

1 A Yes. It's also the Congressman's writing and  
2 the payee is Ruth Rox.

3 Q I show you 48-F(2) for identification, another  
4 money order, and ask you if you can identify the writing  
5 on that document?

6 A The date and the signature of the purchaser  
7 are the Congressman. The payee's writing appears not to  
8 be the Congressman's.

9 Q What is the name of the payee on that document?

10 A The payee is Ruth Rox.

11 Q I next show you 48-O, another money order,  
12 from the National Bank of Detroit and ask you if you can  
13 identify any of the writing on that document?

14 A The signature on it, the signature of the  
15 purchaser, is the Congressman's. I cannot identify the  
16 other writing.

17 Q Who is the payee on that money order?

18 A The payee is Lorraine McDaniels.

19 Q Who is Lorraine McDaniels?

20 A At the time I left the office she was the  
21 Congressman's secretary.

22 Q I show you Government's Exhibit No. 49. It is  
23 a cashier's check. I ask you if you can identify any  
24 writing on the front or back?

25 A Yes. I recognize the Congressman's signature

000325

1 on the back and it's made payable to the House  
2 Recording Studio.

3 Q I also show you Government's Exhibit No. 51-C  
4 which is a cashier's check from the Bank of the  
5 Commonwealth and ask you if you can identify any of the  
6 writing on that document?

7 A Yes, sir. I recognize the endorsement on the  
8 back as the Congressman's signature.

9 MR. KOTELLY: Will the Court indulge me one  
10 moment?

11 THE COURT: Yes.

12 BY MR. KOTELLY:

13 Q Ms. Stultz, I show you 21-B which is a  
14 treasury chest and ask you if you can identify any  
15 handwriting on that document?

16 A Yes, sir. This is the Congressman's signature

17 Q Where does it appear?

18 A On the back of the document.

19 Q I show you 23-Y which is in evidence, which  
20 you previously identified as your personal checks, and  
21 ask you if anyone other than your writing appears on  
22 that document?

23 A The Congressman's signature appears as the  
24 endorser on the back.

25 Q And the payee on that personal check is to?

000326

1 A Charles C. Diggs, Jr.

2 Q And the amount of that check?

3 A \$900.

4 Q Ms. Stultz, did there come a time when you  
5 stopped paying for the Congressman's bills out of the  
6 special account?

7 A Yes, sir.

8 Q When did that occur?

9 A I believe it was March or April of '76. Yes,  
10 it was either March or April.

11 Q What were the circumstances in which this  
12 arrangement was ended?

13 A At my own insistence I told the Congressman I  
14 no longer wanted to be a part of that. I was having  
15 difficulty with my taxes. I didn't like the arrangement  
16 to begin with, which was only supposed to last a couple  
17 of months.

18 Q Did you have any conversations with the  
19 Congressman at that time about the end of the arrangement?

20 A Well, I had mentioned this a couple of times  
21 before and he had just sort of waved me off, but at this  
22 point I was very insistent and I said I would not go  
23 through with it any more, and he agreed. He agreed.

24 We talked about it, what figure I would set my  
25 salary, and I said I would set it at the same figure

000327

1 where my counterpart's salary was over on the District  
2 Committee, which was around \$23,000 then.

3 Q What had your salary been immediately prior to  
4 your reducing your salary?

5 A It was the maximum allowed, which was around  
6 \$35,000.

7 Q Would there be any documents which would  
8 reflect your recollection as to the exact amount?

9 A It would have to be the payroll authorization  
10 forms.

11 Q I show you what's been introduced in evidence  
12 1-A through 1-L, payroll authorization forms, and ask  
13 you if that would refresh your recollection as to what  
14 your salary was immediately prior to the reduction?

15 A Yes, it would.

16 Q Could you tell the jury what your salary was  
17 immediately prior to the reduction?

18 A \$37,000.

19 Q And after the reduction?

20 A \$22,000.

21 Q After the reduction to your salary what, if  
22 any, changes were there in your duties working for  
23 Congressman Diggs?

24 A There were no changes in my duties.

25 Q Did you subsequently terminate your employment

000328

1 with Congressman Diggs?

2 A Yes, I did.

3 Q When was that?

4 A August 30, 1976.

5 O Would you tell the ladies and gentlemen of the  
6 jury what caused you to terminate your employment with  
7 Congressman Diggs?

8 A Well, it was an accumulation of things. The  
9 condition in the office with the personnel problems were  
10 increasing. It was no longer, I felt, a pleasant place  
11 to work.

12 There was particularly a big blowup between  
13 myself and a staffer in Detroit which was sort of the  
14 turning point and that very day I said to the  
15 Congressman, which I believe this was in May, I said to  
16 the Congressman that I was leaving. It may have been  
17 in April, but I said I was leaving and he waved me off  
18 again and a few days later I came in and I gave him my  
19 letter of resignation.

20 It was at this point that I suppose he  
21 believed I really meant to go and he asked me if I would  
22 have lunch, asked me to have lunch with him, and we  
23 discussed some alternatives. Initially I said, "I'll  
24 come in and work part-time," until he can find an  
25 adequate, you know, replacement or until he can make

000329

1 other arrangements and that never took place. However,  
2 later he asked me if I would consider -- I'm sorry.

3 In that same conversation he asked me if I  
4 would give up -- if I wanted to give up the office  
5 management position; would I consider going back to a  
6 position of his secretary, which I rejected that. He  
7 wanted to know why and my reasoning was because  
8 Ms. McDaniels was doing what I felt a good job, and in  
9 addition she had a child to support, a young kid, and  
10 that would not take me out of the immediate setting of  
11 the office.

12 After some more conversation and discussion  
13 he then asked me if I would stay on until after the  
14 primary, which was in August, and I agreed to stay the  
15 additional three months.

16 Q Then when did you leave?

17 A I left August 30, 1976.

18 Q Was there a replacement that was on the staff  
19 at the time -- your replacement on the staff at the time  
20 that you left in August?

21 A Yes. Mr. Randall Robinson, and I think he  
22 came on like a month before I left. He came on probably  
23 in July, July 1st.

24 Q Ms. Stultz, after you were reduced to around  
25 \$22,000, were there any later increases in your salary?

000330

1 A My last two paychecks were increased, and  
2 again, with the permission of the Congressman, and this  
3 was to cover any tax liabilities that I may have  
4 incurred that year as a result of the inflated salary.

5 Q Do you remember what your salary was increased  
6 to?

7 A It was increased to the maximum, which I  
8 believe was \$37,000.

9 Q For how many months?

10 A For two months, the months of July and August.

11 Q And the money that you received in your final  
12 two paychecks?

13 A Was my own.

14 Q Ms. Stultz, did you have any conversations with  
15 anyone on the staff regarding your payment of expenses  
16 for Congressman Diggs?

17 A I'm trying to remember whether I had any  
18 conversation. It was pretty well common knowledge by  
19 most of the staffers in the office that I handled his  
20 accounts. I am not sure whether I related that portion  
to Randall Robinson or not.

21 Q Ms. Stultz, during the period of time that you  
22 were the office manager and paying for the expenses of  
23 Congressman Diggs out of your special accounts, would  
24 you tell the jury why you did it?

000331

1           A    Well, when the idea was first proposed to me  
2 I must admit I didn't feel too secure in the position.  
3 I felt that it was almost -- you might almost say a  
4 condition of employment. I received no threats but it  
5 was by sort of innuendo. I received a warning previously  
6 from the Congressman on some other matters concerning  
7 my relationship with some of his family members and he  
8 talked like I didn't have too much choice if I wanted  
9 to retain my position there, and I needed the job.

10           MR. KOTELLY: The Court will indulge me one  
11 moment?

12           THE COURT: Yes.

13           MR. KOTELLY: No further questions, Your  
14 Honor.

15           THE COURT: Mr. Povich?

16           MR. POVICH: May we approach the Bench?

17           THE COURT: Yes.

18           (Bench conference.)

19           MR. POVICH: Could we take a mid-morning  
20 break?

21           THE COURT: In another 15 minutes we will  
22 knock off.

23           (In open court.)

24  
25 000332

**CROSS EXAMINATION**

BY MR. POVICH:

Q Ms. Stultz, my name is David Povich. I represent Congressman Diggs, as you know.

At the beginning of your testimony Mr. Kotelly asked you when you first met Congressman Diggs.

A That's right.

Q I believe you said that it was at the Democratic National Committee in Miami; is that correct?

A At their convention.

Q And were you employed at that time by the Committee?

A Yes, I was.

Q You had a position, I think, in the Minorities Division?

A Yes"; sir.

Q Was that an area that interested you, that concerned you, whether it was a division of the DNC?

A It certainly was.

Q As opposed to say some other position of the Democratic National Committee?

A I can't say that. That was the area in which I was employed. That was the area in which I was offered a position of employment. I did not have a choice.

000333

1 Q You didn't have any special interest in that  
2 connection?

3 A I did have a special interest. I am a  
4 minority; however, I was not offered a position in any  
5 other division of the Committee.

6 Q No. I was just suggesting or asking you  
7 whether or not you had an interest in minority rights  
8 and therefore you were involved and were employed by the  
9 Minority Division of DNC as opposed to some other  
10 division.

11 A My employment was not based on my interest in  
12 minorities. My employment was based on my need for  
13 employment.

14 Q I see. What was your salary at that time?

15 A As I recall I began with the Committee at  
16 \$10,000 a year.

17 Q Was that job to terminate after the convention?

18 A It was an odd job of arrangement. It was not  
19 a termination. They had what they call a Voters  
20 Registration Division and I went with that unit.

21 Q How long was that job to continue?

22 A I was with them from July until October when  
23 I took employment in the Congressman's office.

24 Q Well, I am just trying to inquire, did the  
25 job end or did you just -- Could you have stayed there

000334

1 and simply sought other employment if you wanted to?

2 A What do you mean, with the Voters Registration  
3 Division?

4 Q Yes.

5 A To my knowledge the job was ending. I think  
6 they were abandoning the division.

7 Q How did you happen to first learn of the job  
8 with the Congressman, that there was an opening or he  
9 was looking for someone?

10 A The Congressman proposed the idea to me in  
11 Miami.

12 Q Where you accepted that?

13 A It was not an actual offer of employment. It  
14 was simply a conversation with the Congressman -- we had  
15 been to a social gathering of some kind. There were  
16 numerous social activities and I remember the Congressman  
17 saying to me, "You think you are hot stuff," and I said,  
18 "What do you mean?" He said, "I've been watching the  
19 way you run the office. Do you think you can run my  
20 office in the same way?" I said, "I don't know." And  
21 he says, "We'll see," and that was the end of that.

22 After I came back to Washington in October I  
23 received a call from his administrative assistant to  
24 come over for an interview.

25 Q That was Ms. Corker?

000335

1 A Ms. Corker.

2 Q Dorothy Corker?

3 A Yes. There had been some other contact with  
4 him in the interim, another employee of the Committee  
5 whom he knew personally, I understand also; he talked  
6 with him prior to asking me to come over for an inter-  
7 view.

8 Q Had you considered going with someone else,  
9 some other congressman or representative on the Hill at  
10 the time?

11 A I had considered going with anybody I could  
12 get a position with.

13 Q Had you an offer or were you considering going  
14 with Congressman A. Rangle's office?

15 A I had not had an offer. I had -- The  
16 suggestion had been made to me by another member of  
17 Congress that if I -- that there was a position in  
18 Mr. Rangle's office, and if they submit my name to the  
19 Congressmen, which would I prefer, and I said I would  
20 prefer working with Mr. Diggs.

2 Q Why was that?

3 A I had met Mr. Diggs at the convention. I had  
4 met Ms. Corker. I knew of Mr. Diggs' activities in  
5 African affairs. I was not that knowledgeable about it,  
6 but Mr. Diggs also had seniority in the House. I felt

000336

1 it would be a more secure position in his office.

2                   Incidentally, I had met Mr. Diggs once before,  
3 maybe a year before when I went to his office with  
4 Mr. News who was Director of the Minorities Division.

5           Q      There came a time when you did discuss  
6 employment in his office; is that correct?

7           A      That's correct.

8           Q      In the end of 19 -- was it '72?

9           A      In October of '72.

10          Q      What was your position at that time?

11          A      I went on board as a legislative assistant.

12          Q      And your salary was what?

13          A      \$11,000.

14          Q      As a legislative assistant, what essentially  
15         were your duties?

16          A      Mr. Povich, I really can't tell you because  
17         I know nothing about legislation. I had been given a  
18         choice when I first went over of what -- I thought it  
19         was a choice. There were two positions open, as I  
20         understood from Ms. Corker, as her secretary or the  
21         legislative position secretary. I opted for her  
22         secretary's position, which was an area of employment  
23         that I knew; however, when I was appointed I was  
24         appointed as a leg. assistant and I made it known to  
25         her I knew nothing about legislation.

000337

1 Q She was the one that hired you more or less;  
2 was she not?

3 A I can't say that. She was the one that I had  
4 my contact with.

5 Q You reported to her; is that correct?

6 A That's right.

7 Q How long did you continue to report to her?

8 A The whole time I was in that position as leg.  
9 assistant.

10 Q How long was that?

11 A From October to I think it was February of '73.

12 Q During that time from October to February of  
13 '73 did you stay in that job?

14 A Yes, I did.

15 Q Did it --

16 A Wait a minute. Yes, that's right.

17 Q Did the job title really have anything to do  
18 with what you were doing?

19 A I guess if I had performed it, it would have  
20 had something to do with it because I was doing nothing  
21 else at that point, sort of floundering.

