuant to District of Columbia law?

SHORT ANSWER

Rogers should not vote at or attend PIC's board meeting at which the resolution granting the funds will be approved. Rogers should make full disclosure of his interest in the Museum, perhaps including a written declaration to that effect. Rogers should not attempt to influence or communicate with the other board members regarding the matter.

DISCUSSION

District of Columbia statutory provisions and, particularly, the Nonprofit Corporation Act do not directly address the matter of director conflict of interest. However, common law in the District and in other jurisdictions seems to be fairly well established and offers some standards to which Rogers should attempt to comply.

I. Fiduciary Duty

As a member of PIC's board of directors, Rogers has a duty of undivided loyalty to the corporation. A conflict of

interest arises, however, because he also has a fiduciary relationship with the Museum and his interested actions on the board of one corporation may act to the detriment of the other. While not absolutely prohibited under District of Columbia law, any transaction between the two entities "will be subjected to the closest scrutiny to determine whether or not the duty of loyalty has been violated." Stern v. Lucy Webb Hayes National Training School for Deaconesses and Missionaries, 381 F. Supp. 1003, 1014 (D.D.C. 1974) (citing Blankenship v. Boyle, 447 F.2d 1280 (D.C. Cir. 1971); Mayflower Hotel Stockholders Protective Committee v. Mayflower Hotel Corp., 193 F.2d 666 (D.C. Cir. 1951)). Although trustees may be found guilty of a breach of trust even for mere negligence, corporate directors and fiduciaries of charitable corporations "are generally only required to show 'entire fairness' to the corporation and 'full disclosure' of the potential conflict of interest to the Board." Stern, 381 F. Supp. at 1014 (quoting Mayflower Hotel, 193 F.2d at 671).

#### A. Disclosure and Actions Influencing Corporate Decision

A court will usually inquire into the role of a common director in approving the transaction. "[A] director should not only disclose his interlocking responsibilities but also refrain from voting on or otherwise influencing a corporate decision to transact business with a company in which he has a significant interest or control." Stern, 381 F. Supp. at 1014 (citing Gilbert v. McLeod Infirmary, 64 S.E.2d 524 (S.C. 1951)).

In Stern the District Court held that "a director...of a charitable hospital organized under the Nonprofit Corporation Act of the District of Columbia (D.C. Code § 29-1001 et seq.) is in default of his fiduciary duty...if he knowingly permitted the hospital to enter into a business transaction with...any corporation...in which he...held a position as...director...without having previously informed the persons charged with approving that transaction of his interest or position and of any significant reasons, unknown to or not fully appreciated by such persons, why the transaction might not be in the best interest of the hospital...." Stern, 381 F. Supp. at 1015. Furthermore, the court found that it was improper for the defendant corporate fiduciary to have "actively participated in or voted in favor of a decision by the Board of any committee or subcommittee thereof to transact business...with any corporation...in which he then held a position as...director...." Stern, 381 F. Supp. at 1003. Obviously, the extent to which a director discloses his interest and involves himself in the transaction effects a court's determination of whether the director has breached his fiduciary duty.



## B. Fairness

Most courts agree that transactions between corporations having interlocking directorates are not necessarily void or ever voidable but that the corporate fiduciaries who would maintain them have the burden of proof to show "'entire fairness' to the corporation." Stern, 381 F. Supp. at 1014 (quoting Mayflower Hotel, 193 F.2d at 671); See also Everett v. Phillips, 43 N.E.2d 841 (N.Y. 1942) (holding contract between two corporations with common directors not voidable on that ground alone). In fact, "if the interested fiduciary makes full disclosure to the board of directors, and the transaction is authorized by the board, on the basis of the required quorum and vote, the transaction usually would be properly authorized, but with the burden of sustaining the transaction possibly on its proponents." H. Henn, Laws of Corporations 638 (1983) (footnote omitted). cf. Globe Woolen Co. v. Utica Gas & Electric Co., 121 N.E. 278 (N.Y. 1918) (refusal to vote by fiduciary with conflicting interest held to give to transaction form and presumption of propriety, but transaction held unfair and voidable by corporation). Thus, if the interested director can show that the transaction is objectively fair, the transaction will almost certainly be upheld. See Murphy v. Washington American League Baseball Club, Inc., 324 F.2d 394 (D.C. Cir. 1963); but cf. Voss Oil Co. v. Voss, 367 P.2d 977, 979 (Wyo. 1962) ("one of the tests of 'fairness' in transactions of this kind is whether there has been a full disclosure").

