Dr. Watts furnished the following signed statement reflecting his views concerning the Congressional inquiry and the matter of charges that Operation Breakthrough was involved in improper political activity.

June 3, 1967.

STATEMENT OF DR. CHARLES WATTS, PRESIDENT, BOARD OF DIRECTORS, OPERATION BREAKTHROUGH

Along with some of the staff members, I have conferred with Mr. John Buckley, minority counsel to the House Committee on Education and Labor. We have generally discussed the functions and purpose of Operation Breakthrough and the laws, regulations, and directives that apply to it. I have explained to Mr. Buckley that under our interpretation of the applicable laws, which was checked with officials of the Office of Economic Opportunity, the Durham municipal election is a local non-partisan election and not subject to the restrictions that apply to partisan political activity. Moreover, I have emphasized that Operation Breakthrough had repeatedly apprised its personnel that no support by the organization should be given to any candidate in the municipal election, and that, although each staff member retained his private rights as a citizen in such an election, he was not to use the organization's funds or equipment, nor his compensated official time, to participate in political activity. Mr. Pursell and I have furnished Mr. Buckley with prior statements by us and with other documents which amplify our position.

Mr. Buckley has informed us that, despite our request to be allowed the opportunity to learn of and refute any specific allegations which either have been made, or may be made by Mr. Fred Steele, or anyone else, no such opportunity can be provided us at this time. He explained further that these allegations could only be made known to us with the consent of Mr. Steele, which Mr. Steele

has refused to grant up to this point.

Accordingly, any further comment by us should await the moment when we know what are the specific charges against our organization. Anyone is entitled to know the accusations against him and to confront his accuser. We trust that this right will be fully recognized by any Committee or other group that may receive charges against Operation Breakthrough. Of course, when and if specific charges of improper action are brought against Operation Breakthrough by Mr. Steele or any other citizen, I shall be glad to answer those charges and to call for appropriate action from the Executive Director of Operation Breakthrough.

OPERATION BREAKTHROUGH, INC., Dr. CHARLES WATTS, President.

Photos taken by E. B. Cranford, Jr., on May 13, 1967, in the vicinity of Durham polling places were shown to Operation Breakthrough officials present at the conference.

Mr. Lawrence Kelly, Administrative Assistant to the Executive Director, acknowledged that he appeared in one of the photos. He advised that on May 13, 1967, he transported voters to the polls in the Durham municipal general election. He said he did so at the request of the Neighborhood Council and that he felt this activity was proper inasmuch as the election was non-partisan.

Mr. Robinson Everett, attorney for Operation Breakthrough, advised it was his opinion Operation Breakthrough has been in compliance with OEO regulations and directives. He said that in 1955 or 1956 the U.S. Civil Service Commission had ruled that the Durham municipal elections were non-partisan and not covered by the Hatch Act.

Mr. William R. Pursell, Executive Director, furnished the following material pertaining to the Operation Breakthrough controversy:

OPERATION BREAKTHROUGH, DURHAM, N.C.

Memorandum to: All staff members.

From: William R. Pursell, Executive Director.

Date: May 11, 1967.

Subject: Use of facilities and vehicles on election day May 13, 1967.

This is to officially inform you that no vehicles and/or facilities of Operation Breakthrough are to be used in any way in support of any individual or slate of candidates in the General Election on May 13, 1967. This is to be interpreted as meaning that only normal Saturday program activities will be allowed on this