22 Q Well, were you trying to learn the work?

23 A I was trying to learn the work.

24 Q Were you succeeding?

25 A No. I had no guidance.

000338

11 Q Did there come a time as a result that you  
12 think that you took over another position and assumed  
13 other responsibilities?

14 A At the time during a conference in the  
15 Congressman's office between himself, Dorothy Corker  
16 and myself, the Congressman proposed that he wanted  
17 to make me his secretary. I was elated, and I remember  
18 saying to him, you know, I felt very good about it  
19 because I really didn't know anything about legislation  
20 and I knew that I had not been performing in that  
position.

21 Q What had prompted that? Was Mrs. Corker  
22 leaving?

23 A No. That was prompted by Ms. Stillett's  
24 resignation.

25 Q Had she been the secretary?

26 A Yes, she had.

27 Q How long had she been the secretary?

28 A I have no idea. I understand it was 13 years  
29 but I cannot say that's absolutely true.

30 Q When you assumed the position of his secretary  
31 when was that approximately?

32 A Approximately February of '73.

33 Q Did you have any pay increase or adjustment as  
a result of that?

000339

1 A Yes, sir. My salary went to \$14,000.

2 Q Was Ms Corker still the office manager at  
3 that time?

4 A Yes, she was.

5 Q Did there come a time when she assumed other  
6 responsibilities?

7 A Yes. She assumed the position of, I believe,  
8 chief of staff or some provision on the House District  
9 Committee.

10 Q And she left her position on the Congressman's  
11 staff itself?

12 A Well, she physically moved to the House  
13 District Committee Offices. I don't know what her  
14 actual arrangements were.

15 Q Did she continue to have a lot of contact  
16 with the office?

17 A Oh, yes.

18 Q What type of contact would that be?

19 A Well, quite a while she continued to handle  
20 the payroll because I didn't assume payroll responsi-  
21 bilities for several months afterwards, and she was  
22 over constantly with the Congressman. About what, I  
23 don't know.

24 Q She also worked with respect to running the  
25 District House Committee?

000340

1 A Ms. Corker was back and forth.

2 Q Where were her offices located?

3 A To my knowledge she had them in both places.

4 She had an office in the District Committee Office and  
5 she retained her office in the Congressional suite of  
6 offices.

7 Q Now, you said that you assumed the responsi-  
8 bility of his personal secretary in February of 1973?

9 A To the best of my recollection, yes.

10 Q What duties did that include?

11 A Handling his appointment calendars, talking  
12 with his constituents, writing his letters, taking his  
13 dictation, sitting in on meetings with him when asked  
14 to, handling his personal accounts, talking with his  
15 creditors, making out his checks for payment of his  
16 bills and whatever I was instructed to do as his  
17 secretary.

18 Q What was the Congressman's position at that  
19 time in the Congress of the United States in addition to  
20 being the representative from the 13th District of  
21 Detroit.

22 A In, I believe it was January of '73 he took  
23 over chairmanship of the House District Committee. He  
24 was also a member of the African Affairs Subcommittee  
25 and Foreign Affairs Committee.

000341

1 Q Did he subsequently assume the chairmanship  
2 of that committee as well, the Subcommittee on African  
3 Affairs?

4 A I believe he still retains the chairmanship  
5 of that; doesn't he? I think he was chairman then.  
6 I am not really sure. I can't remember that far back.  
7 I think he was -- let me see. Yes, I think he did  
8 subsequently. I don't remember whether he assumed the  
9 chairmanship or whether he was already chairman.

10 Q When you began to handle his personal affairs  
11 who had handled those insofar as paying his bills and  
12 expenses as his personal secretary, who had handled that  
13 before you?

14 A To the best of my knowledge Ms. Stillett did.

15 Q Well, did you more or less pick up on the  
16 procedures which she had initiated or had handled or  
17 had really initiated in the office for handling his  
18 affairs?

19 A I picked up on procedures that had, I'm  
20 pretty sure, had been handled by Ms. Stillet. She had  
21 never explained them to me, but I had access to her  
22 file drawer when she left and I followed the same  
23 procedure.

24 Q That was a procedure whereby with respect to  
25 the payment of bills that you would list the bills which

000342

1 were outstanding that she had done: is that correct?

2 A That's correct.

3 Q Would you sit down with the Congressman and  
4 you would decide or he would decide with you which bills  
5 had to be paid or should be paid?

6 A That's right.

7 Q That was the same procedure she had followed?

8 A I assume she had followed it.

9 Q Well, you saw the list in the file; did you  
10 not?

11 A Yes, but again I say she never instructed me  
12 but there was such a list and I followed that same  
13 procedure.

14 Q And that had gone on, that list. This was  
15 now in February of '73 but there were lists like that  
16 in the files, his personal files, that had gone back  
17 say, to 1971; had they not?

18 A I don't know how far back it had gone, sir.

19 Q Were there a lot of personal files with respect  
20 to those payments of expenses which she had which you  
assumed?

21 A There were personal files but I don't know  
how far back the list went.

22 Q It was not your purpose, was it, to change  
the situation at all, was it?

000343

1 A No.

2 Q What you intended to do was simply follow  
3 the procedures which she had outlined until he told  
4 you differently; is that right?

5 A Which is what I did until he suggested that I  
6 make up a newer, more complete type of form which  
7 carried basically the same kind of information, but  
8 more.

9 Q Now, the list that you made up, that was  
10 simply a list of the amount of bills that he had out-  
11 standing; isn't that correct?

12 A It was a list of each creditor that I knew of  
13 that he owed. It was the amount, the balance due, the  
14 total amount due. It listed the amount of each payment  
15 that was due. The total amount may have been \$500;  
16 the payment per month may have been \$25: and they were  
17 itemized by date.

18 Q Would it be fair to say that he had a lot of  
19 payments on larger obligations that he had to meet  
20 every month? Do you understand what I am saying?

21 A No.

22 Q That he was making monthly payments on  
23 larger obligations and that you were trying to keep  
24 track of those loans, personal loans?

25 A He had a number of obligations, large and

000344

1 small. I am not sure I understand your question.

2 Q Well, I am saying that many of the bills  
3 were part payment bills.

4 A Yes.

5 Q In other words, he would pay monthly on a  
6 larger bill which was outstanding.

7 A Right. He would pay monthly on whatever bills  
8 he chose to pay on, whether it was a large bill or a  
9 small bill.

10 Q Were there times he couldn't make all of the  
11 payments?

12 A Oh, yes.

13 Q Was that from the first exposure you had to  
14 the situation?

15 A He never paid every bill on the list every  
16 month.

17 Q He wasn't able to do that?

18 A I don't know whether he was able or not. He  
19 didn't.

20 Q Well, you were in charge of his finances.  
21 From the information that you had did he seem to have the  
22 money available to make those payments?

23 A I wrote his checks based on what he indicated  
24 he wanted to pay. I did not know and it was late in my  
25 time there -- I did not know what the balance was in his

000345

1 bank account.

2 Q Did he not keep a running balance in his  
3 checkbook?

4 A I did not know what his resources were.

5 Q Did he ever indicate to you that he was  
6 having difficulty paying a certain bill and therefore  
7 he would prefer not to have to pay that month?

8 A He didn't have to indicate, Mr. Povich. The  
9 creditors indicated to me.

10 Q Well, would it be fair to say that he was  
11 having difficulty meeting his obligations?

12 A Well, it would be fair to say he didn't meet  
13 them. I can't say he was having difficulty. I didn't  
14 know what his situation was or why he didn't meet them,  
15 but he did not meet them.

16 Q By the way, these lists that you saw, have  
17 you seen them since the initial list, the lists that  
18 were there when you first came into the office in  
19 1973? Have you seen them recently?

20 A Recently, no.

21 Q Were you ever shown those lists?

22 A Since I left his employment?

23 Q Yes.

24 A No, no. I have not seen them.

25 Q You haven't seen any of those?

000346

1 A No, I haven't.

2 Q The prosecutor hasn't shown you any of the  
3 lists?

4 A I don't recall him showing me any.

5 Q Has he shown you any of your lists?

6 A That's what we are talking about, my list,  
7 the list I prepared.

8 Q You don't recall? He has never shown you any  
9 of those?

10 A Not to my knowledge, no. I don't recall.

11 Q Do you know if they still exist or not?

12 A I don't know. I asked him. I told him about  
13 them.

14 Q I see.

15 What about the other financial records that  
16 you had, Ms. Stultz? Had you been able to go over those  
17 during the period of time that you were his personal  
18 secretary?

19 A What other financial records?

20 Do you mean the folders for each of his  
21 creditors?

22 Q Well, I mean all these records that have been  
23 introduced here in the courtroom.

24 A Oh, I have seen those.

25 Q Well, do you know where those records were

000342

1 obtained?

2 A To the best of my knowledge, some of those  
3 I recognize as records that were in my file in the  
4 Congressman's office.

5 Q Would you have any reason to believe that the  
6 files which were there during the period that you were  
7 there and when you left are still there?

8 A There is one document in particular that I  
9 remember having that I have not seen.

10 Q Has not been shown to you?

11 A It has not been shown to me.

12 Q But from what you were able to ascertain, you  
13 have seen creditors' files; have you not?

14 A I have looked through -- let's see. I have  
15 seen creditors' files. I have not -- I can't recall--  
16 I have looked through one or two.

17 Q Ms. Stultz, I am simply trying to ascertain  
18 whether or not, even though this is a matter now in  
19 1978, the files that you were working with are still  
20 here, are still available, haven't been destroyed; that  
21 these records came from all of these files that you  
22 said you worked with.

23 A Yes.

24 Q Is that true?

25 A That's right.

000348

1       Q     In fact, the only records that you have  
2 located are some of your own personal checks; isn't that  
3 right?

4       A     Pardon me?

5       Q     The only records that you had difficulty  
6 locating were some copies of your own personal checks;  
7 were they not, about five months?

8       A     I did not locate those records, sir.

9               The only ones I was asked to submit were my  
10 own personal checks, some of which I have not found.

11      Q     I see. But I am saying that the only records  
12 that you have been unable to find really are the ones  
13 relating to our own personal checks; that everything  
14 else that essentially you were working with during that  
15 period of time the Government has or you have seen or  
16 that's available?

17      A     I can assume the Government has everything  
18 else. I have not seen everything the Government has.

19      Q     But you have gone through the creditors'  
20 files and you have taken out the payments you made with  
21 money orders and you have the Xerox copies and you have  
22 your correspondence and you have all the information  
23 that was in each of the individual files?

24      A     I did not personally go through those files.  
25 I did not personally take those things out.

000349

1                   The items that I identified today are items  
2 from the files that I had access to when I was employed  
3 with the Congressman.

4                   Q     Again you have no reason to believe that they  
5 are still not all available?

6                   A     I have no reason to believe that.

7                   Q     Now, in February, 1973, when you began to work  
8 as his personal secretary, he at that time was also  
9 chairman of the House District Committee; was he not?

10                  A     Yes, I believe he was.

11                  Q     That occurred in January of 1973, the  
12 beginning of the year?

13                  A     To my knowledge, yes.

14                  Q     Can you give us some indication of what kind  
15 of an event that was in the office?

16                  MR. KOTELLY: Your Honor, I am going to  
17 object. May we approach the Bench?

18                  THE COURT: Yes.

19                  (Bench conference.)

20                  MR. KOTELLY: Your Honor, based on Mr. Povich's  
21 opening statement it appears that Mr. Povich is going to  
22 start getting into what was going on in the District  
23 Committee. I don't know if he's going to go into the  
24 Congressman's positions and everything there, but I at  
25 this time would object to Mr. Povich putting into the

000350

1 Government's case his affirmative defense regarding any  
2 activities going on in the District Committee.

3 Your Honor ruled that the defense could not  
4 properly go into their affirmative defense in the  
5 Government's case in the Bobby Baker case, and that was  
6 upheld by the Court of Appeals, and I would submit that  
7 that is the area that Mr. Povich is now going into, his  
8 affirmative defense as he outlined it in his opening  
9 statement, and we would object to his going into those  
10 areas as to the activities going on in the District  
11 Committee.

12 This witness testified that she did not  
13 actually do work for the District Committee.

14 THE COURT: I'm inclined to agree with that,  
15 Mr. Povich. This is the second time you have referred  
16 to the fact that he was chairman of the House District  
17 Committee. You said it the first time, but you  
18 certainly don't need to keep asking that question.

19 MR. POVICH: Your Honor, if the Government  
20 wishes to announce in open court that it was perfectly  
21 lawful for her, as his personal secretary, to be on the  
22 salary as secretary to him as chairman of the House  
23 District Committee and that there was nothing improper,  
24 that there was nothing unlawful and there was no adverse  
25 inference --

000351

1 THE COURT: Let's get down to brass tacks,  
2 Mr. Povich. You can question her about what the  
3 Government brought out, but you cannot bring out your  
4 affirmative defense through her at this time.

5 MR. POVICH: Your Honor, I am simply trying to  
6 show that it was perfectly proper for her to be paid as  
7 secretary to the Chairman of the House District  
8 Committee, particularly during 1973 and 1974, because of  
9 his activities as a congressman on the House District  
10 Committee.