## C. Quorum Requirements

Statutory provisions and case law in many jurisdictions provide that directors with conflicting interests cannot count toward a quorum and vote. See, e.g., Weiss Medical Complex, Limited v. Kim, 408 N.W.2d 959 (Ill. 1980) (absent disinterested director quorum and vote, transaction voidable); David v. Health Development Co., 558 P.2d 594 (Utah 1976) (interested director may not count toward quorum or vote); but see ABA-ALI Model Business Corp. Act § 41.\*

---

\* Section 41 provides:

Director Conflicts of Interest. No contract or other transaction between a corporation and one or more of its directors of any other corporation, firm, association or entity in which one or more of its directors are directors or officers or are financially interested, shall be either void or voidable because of such relationship or interest or because such director or directors are present at the meeting of the board of directors or a committee thereof

District of Columbia law is not entirely clear on this point due to the District's failure to adopt the Model Act provision, but the courts have indicated that the interested director's role in the board decision will be taken into account. See discussion supra and Stern at 1014-15 (interested director should not take affirmative action to approve transaction). Indeed, a court may consider the presence of the interested director at the board meeting to be a breach of fiduciary duty, even if his presence is needed for a quorum.

## II. Recommendations

Although the District has not adopted the applicable Model Act provisions, it appears that the courts apply the same principles as found in the Act with respect to the issue of interlocking directorates. For this reason, I recommend that, at minimum, Mr. Rogers attempt to act in accordance with Section 41. Thus, Rogers should completely disclose and make known to the other members of PIC's board the fact that he is a director of the National Building Museum. This disclosure may be put in writing for evidentiary reasons, although I have found no case which discusses the relative merits of a written disclosure.

---

(Section 41 cont'd from page 3)

which authorizes, approves or ratifies such contract or transaction or because his or their votes are counted for such purpose, if:

(a) the fact of such relationship or interest disclosed or known to the board of directors or committee which authorizes, approves or ratifies the contract or transaction by a vote or consent sufficient for the purpose without counting the votes or consents of such interested directors; or

(b) the fact of such relationship or interest is disclosed or known to the shareholders entitled to vote and they authorize, approve or ratify such contract or transaction by vote or written consent; or

(c) the contract or transaction is fair and reasonable to the corporation.

Common or interested directors may be counted in determining the presence of a quorum at a meeting of the board of directors or a committee thereof which authorizes, approves or ratifies such contract or transaction.

In light of the lack of definitive case and statutory law in the District of Columbia on the issue of whether an interested director may be counted toward a quorum, I also recommend that Mr. Rogers abstain from attending the meeting at which the vote approving the resolution will take place. In the absence of contrary provisions in the Articles of Incorporation or the Bylaws, one must defer to District of Columbia statutory law that provides that a majority of directors is a quorum for the transaction of business. Therefore, the other two members of the PIC board may carry out the transaction notwithstanding Rogers's absence.

Additionally, Mr. Rogers should not communicate with or in any way attempt to influence the other board members regarding this matter.

Finally, the board members should consider the equity of the transaction with respect to both corporations. Out of an abundance of caution, these recommendations are suggested and should be viewed as an attempt to eliminate the possibility for any claims of impropriety.

THE WHITE HOUSE

WASHINGTON

November 15, 1985

MEMORANDUM FOR MICHAEL K. DEEVER  
RONALD E. WALKER  
JOHN F. W. ROGERS

Orig. signed by FFF

FROM: FRED F. FIELDING

SUBJECT: PIC Directors Resolution Approving \$50,000  
Disbursement to the National Building Museum

I was recently asked to review a proposed PIC directors resolution authorizing the disbursement of \$50,000 to the National Building Museum. PIC director John F. W. Rogers serves on the Museum board as well, and, under D.C. law, should abstain from voting on this resolution. D.C. law also requires that the fact of Rogers's conflict of interest on this issue be fully disclosed to the disinterested directors. I have revised the proposed resolution accordingly.

Attachment

FFF:JGR:aea 11/15/85  
cc: FFFielding  
JGRoberts  
Subj  
Chron

ADOPTION OF RESOLUTION BY WRITTEN CONSENT  
OF THE BOARD OF DIRECTORS OF  
THE COMMITTEE FOR THE  
50TH AMERICAN PRESIDENTIAL INAUGURAL

The undersigned, being directors of The Committee for the 50th American Presidential Inaugural ("Committee") and believing their actions to be in the best interests of Committee, do hereby adopt by written consent the following resolution as the action of the Board of Directors of Committee pursuant to the laws of the District of Columbia:

RESOLVED, that Committee, a District of Columbia nonprofit corporation, shall, and hereby does agree to disburse \$50,000.00 (fifty thousand dollars) in a check payable to the National Building Museum, a privately funded cultural institution dedicated to commemorating and encouraging the American building arts.

