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City Group Linked With Overseas Aid

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Of The Dispatch Staff

The 11-year-old "Broad-High Foundation" of Columbus, unknown to most city financial leaders, was named Saturday as one of two Ohio groups supporting overseas educational programs of the American Newspaper Guild.

National guild officers acknowledged the receipt of \$1 million since 1960 from the local foundation and four others in Cleveland, Baltimore, Boston and Philadelphia, but they denied any knowledge of possible Central Intelligence Agency money behind the foundations.

THE GUILD SAID it will immediately terminate its association with any foundation found to be linked to the CIA, and, if necessary, will seek alternative financing sources to carry on its work of helping newspaper workers in other countries.

Speculation on the CIA sponsorship was touched off in light of the disclosure last week that foundation money to several national student organizations came originally from the intelligence agency. One of these foundations also was acknowledged to be a Guild supporter.

Whether the Broad-High Foundation, registered with the Ohio secretary of state in 1955 by two attorneys and a banker, received the \$343,000 donated to the Guild in part or in whole from the CIA remains undetermined.

JOHN G. MCCOY, president of the City National Bank and a designated incorporator and trustee of the

foundation, told the Dispatch that foundation income sources could not be revealed but that they were from "private sources" as opposed to public ones.

McCoy said he is one of three foundation trustees, the others being attorneys David A. Johnson Jr. and Darold I. Greek, both of the law firm of George, Greek, King and McMahon, 100 E. Broad St.

Johnson and Greek were both original incorporators, with Johnston signing as agent.

ON OCT. 13, 1955, the foundation was registered in Ohio Secretary of State Ted Brown's office with the stated purpose of:

- "Contributing to the advancement of the constitutional principles upon which the political and economic system of the United States is founded . . . both in the United States and elsewhere."

- "Furnishing assistance . . . to refugees from countries of Asia, Europe or other areas of the world who are forced by the spread of totalitarianism to leave their homelands."

CHARLES A. PERLIK JR., the Guild's national secretary-treasurer, admitted, according to a New York Times dispatch that contributions had come from the Broad-High Foundation, but denied any knowledge of a possible CIA origin.

Interviewed Saturday, Johnston admitted only that he was the counsel for the foundation. He refused to discuss the operations and history of the organization.

Other foundations in Columbus, contacted Saturday by the Dispatch, knew nothing of the Broad-High Foundation.

Neither city telephone books, directories (including special directories on Columbus and national foundation groups) nor posted signs in the 100 E. Broad Building acknowledge the organization's existence.

A NUMBER of attorneys huddled in the law offices Saturday morning following the publication of the Times article, but Johnston described it as "a routine Saturday morning meeting."

Johnston said he could not discuss the foundation's operations "in view of my responsibility as an attorney for a client," not mentioning his position as a trustee of the group.

Greek, another trustee and incorporator, was reported out of the country.

IN LIGHT OF the CIA speculation, however, certain elements of the foundation's lengthy "purpose" statement, filed with the state 11 years ago, are of particular interest, including:

- A provision that a "correct accounting, to include detailed description of income and disbursements during each year . . . be (made) available to each donor, with the provision that the identity of each donor may at his request be not made available to other donors."

- A stated limitation against the use of foundation funds for "carrying on propaganda, or otherwise attempting to influence legislation . . . and the foundation

shall not participate or intervene in any political campaign on behalf of any candidate.

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LISTED AS contributors of the \$1 million to the Guild since 1960 are the Warden Trust of Cleveland, the Chesapeake Foundation of Baltimore, Md., the Broad-High Foundation, the Granary Fund of Boston, Mass., and the Andrew Hamilton Fund of Philadelphia, Pa.

Much of the speculation resulted from the identification last week of the Andrew Hamilton organization as a CIA front by government officials, following exposure of CIA round-about support of the National Student Association.

Perlik told reporters that support from the Columbus, Cleveland and Baltimore foundations have been received since 1965. It amounts to approximately \$650,000.

CLARENCE L. MIDDENDORF, president of the Columbus Newspaper Guild, told the Dispatch Saturday that he was "quite surprised" by the foundation-Guild link, having never heard of the local foundation.

Middendorf said the local Guild receives no money from the national office, "but I'd be quite surprised if a local foundation was contributing to the national and I didn't know it," he said.

The local Guild leader said he would be opposed to government support of the union, if the reports were true.

"I THINK the Guild should be interested in furthering the news industry and not involved in government activities," Middendorf said.

Arthur Rosenstock, national president of the AFL-CIO union for newspaper, magazine, wire service and some broadcast employees, backed up Perlik, telling reporters: "The charges are completely unfounded, according to the best of our knowledge."

On top of the student-CIA link exposed last week by a national magazine, and coinciding with a host of press stories alleging CIA financial aid to a number of other private groups, the guild reports aroused a mood for investigation in Congress.