11 The Government asked her -- she says, well,  
12 there was no -- "I was liaison, but there wasn't any-  
13 thing."

14 I have the right to cross examine her about  
15 that. I have the right to find out what she was doing.

16 THE COURT: I think you do, too.

17 MR. POVICH: I want to find out what they  
18 were doing with that office in the House District  
19 Committee in 1973.

20 THE COURT: To the extent she had knowledge,  
21 you may inquire.

22 MR. POVICH: Your Honor, the question is  
23 what was the Congressman doing. She worked for the  
24 Congressman. The question is what was he doing. She  
25 was his secretary. It's not just what she was doing.

000352

1 THE COURT. To the extent that she knows she  
2 may be asked to respond.

3 MR. POVICH: Fine.

4 THE COURT: All right.

5 (Open court.)

6 BY MR. POVICH:

7 Q In 1973 you were on the payroll of the House  
8 District Committee; is that correct?

9 A I believe so.. At one time I was on both  
10 payrolls, yes.

11 Q Well, but wasn't your job description at one  
12 point was secretary to the Chairman of the House  
13 District Committee; is that right?

14 A It may have been.

15 Q And Mr. Diggs was the Chairman of the House  
16 District Committee?

17 A Yes.

18 Q In 1973 was he concerned with the House  
19 District Committee?

20 A Oh, yes.

21 Q Can you tell me the type of work that he was  
22 doing on the House District Committee in 1973?

23 MR. KOTELLY: Your Honor, I object unless  
24 this is related to Mrs. Stultz' employment.

25 MR. POVICH: Yes, Your Honor.

000353

1 THE COURT: To the extent she knows she may  
2 testify.

3 MR. POVICH: The inference has been it is  
4 improper.

5 MR. KOTELLY: I object to this argument.

6 THE COURT: The Court has ruled to the extent  
7 the witness has personal knowledge of what Mr. Diggs  
8 was doing on the House District Committee she may  
9 testify.

10 MR. POVICH: Thank you.

11 THE WITNESS: To my knowledge, at that time  
12 they were trying to get Home Rule legislation, but  
13 beyond that I cannot say what was going on in the  
14 House District Committee.

15 BY MR. POVICH:

16 Q Just try to get Home Rule legislation through?

17 A It had not passed in '73, sir.

18 Q Well, I mean the only thing you can tell me  
19 is he was trying to get Home Rule?

20 A I did not work on the District Committee. I  
21 worked in the congressional office. I had no functions  
22 on the District Committee. I had no idea what was  
23 going on over there.

24 Q Did you know what the Congressman was doing  
25 that you were working for?

000354

1 A I knew what he was doing in his congressional  
2 office.

1 Q Well, were you making his appointments?  
2 weren't you doing --

5 A Not for the District Committee. I made his  
6 appointments as far as whomever he was going to see, but  
7 as far as his legislative activities in the House  
8 District Committee, I had no idea. I knew -- I made his  
9 appointments to the degree that I knew who he was going  
10 to meet with and he knew who he was going to meet with.  
11 The substance of that meeting at the District Committee,  
12 I had no idea.

13 Q I'm not asking for the substance of the  
14 meetings, but you coordinated as his personal secretary  
15 where he was, who he was going to be meeting with,  
16 whether he was traveling, whether he was going to be in  
17 town, out of town, in Africa, in the District of  
18 Columbia, in Detroit or anywhere else, didn't you?

19 A That's true, yes.

20 Q Well, in doing that work, in coordinating that  
21 activity you were doing more than just for him as  
22 congressman from the 13th District. You were doing it  
23 for him in the other positions he held as well, in the  
24 House of Representatives; were you not?

25 A I suppose you are right. I'm not sure what

000355

1 you're trying to say to me. He is a member of Congress;  
2 has an appointment secretary. As I understand the  
3 appointment secretary's position she makes his appoint-  
4 ments regardless of what committees he is assigned to,  
5 regardless of what chairmanships he might hold. She is  
6 still his congressional secretary or his appointment  
7 secretary in his congressional office.

8 Now, I don't know of any chairman who has a  
9 separate appointment secretary on each one of his  
10 committees. He did have a secretary in the committee  
11 who served in that capacity and at times she and I would  
12 coordinate meeting appointments.

13 Q Could you tell me, Mrs. Stultz, what he was  
14 doing as Chairman of the House District Committee for the  
15 District of Columbia in 1973 other than simply to say  
16 that he was working on Home Rule?

17 A No, I can't.

18 MR. KOTELLY: I object.

19 I withdraw my objection.

20 THE COURT: I think it has been answered.

21 THE WITNESS: No, I can't.

22 THE COURT: We will take a recess for ten  
minutes.

23 (Recess.)

24 000356

**CROSS EXAMINATION RESUMED**

BY MR. POVICH:

Q I believe, Mrs. Stultz, my last question concerned your knowledge of Mr. Diggs' activities as Chairman of the House District Committee in 1973, and you indicated that you really weren't aware of what they were; is that correct?

A Other than I knew they were trying -- he was trying to get the Home Rule legislation, but other than that I did not know.

Q Was that a particularly difficult period of time for him and other members of the House who were trying to get that legislation through?

MR. KOTELLY: Objection, Your Honor. Irrelevant.

THE COURT: Sustained.

BY MR. POVICH:

Q Did it require a lot of time on his part and a lot of effort?

MR. KOTELLY: Objection.

THE COURT: I sustained the objection to the question, Mr. Povich.

MR. POVICH: Your Honor, may I inquire as to his location and the things that he was doing as Chairman of the House District Committee with this witness

000352

1 since she was his secretary?

2 THE COURT: To the extent she knows, you may  
3 inquire.

4 BY MR. POVICH:

5 Q Is there anything else that you can tell me  
6 that he was doing in 1973 with respect to the Home Rule  
7 bill in the House District Committee?

8 A No, sir. The major legislation that I knew  
9 about in that period was the Home Rule.

10 Q Well, that legislation was then -- that bill  
11 passed the latter part of 1973; is that correct?

12 A I don't recall when the bill passed.

13 Q There did come a time when it did pass; is that  
14 correct?

15 A I believe that's correct.

16 Q Do you recall what he did then with respect  
17 to the implementation of the bill in the formation of the  
18 District of Columbia government insofar as his  
19 activities were concerned?

20 A No, sir, I cannot specifically recall. All I  
21 know was he was a chairman of the committee.

22 To my knowledge he led the bill through. I  
23 did not sit in on committee meetings on that bill or any  
24 of the other House District of Columbia committee  
25 meetings.

000358

1 Q I am not asking you what he did in the  
2 meetings. I am asking you what he did, where he was?

3 A I think I have answered that, sir. All I know  
4 is the Home Rule legislation.

5 Q In 1973 and the beginning of 1974, what was  
6 the next major piece of legislation that he concerned  
7 himself?

8 A I don't even recall. I don't know. I don't  
9 remember.

10 Q Was it the bill which provided --

11 MR. KOTELLY: Objection, Your Honor. I submit  
12 again Mr. Povich is trying to go into his defense  
13 case and not the Government's case that he is cross  
14 examining on.

15 MR. POVICH: Your Honor, I am not asking for  
16 character. I'm not really asking for character. I am  
17 just asking for her knowledge of what her Congressman  
18 was doing as Chairman of the House District Committee,  
19 because of the inference she was working for him on that  
20 committee, that there was something improper in that.

21 MR. KOTELLY: Your Honor, Mr. Povich is the  
22 one saying anything is improper. I would suggest  
23 Mr. Povich's question should be as to what Mrs. Stultz  
24 did for the District of Columbia committees.

25 MR. POVICH: Your Honor, if she is the

000359

1       secretary to the Chairman of the committee, I suggest,  
2       Your Honor, the relevant question is what was the  
3       Chairman doing, since she was working for him.

4                   THE COURT: To the extent she knows she may  
5       answer.

6       BY MR. POVICH:

7       Q       Were you familiar in 1974 with his activities  
8       in establishing the University of the District of  
9       Columbia?

10      A       I was vaguely familiar only to the extent of  
11       what I read in the newspapers. I had no involvement in  
12       that at all, not even as his secretary, other than  
13       possibly making appointments.

14      Q       You knew who he was with and where he had to  
15       be and when you were going to be able to meet with him  
16       and when you would not.

17                   Did he ever ask you to do things for him?

18      A       Not concerning the District Committee other  
19       than making his appointments.

20      Q       Did that concern his activities on the  
21       District committee?

22      A       If he had an appointment that involved the  
23       District Committee, yes, it would have concerned his  
24       activities.

25      Q       Well, if he was meeting with District of

000360

1 Columbia officials would that concern his role in the  
2 House District Committee?

3 A I would assume that it would.

4 Q Was he meeting with those people during that  
5 period of time?

6 A He did meet with District of Columbia  
7 officials, yes.

8 Q Did he meet with them frequently?

9 A There was a period of time that I recall the  
10 mayor came to the office and a couple of other District  
11 of Columbia officials came to the congressional office,  
12 not you know -- I don't know when they came over. I  
13 can't recall when they came over to the District  
14 Committee offices.

15 I recall these meetings in the congressional  
16 office.

17 Q He was very busy during that period of time  
18 on these matters; was he not?

19 A The Congressman was busy most of the time,  
20 sir.

21 Q Did he work fairly long hours?

22 A Yes, he did.

23 Q From approximately when to when, early in the  
24 morning until 8:30 or so, until sometimes even after  
25 the staff left?

000361

1 A He was often there after the staff left, yes.

2 Q Let me ask you, do you recall a particular  
3 event when after he had assumed the chairmanship of the  
4 House District Committee there was a rather -- there  
5 was a ceremony in which a formal portrait, painting, was  
6 to be hung in the committee, and it was a matter of  
7 honor and a matter of great pride to him?

8 MR. KOTELLY: Objection, Your Honor, as to  
9 whether it was a matter of honor and great pride.

10 THE COURT: Sustained.

11 BY MR. POVICH:

12 Q Do you recall the incident?

13 A I recall hanging the portrait, yes, the  
14 unveiling of the portrait.

15 Q How would you describe that?

16 A It was a ceremonial event.

17 Q Is it what you call a usual, every day event  
18 in the life of a congressman?

19 A I don't know, sir. I don't know how many --  
20 I did not know the practice of other members. I don't  
21 know how they presented their portraits to the house.  
22 This was the first occasion I had ever seen like that.  
23 I could not say whether it was usual or unusual.

24 Q Were you impressed with the occasion?

25 MR. KOTELLY: Objection, Your Honor.

000362

1                   Irrelevant.

2                   THE COURT: I don't see the relevance of it.

3                   Mr. Povich.

4                   BY MR. POVICH:

5                   Q        Ms. Stultz, the first payment from what you  
6                   described as your salary from the Congress was in part  
7                   -- it was to an individual by the name of Mr. Clipper;  
8                   was it not?

9                   A        That's right.

10                  Q        Well, was Mr. Clipper the portrait artist?

11                  A        Yes, sir.

12                  Q        Did that payment go for that painting?

13                  A        To my knowledge, it did.

14                  Q        Well, can you tell me whether or not that was  
15                   a matter of some importance either to you or the  
16                   Congressman?

17                  MR. KOTELLY: Objection, Your Honor.

18                   Irrelevant.

19                  THE COURT: Whether Mr. Clipper was paid for  
20                   painting the portrait; is that the question?

21                  MR. KOTELLY: No. Whether it was important,  
22                   Your Honor. Whether it was important to Ms. Stultz or  
23                   the Congressman was the question, Your Honor, and I  
24                   object to that as irrelevant totally.

25                  THE COURT: Sustained.

000363

1                   MR. POVICH: Your Honor, the Government  
2 introduced evidence she paid the bill.

3                   MR. KOTELLY: The Court has ruled and  
4 Mr. Povich is still arguing. If he continues, I request  
5 we come to the Bench.

6                   THE COURT: Do you want to come to the Bench?

7                   MR. POVICH: I don't think it is necessary.

8                   THE COURT: Then let's go ahead and get into  
9 something that is relevant.

10 BY MR. POVICH:

11                  Q     Do you recall that was one of the first bills  
12 that you paid for him?

13                  A     Yes, sir.

14                  Q     That was an expensive portrait; was it not?

15                  A     I can't say whether it was or not. I have  
16 never had a portrait done. I have never known anyone  
17 else that had one. I don't even know the going rate  
18 for portraits.

19                  Q     Do you remember how much he paid?

20                  A     To my -- as best I can recall it was over  
21 \$2,000.

22                  Q     Was there any discussion as to whether or not  
23 this money might be paid out of other funds, official  
24 funds?

25                  A     There was no discussion with me.

000364

1 Q With no one?

2 A There was no discussion with me as to whether  
3 that money should be paid from other funds.

4 Q You say between you and the Congressman?

5 A That's right.

6 Q Did you have any discussion with anyone else?

7 A No, sir.

8 Q Where was that portrait to be hung?

9 A I don't know where it was to be hung. It was  
10 eventually hung in the District Committee's office.

11 Q But at the time you paid for it, it had not  
12 been hung there; was it?

13 A I don't remember when it was hung, sir.

14 Q But this was a portrait, an official portrait  
15 of the Congressman that was to be hung in the House  
16 District Committee; is that correct?