FURTHERMORE, it is understood that the National Building Museum will be notified that their receipt of funds is contingent upon their representation that they presently possess a determination letter as to their 501(c)(3) status and that they will immediately forward a copy of same to Committee.

This action is taken with full knowledge that abstaining director John F. W. Rogers also serves on the Board of Trustees of the National Building Museum.

DATED: November \_\_, 1985

\_\_\_\_\_  
Michael K. Deaver

\_\_\_\_\_  
Ronald H. Walker

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DATED: November \_\_, 1985

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Michael K. Deaver

\_\_\_\_\_  
Ronald H. Walker



THE WHITE HOUSE  
WASHINGTON

November 15, 1985

MEMORANDUM FOR MICHAEL K. DEEVER  
RONALD E. WALKER  
JOHN F. W. ROGERS

FROM: FRED F. FIELDING

SUBJECT: PIC Directors Resolution Approving \$50,000  
Disbursement to the National Building Museum

I was recently asked to review a proposed PIC directors resolution authorizing the disbursement of \$50,000 to the National Building Museum. PIC director John F. W. Rogers serves on the Museum board as well, and, under D.C. law, should abstain from voting on this resolution. D.C. law also requires that the fact of Rogers's conflict of interest on this issue be fully disclosed to the disinterested directors. I have revised the proposed resolution accordingly.

**Attachment**

FFF:JGR:aea 11/15/85  
cc: FFFielding  
JGRoberts  
Subj  
Chron

# WHITE HOUSE CORRESPONDENCE TRACKING WORKSHEET

☐ O - OUTGOING☐ H - INTERNAL☐ I - INCOMINGDate Correspondence  
Received (YY/MM/DD) 1/1

Name of Correspondent: John Rogers

☐ MI Mail Report

User Codes: (A) (B) (C)

Subject: 50th Ann. Pres. Inaugural resolution

## ROUTE TO:

## ACTION

## DISPOSITION

Office/Agency	(Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Code	Completion Date YY/MM/DD
CUHOLL		ORIGINATOR	85, 11, 09 <sup>PX</sup>			1/1
		Referral Note:				
CU LAT 18			85, 11, 08 <sup>PX</sup>		S 85, 11, 18	
		Referral Note:				
			1/1			1/1
		Referral Note:				
			1/1			1/1
		Referral Note:				
			1/1			1/1
		Referral Note:				

## ACTION CODES:

A - Appropriate Action  
C - Comment/Recommendation  
D - Draft Response  
F - Furnish Fact Sheet  
to be used as Enclosure

I - Info Copy Only/No Action Necessary  
R - Direct Reply w/Copy  
S - For Signature  
X - Interim Reply

## DISPOSITION CODES:

A - Answered  
B - Non-Special Referral  
C - Completed  
S - Suspended

## FOR OUTGOING CORRESPONDENCE:

Type of Response = Initials of Signer  
Code = "A"  
Completion Date = Date of Outgoing

Comments:

Keep this worksheet attached to the original incoming letter.

Send all routing updates to Central Reference (Room 75, OEOP).

Always return completed correspondence record to Central Files.

Refer questions about the correspondence tracking system to Central Reference, ext. 2590.

ADOPTION OF RESOLUTION BY WRITTEN CONSENT  
OF THE BOARD OF DIRECTORS OF  
THE COMMITTEE FOR THE  
50TH AMERICAN PRESIDENTIAL INAUGURAL

The undersigned, being all of the directors of The Committee for the 50th American Presidential Inaugural ("Committee") and believing their actions to be in the best interests of Committee, do hereby unanimously adopt by written consent the following resolution as the action of the Board of Directors of Committee pursuant to the laws of the District of Columbia:

RESOLVED, that Committee, a District of Columbia nonprofit corporation, shall, and hereby does agree to disburse \$50,000.00 (fifty thousand dollars) in a check payable to the National Building Museum, a privately funded cultural institution dedicated to commemorating and encouraging the American building arts.

FURTHERMORE, it is understood that the National Building Museum will be notified that their receipt of funds is contingent upon their representation that they presently possess a determination letter as to their 501(c)(3) status and that they will immediately forward a copy of same to Committee.

DATED: November \_\_, 1985

\_\_\_\_\_  
Michael K. Deaver

\_\_\_\_\_  
Ronald H. Walker

\_\_\_\_\_  
John F. W. Rogers





359664 *CU*

*November 7, 1985*

*Dianne,*

*Can you please have F<sup>3</sup> review this  
to make sure it's legally (sic) O.K.  
I will take it around and get the  
signatures.*

*Thanks*

*John Foy*