17 A I don't know whether it was an official  
18 portrait or not. All I know is it was a portrait. I  
19 had nothing to do with the ordering of it. I only  
20 handled the payment for it.

21 MR. POVICH: Would Your Honor indulge me for  
22 a moment?

23 THE COURT: Yes.

24 MR. POVICH: Your Honor, can we have a  
25 representation these are the files which were subpoenaed

000365

1 from the Congressman's office and turned over?

2 MR. KOTELLY: I would make such a representa-  
3 tion, yes, Your Honor. They were turned over on  
4 November 1st, 1977.

5 MR. POVICH: Your Honor, I don't wish to mark  
6 this but I would just like to show it to the witness,  
7 if it's all right.

8 THE COURT: All right.

9 MR. KOTELLY: No objection, Your Honor.

10 BY MR. POVICH:

11 Q Ms. Stultz, I show you a box which is labeled  
12 1971-1976 Office Expenses Accounts, Congressman Diggs,  
13 one of two boxes.

14 Does it seem to contain that type of  
15 information? Well, some of the tabs in there include  
16 such things as telegrams in '73, 1971, '72, telephones,  
17 public document accounts, Michigan Bell.

18 A Yes.

19 Q Travel allowances, official office equipment,  
20 leasing, telephone/telegraph, travel expenses, purchase  
21 account, stationery account, office supply account,  
22 Majority Printer, accounts payable list.

23 I remove what is called an "Accounts Payable  
24 List". Does this have any information in there that you  
25 are familiar with?

000366

MR. KOTELLY: Your Honor, I would ask it be marked.

THE COURT: If you are going to question the witness about it, let it be marked.

MR. POVICH: Mark the whole file, Your Honor?

THE COURT: Sufficient for the record.

THE CLERK: Defendant's Exhibit No. 11 marked for identification.

(Whereupon, the document was marked as Defendant's Exhibit No. 11 for identification.)

BY MR. POVICH:

Q Ms. Stultz, I show you what has been marked as Defendant's Exhibit No. 11, a file which is entitled, "Accounts Payable Monthly-List, 1975". Do you recognize the material in there?

A Yes, I do.

MR. POVICH: Mr. Kotelly, do you have any of the accounts payable files that go back to 1971?

MR. KOTELLY: All files that were turned over to us that have not been returned to the defendant are here in Court other than what has been marked as exhibits, Your Honor.

000367

1 BY MR. POVICH:

2 Q Does that file, Ms. Stultz, contain the lists  
3 that you were talking about that you made for paying  
4 the bills?

5 A It contains some of them, not all.

6 Q But that is representative of the type of  
7 lists that you were making?

8 A That is correct.

9 Q Some of them have now been marked in red  
10 pencil; is that correct, or are marked in red pencil?

11 A Some of them are marked in red pencil, my  
12 markings.

13 Q Your markings?

14 A Yes.

15 Q Do they seem to have been altered in any way  
16 or anything?

17 A It doesn't appear to have been any alterations.

18 MR. POVICH: If Your Honor will indulge me, I  
19 am sorry.

20 THE COURT: Yes.

21 MR. POVICH: May I have this marked as  
22 Defendant's Exhibit 12, Your Honor, 13 and 14.

23 THE CLERK: Defendant's Exhibits 12, 13 and  
24 14 marked for identification.

25  
000368

1 (Whereupon, the documents  
2 were marked as Defendant's  
3 Exhibits Nos. 12, 13 and 14 for  
4 identification.)

5 BY MR. POVICH:

6 Q Ms. Stultz, I show you what's been marked as  
7 Defendant's --

8 MR. KOTELLY: Might I be allowed to see those,  
9 Your Honor?

10 THE COURT: Yes.

11 MR. POVICH: I'm sorry.

12 BY MR. POVICH:

13 Q Ms. Stultz, I show you what's been marked as  
14 Defendant's Exhibit 14 and ask you whether or not this  
15 top file, whether or not that contains the type of  
16 accounting papers or lists or records which you kept with  
17 respect to the payment of his bills?

18 A Yes, sir. This reflects accounts paid in  
19 January through April, 1975.

20 Q Exhibits 12 and 13 are some ledger books you  
21 apparently kept or started to keep listing the checks  
22 which you paid; is that correct? Is that right?

23 A That's right. Checks written.

24 Q Checks written?

25 A Yes.

000369

1 Q If we looked at Exhibit 14 for 1975, which is  
2 right in the middle of the years that we are concerned  
3 with, you have listed, have you not, the checks that  
4 he paid; not only did you list the checks he paid but  
5 you list the numbers of checks; is that correct?

6 A That's correct.

7 Q When it was a money order you listed the  
8 number of the money order; is that correct?

9 A That's correct.

10 Q When it was a cashier's check you gave the  
11 number of the cashier's check; is that correct?

12 A That's correct.

13 Q Even when you paid it with your own check you  
14 marked that down; did you not?

15 A That's right.

16 Q And you indicated the check number right next  
17 to it?

18 A That's right.

19 Q Do you recall this type of record?

20 A Oh, yes.

21 Q Did you generally do this during the period of  
22 time that you were writing checks for him and keeping  
23 his accounts?

24 A I attempted to do that. You will notice this  
25 isn't complete and I did it up through April, this shows.

000370

1 of '75 and very often I would try to start a ledger and  
2 for some reason I never completed it.

3 Q Right, but the point is that these are the  
4 type of files that you did keep; is that correct?

5 A Yes, that's right.

6 Q They all seem to be here or at least perhaps  
7 they are all here?

8 A Looks like a good portion of them are here  
9 anyway.

10 Q Well, the files go back. I will show you a  
11 box -- again, Your Honor, I don't want us to mark it --  
12 but I will just show you the box for purposes that this  
13 has more records in it. This says "Personal Accounts  
14 and Miscellaneous of Charles Diggs". It contains his  
15 bills; does it not, accounts and it has listed D through  
16 F?

17 A Yes.

18 Q Are those your files or were they your  
19 predecessor's? If you look at some of the dates maybe --

20 A These are my files, the first ones I  
21 established. These are not my files (indicating).

22 Q Those are your predecessor's?

23 A Yes.

24 Q So --

25 A These are Mrs. Corker's.

000371

1 Q So, this goes back 5/17/71; is that right?

2 A That's what it says, yes.

3 Q Bills due 1971?

4 A That's what it says.

5 Q Personal bills, 1971.

6 Essentially as far as you can recall or as  
7 far as you know, is it fair to say the document which  
8 the Government has asked you to identify with respect  
9 to the payment of bills and the notations that you  
10 made on those records came from files such as this; did  
11 they not?

12 MR. KOTELLY: I would object as to her  
13 knowledge as to where they came from.

14 Where did she put them?

15 THE COURT: You may rephrase your question.

16 BY MR. POVICH:

17 Q Is it fair to say that the document that you  
18 have been asked to identify where you made notes on them  
19 and said, "Yes, I recall this; this is my handwriting,"  
20 you kept those documents in files such as these during  
21 the period that you were there?

22 A Yes. They were in the Congressman's office  
23 files.

24 Q And the last time you knew they were in these  
25 files and if you have --

000372

1 A When I left they were still in the Congress-  
2 man's office files.

3 Q Did you destroy them when you left?

4 A I did not destroy them. I took nothing from  
5 the Congressman's office with me.

6 Q Who took over your responsibilities when you  
7 left?

8 A I don't know.

9 Q Do you remember the individual who you gave  
10 the key to? Was it where the files are?

11 A I believe I gave the key to his personal file  
12 to his personal accounts file to Ms. McDaniels.

13 Q Ms. McDaniels? Is she Mrs. McDaniels?

14 A I know her as Lorraine McDaniels.

15 Q And you gave it to her?

16 A I believe I did.

17 Q Didn't take anything out?

18 A No.

19 Q And indeed from the files that the Government  
20 has shown you apparently they are still there.

21 MR. KOTELLY: Objection, Your Honor.

22 THE WITNESS: Apparently what was still there,  
23 sir?

24 BY MR. POVICH:

25 Q These files were all kept.

000373

1 MR. KOTELLY: Withdraw the objection.

2 THE WITNESS: When I left the files were --  
3 when I left, to the best of my knowledge, the files were  
4 there.

5 Now, Mr. Randall Robinson had come in and  
6 begun to remove files from the drawer and send them  
7 down to the storage room. What files he removed and  
8 placed in storage, how he did it, I don't know.

9 BY MR. POVICH:

10 Q But I mean these. (Indicating.)

11 A I was not involved in that clean-up operation.

12 Q But I am simply trying to find out whether  
13 you would concede that the documents that you have been  
14 asked about have been produced; is that correct, the  
15 payments for the bills, the letters, the correspondence,  
16 the ones that the Government --

17 A The documents that I identified today are those  
18 that were, I am pretty sure, were from the Congressman's  
19 files.

20 Q I asked you before earlier whether or not  
21 you were aware of his ability to pay for these expenses  
22 that he obviously had incurred and you said that you  
23 had some question as to whether or not you knew whether  
24 he was able to do so but it was obvious to you that  
25 there were a lot of bills, unpaid bills and expenses:

000374

1 is that correct?

2 A Yes.

3 Q Now, how long did you work on the Hill as his  
4 secretary?

5 A Almost four years.

6 Q Now, during that period of time were you  
7 familiar with campaign practices for soliciting funds  
8 or obtaining funds from constituents or other people  
9 that Congressmen might use in conducting their campaigns  
10 or running their office?

11 MR. KOTELLY: Objection, Your Honor, irrelevant

12 THE COURT: Sustained.

13 MR. POVICH: Well, Your Honor, I would like --

14 THE COURT: Sustained.

15 BY MR. POVICH:

16 Q Were you familiar with the Congressman's  
17 the extent to which he had campaign contributions to  
18 assist him in his campaign and running his office?

19 MR. KOTELLY: Objection. Irrelevant.

20 THE COURT: Sustained, Mr. Povich.

21 MR. POVICH: Can we approach the Bench?

22 THE COURT: Yes.

23 (Bench Conference.)

24 MR. POVICH: Your Honor, this is relevant as  
25 to why this woman paid these bills. I suggest to you

000375

1 that if she believed that he had funds available to him  
2 in accounts, in campaign contribution accounts, in  
3 unofficial office accounts, she would not have been  
4 amenable to conducting the type of practice that she  
5 went through, and I think it is important for me to  
6 ascertain whether or not this woman believed from her  
7 own experience and her contact with him whether or not  
8 he had these type of funds available.

9 THE COURT: I sustain the objection.

10 (Open court.)

11 MR. POVICH: May I inquire, Your Honor, as to  
12 her knowledge of outside money which was available to  
13 him?

14 THE COURT: To the extent she knows she may  
15 testify.

16 BY MR. POVICH:

17 Q Ms. Stultz, did the Congressman, to the extent  
18 that you know, have available to him any substantial  
19 campaign contributions from constituents?

20 A I can recall receiving campaign contributions  
21 which were also recorded and they were very -- that  
22 information was very rigidly kept.

23 THE COURT: Come to the Bench, please, counsel.

24 (At the Bench.)

25 THE COURT: You may be getting into something

000376

1 here inadvertently that subjects him to additional  
2 charges. You cannot deliver contributions to a  
3 Congressman or Senator's office, as I understand it.  
4 You have got to set it up with an outside fund.

5 MR. POVICH: I'm not afraid of that. He  
6 didn't violate the law.

7 THE COURT: Let's not get into something else.

8 MR. POVICH: I don't want to get into some-  
9 thing else.

10 THE COURT: I'm not going to let you,  
11 whether you want to or not.

12 I recall once when I made a contribution to  
13 a man who was running for the Senate. He specifically  
14 instructed me to send it to his office in the state.

15 If you are getting into this woman receiving  
16 campaign contributions you may be suggesting him to  
17 additional liability. Let's stay out of it.

18 (Open court.)

19 BY MR. POVICH:

20 Q Ms. Stultz, in the latter part of 1973, based  
21 upon your knowledge and information, what would you say  
22 that the Congressman's financial situation was as far  
23 as you knew it to be?

24 A '73, the latter part, as best I can recall --  
25 '73 it was certainly maybe fair, based on the manner

000377

1 on which he paid his bills. It was certainly a lot  
2 better than the latter of '74, '75. It got progressively  
3 worse.

4 Q Was it one of the bills that he was unable  
5 to pay or where he had difficulty paying?

6 A Was what one of the bills?

7 Q Was one of the bills he had difficulty  
8 paying the bill for the 20-some hundred dollar bill for  
9 the portrait?

10 A I can't answer that. All I know is that he  
11 instructed me to pay for the portrait, to pay the  
12 \$1,000 check for the portrait. I don't know if he was  
13 having difficulty paying it or not. I do know that  
14 Mr. Clipper had called several times about his bill.

15 Now, the Congressman's financial status at  
16 that time I was not aware of. I learned as I began to  
17 assume more responsibility that his bills were getting  
18 farther and farther behind and he was incurring more  
19 and more bills at the same time.

20 Q Were you sympathetic at all in trying to help  
21 him solve that problem?

22 A One time when I offered and made a loan for  
23 him. Other times I made -- I was in sympathy with him.  
24 I even went downtown and talked with a very prominent  
25 lawyer who -- when he was trying to negotiate some type

000378

1 of large loan to help pay off his bills. But beyond  
2 being in sympathy with him I don't know what I'm  
3 supposed to say.

4 Q That you just felt sympathy for him and that  
5 was the extent of the way you felt about the matter?

6 A I would be sympathetic with you or anybody  
7 else, Mr. Povich, if they had bills over their head.  
8 I know the feeling.

9 Q Would you borrow some money and pay my second  
10 trust?

11 A I don't think I would borrow money and pay  
12 anybody's second trust now, not even my own, no. I  
13 would not. But I did do that for the Congressman.

14 Q You have spoken about the conversation that  
15 you had towards the latter part of 1973 with him  
16 concerning increasing your salary; is that correct?

17 A Which salary are we talking about now? What  
18 increase are we talking about, the latter part of '73  
19 where I did not receive an increase? Is that the  
20 conversation that you are referring to?

21 Q No. My understanding of your direct testimony  
22 was that your salary was increased in 1973 as a result  
23 of a discussion that you had with him. Your salary was  
24 over \$14,000.

25 A From -- the salary increase to \$14,000

000379

1 occurred in '73 when I assumed the position of secretary.  
2 I had no choice in that discussion other than I was  
3 made aware that I was going to \$14,000, which I was very  
4 happy about.

5 Q Well, really matters of salary were within the  
6 sole discretion of the Congressman; weren't they?

7 A Oh, yes, they were.

8 Q He could set the salary for anything he  
9 wanted just as long as it didn't exceed the limit; is  
10 that correct?

11 A That's correct.

12 Q I think perhaps there was even a minimum, was  
13 there not, as well?

14 A I believe there was a minimum.

15 Q So, if he stayed within the limits he could  
16 set it more or less for anything he wanted as long as it  
17 was agreeable with you?

18 A With me?

19 Q Well, you didn't have to take a salary if you  
20 didn't want it. I assume if you did not want to work  
21 for a certain amount of money you didn't have to take it.

22 A I assume that's correct.

23 Q Well, I am just saying he could set the  
24 salary at whatever level he wanted and that would be  
25 the salary just as long as it was agreeable?

000380

1 A Yes, okay.

2 Q And you say that in 19 -- did there come a  
3 time in which your salary was increased over the \$14,000?

4 A Yes.

5 Q When was that?

6 A I would have to refer to the document, sir.  
7 I don't remember those dates specifically.

8 Q I think I am just suggesting the latter part.  
9 I think it was in October of 1973. Does that sound  
10 familiar?

11 A It very well may have been. I still cannot  
12 say for sure. I do know that there was a salary  
13 increase. It was between 17 and 19,000. I'm not even  
14 sure of the exact figure again.

15 Q When do you think that that occurred?

16 A Mr. Povich, I am having trouble with dates. I  
17 really cannot say. If I saw the document forms I could  
18 tell you when those increases took place.

19 Q I'll try to help you.

20 A All right.

21 MR. KOTELLY: Your Honor, may I suggest  
22 Mr. Povich also look at Government's No. 5 which might  
23 assist him?

BY MR. POVICH:

Q Well, I show you Exhibits 2 and 5, Ms. Stultz.

000381

1           Was it approximately October of '73?

2           A      What is your question, Mr. Povich?

3           Q      I say looking at Exhibits 2 and 5 was it in  
4                   approximately October of 1973 that your salary was  
5                   increased?

6           A      In October of 1973 I received two paychecks,  
7                   yes. There was an increase that shows the first pay-  
8                   check that I went on the District Committee, if I am  
9                   reading this correctly.

10           Q     Well, which one are you looking at?

11           A     U.S. Treasury checks issued oh -- I am  
12                   looking at Exhibit 2 -- October of '73.

13           Q     Maybe I can help you a little bit.

14                   Exhibit 2 relates to the congressional office  
15                   and Exhibit 5 relates to the committee.

16           A     All right.

17           Q     I think doesn't Exhibit 5 say "Committee" at  
18                   the top of it?

19           A     Yes.

20                   In October of '73, and I am assuming that these  
21                   are net amounts, I received \$833.75 from the District  
22                   Committee payroll and I received \$1,270.86 from the  
23                   Congressional office payroll.

24           Q     So, that was increased by how much money?

25           A     \$1,270.

000382

1 Q And it was in October of '73?

2 A Those are the months you asked about, yes.

3 That's what I am dealing with.

4 Q Now, do you recall -- I believe you testified  
5 as to the conversation you had with Mr. Diggs which  
6 you say resulted in that increase?

7 A Yes.

8 Q Do you remember exactly how he first brought  
9 up the matter with you?

10 A Yes, I remember. He called me into his  
11 private office. It was just the two of us in that  
12 office and he said he had some bills or expenses or  
13 whatever the terminology was, that needed to be paid so  
14 things could be taken care of and he proposed increasing  
15 my salary. As I said, I didn't like the idea and I let  
16 him know I didn't like the idea. I even said to him  
17 that I didn't think it was legal.

18 Q I heard you say that. Are you certain that  
19 you told him that you didn't think it was legal?

20 A Yes, sir. I am very certain I told him that.

21 Q Well --

22 A In fact, I even read the House manual.

23 MR. POVICH: Do you have the Jencks material,  
24 Mr. Kotelly?

25 MR. KOTELLY: Your Honor, I have turned over

000383

1 all materials to defense counsel prior to trial that  
2 they are entitled to.

3 MR. POVICH: Your Honor, my problem is --

4 THE COURT: You may come to the Bench.

5 (At the Bench.)

6 MR. POVICH: I have Xerox copies of everything  
7 and they are very difficult to read. I just want to  
8 know if you have the originals.

9 MR. KOTELLY: Surely. They are downstairs  
10 in the office. They are still not very legible.

11 THE COURT: What is it you are trying to  
12 locate?

13 MR. POVICH: It's a Jencks statement of an  
14 interview that she gave.

15 THE COURT: You gave him Jencks material when?

16 MR. KOTELLY: There were personal notes of  
17 Mr. Bizer who talked to Ms. Stultz at the beginning of  
18 the investigation. There were a few comments in there  
19 verbatim, so I gave the defense the entire statement,  
20 but they are just rough notes.

21 MR. POVICH: I can't read them and I don't  
22 want to ask her to read something if I have to, and have  
23 her tell me she can't read them. It would be a waste  
24 of time. So, I was wondering if we could have the  
25 original.

000384

1 MR. KOTELLY: Is Mr. Povich intending to  
2 impeach the witness with any of these statements?

3 MR. POVICH: Yes.

4 MR. KOTELLY: There is an inconsistency?

5 I'm sorry, Your Honor. I have read the Jencks  
6 material. I don't know if Mr. Povich is intending to  
7 establish an inconsistent statement or not. I assume  
8 he knows how to cross examine.

9 MR. POVICH: Well, I don't recall anything in  
10 those statements about her believing that it was  
11 illegal.

12 MR. KOTELLY: Your Honor, I don't believe  
13 those statements are verbatim statements or totally  
14 total recall of the whole meeting that took place. And  
15 for Mr. Povich to cross examine her because of the  
16 absence of some very rough notes that were taken by two  
17 attorneys, I think it's improper.

18 MR. POVICH: Your Honor, I think if two  
19 attorneys are talking about this matter with her in  
20 this initial conversation which has been a focal point  
21 of the trial, if she had mentioned something as critical  
22 as that they would have written it down.

23 MR. KOTELLY: I don't know how Mr. Povich  
24 can assume that, Your Honor.

25 THE COURT: Well, it is a matter that comes

000385

1 up often in the trial. Whether or not there is any  
2 statement that contains all the material is something  
3 that you can go into. If it doesn't, it doesn't. It  
4 doesn't mean you can throw it out, but you can argue  
5 it.

6 MR. POVICH: Sure.

7 THE COURT: That is all just argument.

8 MR. POVICH: Could we take a break and get it?

9 THE COURT: No. It is 12:10 right now. Go  
10 on with something else and if he can give it to you at  
11 the noon break we will let the jury go to lunch at  
12 12:30 and they will be gone for an hour and a half and  
13 there are certain logistics involved in feeding the jury  
14 since we don't have any food here in the courthouse.

15 MR. POVICH: Thank you.

16 (In open court.)

17 BY MR. POVICH:

18 Q I will get back to it later, Ms. Stultz, when  
19 we get some documents during the luncheon break, but  
20 you recall being questioned in this matter by Mr. Marcy  
21 and an attorney by the name of Mr. Beizer and also an  
22 FBI agent?

23 A In what matter, sir.

24 Q In this case, very early in the case.

25 A Oh, yes. Yes, I have met with the Prosecutor's

000386

1 office.

2 Q Approximately how many times did you meet  
3 with them?

4 A Three, four. I don't know. I didn't keep  
5 any tabs on it.

6 Q When was the last time?

7 A This week.

8 Q How long a session was it?

9 A About five hours, four to five hours.

10 Q Had you met with them before last week?

11 A Yes, I had.

12 Q Had you spent some time with them then?

13 A Yes. I had met with them prior to this week.

14 Q This is nothing improper. That is what a  
15 lawyer is supposed to talk to witnesses. I am not  
16 suggesting that there is anything improper.

17 Did you meet with them for a couple of days or  
18 a day or do you remember how long it was?

19 A I met with them Monday of this week. I don't  
20 remember the dates prior to that, but I have met with  
21 them before Monday of this week, maybe two or three  
22 times before. I don't remember exactly how many times.

23 Q Were you here the work before, say on Thursday  
24 and Friday to talk to them?

25 A Yes.

000387

1 Q For a couple of days?

2 A Thursday and Friday the week of the 11th.

3 Q When you first came in to see them do you  
4 remember when that was approximately?

5 A If I can recall it was about May of 7 --  
6 last year.

7 Q '77?

8 A '77.

9 Q Do you recall that at the time you came and  
10 you spoke with them about the matters about which you  
11 are testifying now --

12 A Yes.

13 Q Do you recall that they took some notes down  
14 about what you had said?

15 A I don't know that they took notes. They may  
16 have. They probably did.

17 Q Do you remember meeting with Mr. Marcy?

18 A I met with Mr. Marcy, yes.

19 Q And Mr. Beizer?

20 A Right, my first meeting.

21 Q Was there an FBI agent there as well?

22 A I don't remember whether he was at the first  
23 meeting or the next one, but at one point he was at the  
24 meeting also.

25 Q There apparently are some notes with respect

000388

1 to these meetings.

2 MR. KOTELLY: Objection, Your Honor. Is  
3 Mr. Povich testifying at this point?

4 MR. POVICH: I want to tell her -- I'm going  
5 to leave the subject and go on to something else because  
6 I don't have the notes, Your Honor.

7 THE COURT: All right. Go ahead to something  
8 else then.

9 BY MR. POVICH:

10 Q In this conversation that you had with the  
11 Congressman you indicated that you were resistant to  
12 your discussion about your increase in salary and what,  
13 if anything, you were to do with that money.

14 A I did not like the idea. I objected to it, yes.

15 Q And you said that at the time you were under  
16 the impression that if you were going to make any funds  
17 available to him it was only going to be for a short  
18 period of time?

19 A That's right.

20 Q How long have you contemplated that that would  
21 happen?

22 A The Congressman said it would only be for two  
23 or three months.

24 Q Did you protest again?

25 A Yes, I did.

000389

1 Q Before the time you say in May of 1976?

2 A Yes.

3 Q When was that?

4 A I don't remember exactly when, Mr. Povich.

5 This went on for quite a while, but I protested and I  
6 got the usual response from the Congressman, which was  
7 a wave of the hand.

8 Q You protested saying you didn't want to do  
9 this any more? How did you protest?

10 A I told him I wanted to get out of this  
11 arrangement. I didn't want to do this any more.

12 Q Did you tell him why you said that, why you  
13 wanted to get out of the arrangement?

14 A I don't recall whether I said why but I know  
15 I did tell him I no longer wanted to continue the  
16 arrangement.

17 Q How many occasions would you say that you did  
18 this between the time --

19 A That I finally stopped?

20 Q Yes.

21 A At least twice.

22 Q At least twice? At least on two other  
23 occasions?

24 A Yes, sir.

25 Q Do you recall whether they were connected with

000390

1 any event or anything?

2 A No.

3 Q Was this a matter of importance to you and  
4 that you wanted him to know that you didn't want to  
5 continue or was it rather a casual matter?

6 A Mr. Povich, I might have considered the matter  
7 of importance if I even suggested it. I did not want  
8 to begin the arrangement.

9 Q You have said that in 1976, in the spring I  
10 think, perhaps, you initially said April or May?

11 A Yes.

12 Q That you indicated to him that you wanted to  
13 stop?

14 A March or April.

15 Q Is it fair to say that the reason you indicated  
16 to him that you wanted to stop really had nothing to do  
17 with this arrangement at all but because you were  
18 concerned about your relationship with some of the  
19 other employees, particularly some people in the Detroit  
20 office which you felt were having difficulty?

21 A No, that's not fair to say.

22 The relationship with the employees had nothing  
23 to do with my -- with the salary arrangement that we had.

24 Q No. I am asking you whether or not the  
25 relationship with the employees had anything to do with

000391

1 your deciding that you wanted to leave the office in  
2 March or April?

3 A I did not make that decision in March or  
4 April. I made the decision to leave the office, as  
5 best I recall, my letter of resignation was in May.  
6 The decision may have been made in late April.

7 Q But wasn't this in connection with a  
8 conversation in which he said to you, "I want you to  
9 stay. I'd like you to stay."

10 A A conversation was subsequent to my letter of  
11 resignation.

12 Q Hadn't he indicated to you before that he  
13 wanted you to stay?

14 A After he received my letter of resignation.

15 Q Well, the letter of resignation followed, I  
16 assume, a conversation in which you said first, before  
17 you just handed him the letter of resignation, that  
18 you wanted to leave?

19 A There was no conversation prior to that. I  
20 said to him that I was leaving; I had had enough. I  
21 didn't have to take that. Again I got a wave of the  
22 hand.

23 Q Now, when you said you had had enough, you  
24 didn't have to take that, you were talking about a  
25 situation, a problem that you had with some people in

000392

1 Detroit; weren't you?

2 A Uh-huh.

3 Q And --

4 A Specifically at that moment, yes.

5 Q And that's when you decided you were -- that  
6 was it; you were going to leave?

7 A I was going to leave his employment, yes.

8 Q And he asked you to stay; did he not?

9 A Not at that time, no. Not at that time. He  
10 didn't even respond to me at that time. He waved me  
11 off.

12 Q Didn't he ask you at that time whether or not  
13 you would agree to stay part time and take a position as  
14 his secretary?

15 A In the meeting that we had at lunch after he  
16 received my letter of resignation, which came  
17 approximately maybe a week after the incident which  
18 caused me to first say to him I was leaving.

19 Q In that conversation didn't he ask you to  
20 stay?

21 A In what conversation, Mr. Povich? In the one  
22 where we were at lunch after he had received my letter  
23 of resignation, yes, in that conversation, not prior to  
24 that.

25 Q Didn't he ask you to stay?

000393

1 A Yes.

2 Q Take a position at the office as secretary?

3 A That's right.

4 Q On a part-time basis or some basis which was  
5 satisfactory to you?

6 A That's right.

7 Q Until after the primary or the election?

8 A Well, there were actually two proposals. The  
9 first one was a part-time basis -- actually three.  
10 The first one was a part-time basis which I said I would  
11 consider. The second one was staying on as his  
12 secretary, which I rejected immediately. And the final  
13 one was would I stay full time for three months until  
14 after the primary, which I agreed to do.

15 Q He tried very hard to have you stay; did he  
16 not?

17 A Based on those three suggestions, yes, I guess  
18 he did try to have me stay.

19 Q He tried very hard to have you stay after you  
20 told him you did not want to continue with the salary  
21 at the level that you had?

22 A He asked me to stay after -- no, no. He  
23 asked me -- the salary had been discontinued. The  
24 salary increase had been discontinued at that point.

25 Q He still wanted you to stay?

000394

1 A Oh, yes.

2 Q Well, then your employment wasn't conditioned  
3 upon whether or not you would agree to keep a salary  
4 at a level that you thought was too high?

5 A In 1976 it wasn't.

6 Q Well, that was after -- at what period of  
7 time did you begin to change and feel that it was no  
8 longer a condition of your employment?

9 A I can't say that I felt totally it was no  
10 longer a condition of my employment, but then I felt  
11 that it was entirely up to me. It was a matter of my  
12 own conscience, and if it meant losing my employment  
13 because I would no longer be a part of that arrangement  
14 then I was going to take that chance.

15 Q But you felt that it was your decision and  
16 you could make that decision?

17 A Of either continuing to receive an inflated  
18 salary or leave on my own? Is that what you are asking  
19 me?

20 Q Yes.

21 A Yes.

22 Q You weren't afraid he was going to terminate  
23 you; were you?

24 A I can't say whether I was afraid or not. It  
25 really didn't matter at that point. If that had been the

000395

1 end result I was willing to accept it.

2 Q But every time you talked about leaving he  
3 urged you to stay?

4 A Every time we talked about leaving -- excuse  
5 me for interrupting -- he did not urge me to stay.  
6 There was only one time he urged me to stay and that  
7 was at the final time after he received my letter of  
8 resignation.

9 Q Well, did he ever give you the impression  
10 during that period of time that he did not want you to  
11 remain in his employment regardless of what salary?

12 A No. He never gave me that impression.

13 Q Don't you believe he considered you to be a  
14 valuable worker and an asset to the office?

15 A Yes, I would believe that.

16 Q Wasn't much of the difficulty or the primary  
17 difficulty you were having at that time a matter of how  
18 you were able to get along with other people in the  
19 office and what you thought your position was with  
20 respect to them?

21 A I didn't consider that the reason. Well,  
22 there was not a good relationship with some members of  
23 the staff. There was what I thought an excellent  
24 relationship with other members of the staff.

25 Q What members were you having or did you feel

00039v

1 that you did not have a good relationship with?

2 A Do you want me to name them, Mr. Povich?

3 Q I think it is important, Ms. Stultz. They may  
4 be witnesses.

5 A All right. There was not a good relationship  
6 with Ms. Willabee, Joan Willabee, who I thought was a  
7 trouble maker and created a lot of problems in the  
8 office.

9 There was not a particularly good relationship  
10 with Ms. Dorothy Anderson who worked on the House  
11 District Committee whom I had the same impression of.

12 There initially was what I felt a good rela-  
13 tionship with Ms. Rox, but Ms. Rox was the one who  
14 really forced my decision to leave. That relationship  
15 had deteriorated greatly.

16 Q Was there anyone else in the Detroit office?

17 A In the Detroit office? Possibly Sandra  
18 Fischer, but that was a kind of -- she wasn't there that  
19 long and as I understand it, her relationship wasn't  
20 very good with anybody. So, it was not something that  
21 was just unique to me.

22 Q Was this a problem of something more than just  
23 squabbling? Is that fair?

24 MR. KOTELLY: Objection unless we know whose  
25 problem we are talking about now.

000397

1 THE COURT: Suppose you rephrase the question.

2 BY MR. POVICH:

3 Q Well, the difficulty that you felt you were  
4 experiencing in your position at this time as a result  
5 of your relationship with other employees, the three  
6 women you have mentioned, was this a difficulty you felt  
7 was more deep seated than just a matter of squabbling?

8 A I felt it was, yes. Incidentally, I had  
9 mentioned all three of these employees to the Congressman  
10 at some point and the difficulty that I was having with  
11 them. In fact, one of the employees the Congressman  
12 physically removed from the congressional office and  
13 placed in the District Committee Office and said to me  
14 that he had done this because of the difficulty we were  
15 having.

16 Q He wanted to eliminate that problem if he  
17 could; did he not?

18 A He took that action which I suppose was to  
19 help eliminate that problem.

20 Q The troubles you were having with these other  
21 women, did you suggest that that might be remedied by  
22 hiring a man?

23 A Did I suggest that? I don't know. I don't  
24 recall suggesting that.

25 Q Well, at that point you were an office manager;

000398

1        were you not?

2        A        Yes.

3        Q        You were in charge of the Washington office?

4        A        Yes.

5        Q        And you are in charge of all the District  
6        offices?

7        A        Yes.

8        Q        And you have communications; is that correct,  
9        back and forth?

10        You really ran both offices; did you not?

11        A        Well, I tried. I had the responsibility of  
12        supervision of both offices.

13        Q        When you left or you had made a decision to  
14        leave in part because of this difficulty, did you not  
15        suggest that you thought that the situation required  
16        somebody who was perhaps -- took a much stronger hand  
17        and could come in and be a little more forceful in the  
18        operation of the office and did you not suggest that a  
19        man do it?

20        A        I don't recall that suggestion, Mr. Povich.

21        Q        Who did succeed you?

22        A        Randall Robinson. I do know, if I may be  
23        permitted to say, I do know that there was a good deal of  
24        rumor prior to my leaving that the Congressman was  
25        entertaining the idea of bringing in a man. - But as I

000399

1 said, this was rumor. He never discussed it with me.

2 MR. POVICH: Your Honor, could this be a good  
3 time to take a break?

4 THE COURT: It is about that time.

5 Ladies and gentlemen, remember what the Court  
6 previously told you. Don't discuss the case among  
7 yourselves. Don't let anybody talk to you about it and  
8 don't talk to anybody about it. We will take a recess  
9 for lunch at this time. 2:00 will be the time we  
10 reconvene.

11 (Whereupon, at 12:30 p.m. the above-entitled  
12 matter was recessed for lunch.)

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000400

## **AFTERNOON SESSION**

(Jury not present)

MR. KOTELLY: Your Honor, may we approach the Bench before the jury comes in?

THE COURT: Yes.

(At the Bench.)

MR. KOTELLY: Your Honor, I wish to bring to the attention of the Court something that I personally noticed both yesterday and today and I have had other people mention it to me and that is Juror No. 9 I have noticed on a number of occasions appears to be either sleeping or frequently looking around acting as if she is not paying attention. I just wanted to call it to the attention of the Court. Maybe the Court could, you know, observe in that general direction on occasion to make sure she is paying attention to the evidence that is being presented here.

THE COURT: Well, I must admit that I had Mr. Patterson take her a glass of water this morning in an effort to try to wake her up. She seemed to be inattentive. I don't want to use up any more ordinances that I have to but I will bear that in mind. I had noticed it.

MR. KOTELLY: Thank you.

THE COURT: All right.

000401

1 (Open court.)

2 (The jury returned to the courtroom.)

3 Whereupon,

4 JEAN STULTZ

5 resumed the witness stand and having previously been duly  
6 sworn, was further examined and testified as follows:

7 THE COURT: Mr. Povich?

8 CROSS EXAMINATION (RESUMED)

9 BY MR. POVICH:

10 Q Ms. Stultz, I believe when we left I had  
11 asked you about the circumstances that existed with  
12 respect to your relationship with certain employees at  
13 the time that you finally terminated in 1976. During  
14 the course of your direct examination Mr. Kotelly asked  
15 you about an incident in which you said that you in  
16 addition to paying money out from your salary you went  
17 out and borrowed some money for the Congressman. That  
18 was a loan?

19 A Yes.

20 Q Was it Union First Bank, something like that,  
21 anyway a \$1,500 loan?

22 A No, sir. It was a \$1,000 loan.

23 Q I am sorry. \$1,000 loan, but the amount of  
24 money that he needed to pay at that time was how much  
25 money?

000402

1 A \$1,500.

2 Q Were arrangements made for him to pay that  
3 through an individual? Is that Mr. Clarence Robinson?

4 A Yes, sir.

5 Q Was he able to pay the \$1,500 to Mr. Robinson  
6 or were you able to do that?

7 A Yes, sir.

8 Q Correct me if I am mistaken. I believe that  
9 you said that you went to the bank and you borrowed the  
10 money and you got four money orders -- maybe it was  
11 three for \$300 each or one for \$100 when you cashed  
12 the check?

13 A I don't know whether I got three money orders  
14 or four money orders. I got money orders for the total  
15 \$1,000.

16 Q I believe you said you took it back to the  
17 office and you wouldn't give it to the Congressman but  
18 you gave it to Mr. Robinson?

19 A I didn't give the cash money to the Congress-  
20 man; that's true. I gave it to Mr. Robinson.

21 Q There was an additional \$500 that was also  
22 given to him to make up the \$1,500 that was needed?

23 A Yes.

24 Q Where did that come from?

25 A I believe that was from a reimbursement check,

000403

1 a House reimbursement check that the Congressman had.

2 Q I see. Now, with respect to the \$1,000 I  
3 believe you testified that I think there were six  
4 repayments of \$177, the last one that you got from  
5 Mr. Matlock; is that correct?

6 A There was six. I think the first five were  
7 \$172 or \$73, something like that, and the last one I  
8 believe was \$177.

9 Q You said that you paid the first five from  
10 your salary account?

11 A That's correct.

12 Q Ms. Stultz, were you shown any checks by  
13 Mr. Kotelly concerning the payment of that sum of  
14 money?

15 A My own checks that I turned over to him and  
16 some checks, yes.

17 Q Were you shown any other checks concerning  
18 that?

19 A What do you mean "other checks"?

20 Q Were you shown any checks by the Congressman,  
21 Congressman Diggs, for the payment of that money?

22 A I believe one of those checks was the  
23 Congressman's. I am not really sure. I was shown the  
24 check that constituted the full payment.

25 Q Whose checks were they? Were they your

000404

1 checks?

2 A Yes, some of them were my checks. I think one  
3 of them was the Congressman's, and I am positive the  
4 last one was my own check.

5 Q Well, you testified this morning that the  
6 five payments were taken from your salary account and  
7 that's the way you were repaid. Are you now saying  
8 that is not correct?

9 A The five payments were reimbursed from the  
10 overage and what we call the special account. Now,  
11 I can identify those same checks again.

12 Q Could you?

13 A Yes.

14 Q Mr. Kotelly has handed me what has been  
15 marked as Exhibits 41-A and 41-B.

16 MR. KOTELLY: Your Honor, those were premarked.  
17 I don't believe they have been officially marked. I  
18 would ask maybe they should be marked as Defense  
19 exhibits if Mr. Povich wishes to have them identified.

20 THE COURT: Do you want them to be marked,  
21 Mr. Povich?

22 MR. POVICH: They have already got a yellow  
23 stamp on the back of them.

24 MR. KOTELLY: They were premarked by myself,  
25 Your Honor, but they have not yet been officially

000405

1 marked.

2 THE COURT: Mr. Patterson, give them a number.

3 THE CLERK: Defendant's Exhibits 15 and 16  
4 marked for identification.

5 (Whereupon, the documents were  
6 marked as Defendant's Exhibits  
7 Nos. 15 and 16 for identifica-  
8 tion.)

9 BY MR. POVICH:

10 Q Ms. Stultz, I show you what has been marked  
11 as Defendant's Exhibits 15 and 16 for identification.  
12 Are those checks that you are referring to?

13 A Yes, sir. The checks which you have just  
14 handmarked 15 you will note indicates the final payment  
15 on that loan and has the account number of that loan.  
16 The 12/25 check, if my memory serves me correct, is  
17 probably the first payment on that loan.

18 Q Do you know where the others are?

19 A I believe Mr. Kotelly may have them. I am  
20 not absolutely sure. Some of my checks I could not --  
21 I really don't know where the others are.

22 Q Ms. Stultz, isn't it fair to say that the  
23 Congressman paid you, reimbursed you for the first  
24 check that you wrote there in December of 1975?

25 A The Congressman -- yes.

000406

1  
2 For this check?

3 Q Yes.

4 A Yes.

5 Q And he paid as well the next four checks on  
6 that loan as well?

7 A The Congressman paid the full loan. He repaid  
8 the full loan. Now, whether he paid it with his own  
9 checks, whether they were all paid with mine, I don't  
10 remember that, if that is what you are asking me. But  
11 he repaid the full loan.

12 MR. POVICH: Your Honor, could we have these  
13 marked as Defendant's Exhibits?

14 THE COURT: Whatever the next numbers are,  
15 Mr. Povich.

16 THE CLERK: Defendant's Exhibits 17 through  
17 21 marked for identification.

18 (Whereupon, the documents were  
19 marked as Defendant's Exhibits  
20 Nos. 17 through 21 for identi-  
21 fication.)

22 BY MR. POVICH:

23 Q Ms. Stultz, I show you what has been marked  
24 as Defendant's Exhibits 17 through 21. I ask you first  
25 of all whether or not you recognize any of those  
checks?

000407

1 A Yes, I recognize them all.

2 Q Were you shown those checks by the Government  
3 before you testified today that you paid that amount  
4 of money from your salary account, what you  
5 considered your overage account?

6 A I may have been, Mr. Povich.

7 Q You may have been?

8 A Yes. I was shown a number of documents and  
9 these checks may have been a part of those documents.

10 Q Well, did they indicate to you that with  
11 respect to the repayment of that loan that the  
12 Congressman actually repaid it from his account and  
13 that the money did not come from any salary account of  
14 yours?

15 A Did they indicate that to me, that he paid it  
16 from his account?

17 Q Yes. You spent several days going over\what  
18 your testimony --

19 A No.

20 Q That was not brought to your attention?

21 A No, that was not brought to my attention.

22 Q Was it fair to say then, now looking at the  
23 series of checks, and can we establish this without  
24 any question now that Congressman Diggs paid five of  
25 those installments on that loan in the amount of

000408

1 approximately 170-some dollars?

2 A Mr. Povich, would you ask the question again,  
3 please?

4 Q Is it clear from those checks to you now that  
5 the Congressman repaid you the money that you  
6 borrowed in the form of five checks from his account  
7 and not from any salary account of yours?

8 A Based on these checks it is fair to say that  
9 the Congressman repaid me from his account five times.

10 Q Now, and the balance of \$500 which was given  
11 to Mr. Clarence Robinson on that occasion came as well  
12 from money which he received from the United States  
13 Treasury in the form of a reimbursement check for  
14 expenses?

15 A The balance of the \$500 was from a U.S.  
16 Treasury check.

17 Q Made out to him?

18 A Made out to the Congressman.

19 MR. POVICH: Could we have this marked, Your  
20 Honor, as the next Defendant's exhibit number?

21 MR. KOTELLY: Your Honor, it has already been  
22 marked and identified by several witnesses.

23 MR. POVICH: Is it in evidence?

24 MR. KOTELLY: It has not been moved into  
25 evidence, no.

000409

1 THE CLERK: Defendant's Exhibit 22 marked for  
2 identification.

3 (Whereupon, the document was  
4 marked as Defendant's Exhibit  
5 No. 22 for identification.)

6 BY MR. POVICH:

7 Q I show you, Ms. Stultz, what has been marked  
8 as Defendant's No. 22 in evidence and ask you whether  
9 or not you would look at the endorsement.

10 THE COURT: Is that Defendant's 22?

11 MR. POVICH: Not in evidence, Your Honor, just  
12 22 for identification.

13 THE COURT: Defense 22 for identification,  
14 all right.

15 BY MR. POVICH:

16 Q I ask you whether or not you could tell from  
17 the endorsement whether or not the -- and the date,  
18 whether that was the \$500 that you gave to Mr. Clarence  
19 Robinson on an occasion?

20 A I can't say this is the exact check that was  
21 used to give to Mr. Clarence Robinson. I can identify  
22 the Congressman's signature on the check.

23 Q Well, it's typed on the back there. Is that  
24 your typing?

25 A It says "Paid to the order of Union Trust

000410

1 Company.

2 Q Would that be at the same bank?

3 A It would lead one to assume that this would  
4 be the check.

5 Q You won't concede that though?

6 MR. KOTELLY: Your Honor, I would object  
7 unless there is some basis for her personal knowledge  
8 that that particular Treasury check is, in fact, the  
9 one that was given to Clarence Robinson.

10 THE COURT: I think she has answered to the  
11 extent of her knowledge.

12 BY MR. POVICH:

13 Q Mrs. Stultz, do you recall that event when you  
14 went and obtained that money for the Congressman,  
15 obtained the money orders, the check?

16 A Yes.

17 Q And you gave it to Mr. Robinson?

18 A Very well.

19 Q Would you tell us what happened?

20 A From the very beginning when I applied for  
21 the loan?

22 Q No, just with respect to when you obtained --  
23 concerning the obtaining of the money and handing it to  
24 Mr. Robinson.

25 A Mr. Robinson came to the Congressman's office

000411

1 and he and I were present in the Congressman's office.

2 The Congressman was not present.

3 I presented -- handed the money to  
4 Mr. Robinson, the full payment to Mr. Robinson and  
5 Mr. Robinson said, "Jean, I know where this money came  
6 from," or something to that effect, and we exchanged  
7 a few words. He indicated that he knew that I had  
8 gotten the money through some source. He did not know  
9 what source. He took the money and he said that he  
10 would contact the bank or whatever was necessary.

11 Q He indicated to you that he --

12 A It was a personal conversation between  
13 Mr. Robinson and I. Mr. Robinson and I had, like some  
14 of his other creditors, had talked any number of times  
15 about the state of that particular account.  
16 Mr. Robinson, in fact, had made a number of sort of  
17 go-betweens between the bank and the Congressman and he  
18 was able, from what I understood, he was able to get  
19 the bank to accept partial payment of \$1,500.

20 Q But you say you had a conversation with him  
21 about the fact that he knew that you had gotten the  
22 money for the Congressman?

23 A He indicated to me that he knew that I had  
24 made some effort to get the money.

25 Q What did he say?

000412

1 A I can't remember his words verbatim. I just  
2 said to you as best I could.

3 Q Do you recall ever testifying about such a  
4 conversation as that before on occasion prior to this,  
5 before the Grand Jury?

6 A If they asked me, Mr. Povich, I am sure I  
7 told them.

8 MR. POVICH: Would Your Honor indulge me for  
9 a moment?

10 Mr. Kotelly, this is the Grand Jury testimony  
11 of Ms. Stultz on June 8th, 1977, Page 46.

12 BY MR. POVICH:

13 Q During the course of your testimony, Ms.  
14 Stultz, before the Grand Jury on that occasion, in  
15 response to a question concerning what help, if any,  
16 you had given the Congressman you spoke about this loan  
17 and the occasion when Mr. Robinson came to the office  
18 to pick up the money. You said at the bottom of the  
19 page, Page 46:

20 "When he came in the Congressman wasn't even  
21 there and I counted out the cash to him and he  
22 gave me the receipt for it and he said to me, 'Jean,  
23 I know you got this money for the Congressman,' and  
24 he said, 'Why did you do it?'

25 "And I said, 'Well, hell, Clarence, I do it for

000413

1 anybody. He's up against it. He's going to lose  
2 his home.'

3 "It is this kind of informal conversation  
4 between Robinson."

5 Are you saying that that's the conversation  
6 which took place?

7 A That's pretty much the conversation which  
8 took place, that's correct.

9 Q You are certain about that?

10 A Yes, sir.

11 Q Ms. Stultz, I'd like to turn to the manner  
12 in which the accounts were handled, your salary  
13 account was handled.

14 Is it fair to say that with respect to your  
15 salary account, which was paid out of what was called  
16 clerk hire funds; is that correct?

17 A Yes.

18 Q That the employee had certain elections as  
19 to what, if anything, they may wish to do with respect  
20 to withholding benefits and things like that; is that  
21 correct?

22 A That's right.

23 Q And with respect to that matter you exercised  
24 certain options with respect to your salary account;  
25 did you not? You indicated, I believe, or tell me if

000414

1 you will, whether or not you wanted any of the taxes  
2 withheld from your account and if so, an amount more or  
3 less, depending on the allowances you selected and any  
4 other options you had insofar as the withholding tax  
5 was concerned; do you recall that?

6 A Every employee lists their withholding  
7 deductions and only Federal taxes at that time were  
8 deducted from the employee's salary.

9 Q At what time?

10 A At the time I was an employee. They did not  
11 deduct state taxes.

12 Q Well --

13 A I could also elect to have an amount, any  
14 amount, over and above the required amount deducted  
15 from my salary.

16 THE CLERK: Defendant's Exhibit No. 23 marked  
17 for identification.

18 (Whereupon, the document was  
19 marked as Defendant's Exhibit  
20 No. 23 for identification.)

21 BY MR. POVICH:

22 Q Ms. Stultz, let me show you what has been  
23 marked as Defendant's Exhibit 23. I don't know whether  
or not you have ever seen a document such as this, but  
I ask you to look at it and to refresh your recollection.

000415

1 as to whether or not you had elected during the period  
2 of your employment to withhold state taxes in this  
3 case. It would have been the District of Columbia  
4 taxes.

5 A In the period of 1976, sir, when I began  
6 employment with the Congressman, state tax was not being  
7 taken from the employee's salary. This went into effect  
8 during my tenure with the Congressman. This shows only  
9 '76 deductions beginning, in fact, in January of '76.  
10 I am sorry, beginning in April of '76.

11 Q How much was deducted from your salary in  
12 1976 for state taxes?

13 A The total amount of \$9,029.17.

14 Q Now, if you keep that form for a moment it  
15 may be of some assistance.

16 A All right.

17 Q In addition to the deduction for state taxes  
18 you deducted other items, for instance, Federal taxes.  
19 You gave information to the Government as to how much  
20 you felt should be deducted according to your family  
21 situation, et cetera; is that right?

22 A I listed my dependents. I think I listed zero  
23 dependents.

24 Q Did the Congressman have any control over  
25 how you filed that form and how much you listed?

000416

1 A No, no.

2 Q That was a matter that you were to determine  
3 on your own?

4 A That was a personal matter, yes.

5 Q In 1976 how much Federal taxes were withheld  
6 from your salary?

7 A \$6,102.73.

8 Q That shows a gross salary of how much?

9 A \$21,239.61.

10 Q Did you feel that that was enough to cover  
11 your taxes? Did you feel that the amount which had been  
12 deducted was sufficient to cover the payment of your  
13 taxes?

14 I'm sorry. The reason I asked you that  
15 question is because I think you said that you increased  
16 your draw the last two months so that you could pay for  
17 your taxes.

18 A No. I did not feel it was sufficient.

19 Q You did not feel --

20 A No.

21 Q I am sorry. Would you read the figures again?  
22 The gross salary there was how much?

23 MR. KOTELLY: Your Honor, I am going to  
24 object. If this document is being admitted in evidence  
I think that Mr. Povich should proffer it as such. If

000417

1 he is refreshing her recollection he should withdraw  
2 the document from the witness if her recollection is  
3 refreshed, but he's having the witness testify from a  
4 document that has not been admitted into evidence.

5 MR. POVICH: Your Honor, I am just trying to  
6 get some sense from the witness in response to her  
7 question on direct examination as to her withholding  
8 tax as to whether or not those figures may refresh her  
9 recollection and if she felt those figures were --

10 THE COURT: Counsel may come to the Bench.

11 (At the Bench.)

12 THE COURT: What he says about the law is  
13 correct. If you are offering the document she may use  
14 it as part of her testimony. Otherwise she may just  
15 read it and refresh her recollection and if refreshed,  
16 testify. But it seems to the Court that what she  
17 obviously had in mind was that with this fluctuating  
18 salary, as she termed it, which sometimes went up to  
19 something in the neighborhood of \$37,000, as I recall  
20 her testimony, with the \$37,000 in salary she had a  
21 greater tax liability than if her salary was something  
22 in the 20,000. You can't base tax liability on the  
23 lower figure. Uncle Sam will reach out and grab the  
24 top dollar he can. We all know that.

25 MR. POVICH: Well, Your Honor, the only

000418

1 trouble with that observation is you don't control and  
2 Uncle Sam deducts the amount of money not from any  
3 special arrangement that she may testify to, but from  
4 the gross salary on the W-2 form so the money is already  
5 there. That's the purpose of withholding.

6 THE COURT: The amount of withholding in my  
7 experience depends upon what the employee discloses  
8 and may be sufficient; it may be insufficient. If it  
9 is insufficient you are hooked with it and you may have  
10 to pay an additional amount as a penalty. I have  
11 actually had that experience when I was United States  
12 Attorney.

13 MR. POVICH: I can't imagine Your Honor having  
14 that problem.

15 THE COURT: I sure did.

16 MR. POVICH: I just want to use it to refresh  
17 her recollection.

18 THE COURT: Okay.

19 (Open court.)

20 BY MR. POVICH:

21 Q Just use this to refresh your recollection,  
22 Ms. Stultz. Your answer is you did not feel that the  
23 amount which you had taken out was sufficient to meet  
24 your tax obligation?

25 A That's true.

000419

1 Q Now, in addition to the withholding which you  
2 could adjust a certain extent, depending on what you  
3 claim for exemptions, you could increase your holdings  
4 by having them deduct additional amounts; could you  
5 not?

6 A That's right.

7 Q Did you do that on occasion?

8 A Yes, I did.

9 Q Was that solely your option and at your  
10 discretion?

11 A Yes, it was.

12 Q Did the Congressman enter into that decision  
13 at all?

14 A No.

15 Q In addition to your withholding the Federal  
16 Government provided for retirement, your retirement  
17 program; did it not?

18 A That's right.

19 Q Did you on the occasion with respect to the  
20 payment to you of salary from clerk hire funds make an  
21 election with respect to the retirement benefits?

22 A At the time I entered on duty I elected to  
23 have retirement withdrawn from my salary.

24 Q And you have an option when you terminate  
25 either to take that with you or to leave it in?

000420

1 A That is correct.

2 Q But in any event those funds were your funds,  
3 they were not the Congressman's, were they?

4 A That's right.

5 Q I think that you also had the election as a  
6 federal employee for health benefits?

7 A Yes.

8 Q You can have high and low options. I am really  
9 not too familiar with it, but you can to some extent  
10 regulate the type of coverage that you wish to have?

11 A That's right.

12 Q Did you seek to do that?

13 A Yes. I had health insurance deducted.

14 Q By the way, let me go back for a moment. The  
15 retirement is based upon the amount of salary you get;  
16 is it not? You can't really --

17 A It is a percentage of your salary.

18 Q It's a percentage of your gross salary. I  
19 see.

20 Now, with respect to health benefits, does  
21 that have anything to do with your gross salary? Was  
22 it just so much?

23 A I don't believe so. I think it was based  
24 on your -- the type of program you elect.

25 Q He did not enter into the decision as to

000421

1    whether or not you should elect that or have any  
2    control over that; did he?

3    A    No.

4    Q    I think you also are entitled to life  
5    insurance?

6    A    Yes.

7    Q    That too is based upon your gross salary; is  
8    it not?

9    A    Yes, I believe that is.

10    Q    That is a benefit which you exercised?

11    A    That is right.

12    Q    Did he have any control over that?

13    A    No.

14    Q    Do you still have that in effect?

15    A    Have what?

16    Q    Did you keep that in effect after you left  
17    his employment?

18    A    What the Government life insurance? I  
19    couldn't. I am not a Government employee.

20    Q    I see. Now, Ms. Stultz, the money that you  
21    received from your salary which came out of clerk hire  
22    was deposited automatically to your account; was it  
23    not?

24    A    Yes, it was.

25    Q    Did Mr. Diggs have anything to do with the

000422

1 deposit of that money to your account?

2 A No, he did not.

3 Q Is that the employee's election?

4 A That's right. .

5 Q In fact, there are some banks in the city  
6 that it is automatically deposited in and other banks  
7 that you may or may not have to mail it; correct?

8 A I don't know how it gets to the bank, sir.

9 All I know is that it would show up in my account at  
10 the end of the month.

11 Q And that was a result of your election; is  
12 that correct?

13 A That's right.

14 Q He did not have anything to do with that?

15 A No.

16 Q Now, the account that it went into, was that  
17 your own private checking account?

18 A That's right, yes, it was.

19 Q Were you the sole signatory on the account?  
20 You had sole control over it?

21 A Yes.

22 Q And Mr. Diggs was not a co-signer; was he?

23 A No.

24 Q He had no power of attorney or any means of  
25 withdrawing the money from that account?

000423

1 A No, he did not.

2 Q I would like to ask you also is it not fair  
3 to say that with respect to the check, cashier's checks  
4 and the money orders and your personal checks that  
5 on each occasion when you made a payment on his behalf  
6 that you so indicated either on a cashier's check or  
7 the money orders or your own check; is that correct?

8 A That's right.

9 Q Ms. Stultz, there have been a great number of  
10 exhibits that have been entered into evidence in this  
11 case concerning the payment of bills, congressional  
12 bills, personal bills or otherwise.

13 MR. POVICH: Mr. Kotelly, could we have  
14 those?

15 Your Honor, I would like to have the cashier's  
16 checks, the money orders and Ms. Stultz' checks that  
17 were introduced with respect to the payment of bills.

18 BY MR. POVICH:

19 Q I would like to just briefly identify and  
20 at the break so we don't waste any time you could help,  
21 but would you briefly identify, were these the checks  
22 which you paid either to Mr. Diggs or for or on his  
23 behalf? Those are all Exhibit Series 23, I believe.

24 A Yes, that is correct. These are my own  
25 checks.

000424

Q These are cash checks. That would be the means by which say you withdrew funds from your account in order to purchase either cashier checks or money orders; is that right?

A Those, not these.

(Indicating.)

Q Right. And these -- so those are the checks themselves and these are the --

THE COURT: For the record let's identify what "those not these" are.

MR. POVICH: Yes, sir. I just showed her, Your Honor, Exhibit 23-A through GG.

THE COURT: And 23 is "those"?

MR. POVICH: 23, Your Honor, are the checks which she issued from her account, her personal checking account for or on behalf of "r. Diggs.

THE COURT: All right.

MR. POVICH: I'm now showing her Exhibit No. 46, 45, 45-A through Z, A through DD and 46-A through I.

THE WITNESS: Now, what is the question concerning these?

BY MR. POVICH:

Q The Exhibits 45-A through BB are the money orders, are they not, which you obtained from Riggs National Bank, which you say you paid for on behalf of Mr. Diggs; is that

000425

1 correct?

2 A That's correct.

3 Q And Exhibits 46-A through I are cashier checks  
4 which you say you obtained from Riggs which you paid for or  
5 on behalf of Mr. Diggs; is that correct?

6 A That is correct.

7 Q Now, that then represents together with your own  
8 checks which you have identified as Exhibit 23-A through GG  
9 the funds which you expended during the relevant period of  
10 time from your salary account for or on behalf of Mr. Diggs,  
11 without distinguishing whether they were for congressional  
12 purposes or tied to his duties as a Congressman of the United  
13 States or for personal reasons; is that correct?

14 A These represent funds.

15 Q Without distinguishing between congressional and  
16 personal?

17 A Yes, right.

18 Q Thank you very much.

19 MR. POVICH: Your Honor, I will get a listing of  
20 these. I think it will make it easier during the break. We  
21 will have a listing of these during the break.

22 THE COURT: Okay.

23 BY MR. POVICH:

24 Q Now, in connection with the payment of congressional  
25 expenses you said that Mr. Matlock paid many of the bills,

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the office bills in Detroit; is that correct?

A That's correct.

Q And you described one of the bills that he paid as the House of Diggs Radio Show bills which was, you said, not office related?

A As far as I could determine it wasn't office related. I didn't know of any office activity that was involved with the House of Diggs Radio Show. I personally had no knowledge of any.

Q When you testified that it was not office related, what did you understand the House of Diggs Radio Show to be?

A A radio show relating to the House of Diggs which is a mortuary establishment.

Q I see. And that's the only information that you had as to what transpired on that radio show?

A That was my interpretation and my understanding of what the House of Diggs Radio Show was all about.

MR. POVICH: Your Honor, could we have these marked as defendant's Exhibits 24, 25 and 26, Your Honor.

THE COURT: Defendant's Exhibits 24 --

Yes.

(Whereupon, the documents were marked as Defendant's Exhibits Nos. 24, 25 and 26 for identification.)

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MR. KOTELLY: Your Honor, may we approach the

Bench?

THE COURT: Yes.

(At the Bench.)

MR. KOTELLY: Your Honor, Mr. Povich has shown me what appears to be transcripts of radio programs. It says "Transcript for the House of Diggs Radio Program". Ms. Stultz in her earlier testimony said that she had never heard these radio programs.

Again I would submit the defense is trying to put in their affirmative defense in the Government's case and that it is totally improper. There is no reason to believe that Ms. Stultz ever saw any of these documents before.

MR. POVICH: I will find that out, Your Honor. That's exactly the question I was going to ask her.

THE COURT: I think it is affirmative defense. Put it on in your case.

MR. POVICH: She has testified she characterized that show. I simply want to ask her if she was aware of this. If so, whether she thinks that has nothing to do with his appearance.

THE COURT: She said as far as she knew the House of Diggs related to his mortuary business. This is affirmative proof. Do it in your case.

MR. POVICH: But it contradicts her, Your Honor.

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It is impossible to look at this transcript, which is typed in her office, and have her make that testimony. That's just incredible.

THE COURT: She wouldn't know everything typed in her office.

MR. POVICH: Just let me ask her, Your Honor.

THE COURT: I am not going to let you put on your affirmative defense at this stage of the proceeding. You can go into it later. We have got to keep this thing in order.

Let's move on.

MR. POVICH: This has nothing to do with affirmative defense. It simply has to do with whether or not when a woman testifies as this woman did here that the House of Diggs program had nothing to do with it, I can show her -- ask her whether she ever saw the transcript or similar transcripts, and if she says no, that's the end of it. If she says yes, then I can ask her whether or not she is still of the opinion it has nothing to do with him because they talk about the Humphrey/Hawkins bill. It is the most incredible mortuary show you have ever heard, Your Honor.

THE COURT: Sure is.

MR. POVICH: I would just like to ask her whether she is familiar with the transcript.

THE COURT: You can ask her if she has ever seen them.

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4 MR. POVICH: Thank you.

5 THE COURT: All right.

6 (In open court.)

7 THE CLERK: Defendant's 27 marked for identification.

8 (Whereupon, the document was  
9 marked as Defendant's Exhibit No.  
10 27 for identification.)

11 BY MR. POVICH:

12 Q Ms. Stultz, I show you what has been marked as  
13 Defendant's Exhibits 24 through 27 for identification and  
14 ask you whether or not as Mr. Diggs' secretary during the  
15 period, the four years that you worked for him, you had ever  
16 seen transcripts of the similar material relating to the  
17 program that was presented by the House of Diggs when the  
18 Congressman appeared on it?

19 A I am sure I have seen a transcript, Mr. Povich.  
20 I doubt that I have ever read one. I probably -- most of  
21 those transcripts came in and went directly to Ms. Willabee.

22 Q Then you say that you have no idea as to the  
23 content of the transcript?

24 A That was not the least of my concern, the contents  
25 of the transcript. That was solely between Ms. Willabee,  
the Congressman and Mr. Leatherwood.

Q Well, I'm concerned. I am not suggesting at the  
time, Ms. Stultz, that you were concerned with it, but I am

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questioning whether or not when you testify under oath that they have nothing to do with the Congressman in the performance of his duties, whether you were concerned with that state?

A I didn't say it had nothing to do with the Congressman in the performance of his duties, sir. I think I said I understood it to be a House of Diggs Radio Show and it was a mortuary establishment in Detroit.

Q Well, did it have anything to do with him in the performance of his duties?

A I was not familiar with the transcript. I don't know.

Q Then the answer is that you just don't know?

A I cannot say that. I don't know whether it had anything to do with him in the performance of his duties. I did not consider it a congressionally-related program.

Q You were not familiar then with the type of people who appeared on it and what transpired?

A On the House of Diggs Radio Show?

Q Yes.

A No.

Q With respect to the House Recording Studio, did you have an opinion or did you, as to whether or not that was congressionally related?

A The House Recording Studio I felt was a congressional -- I feel was congressionally related. It was

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1 a television program and it had public national figures as  
2 guests and that kind of thing.

3 Now, whether it was related to Diggs' District  
4 Office expenses or not, I don't know. I believe that's the  
5 context in which I was questioned.

6 Q You made a statement that the Congressman, for  
7 instance, drew down the sum of \$500 each quarter; is that  
8 correct?

9 A Yes.

10 Q And your testimony was that that was for what?

11 A District Office expenses.

12 Q Now, did you mean to say that that was the expense  
13 for the District Office?

14 A For operating, and I understood it, that money is  
15 allowed for the operation of the District Offices, the  
16 offices in the district in which he is elected.

17 Q Well, you were aware, were you not, that in addition  
18 to the operation of the offices themselves -- by the way, how  
19 many were there?

20 A There were two buildings and one mobile office.

21 Q In addition to the operation of the offices them-  
22 selves, that was reimbursement for expenses within the  
23 District?

24 A It didn't say that, sir. It says District  
25 Office allowance. Now, if it covered the entire district,

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1 I don't know, but in any case my concern with that was  
2 making the vouchers for the allowable amount reimbursable.

3 MR. POVICH: May I have this marked?

4 THE CLERK: Defendant's Exhibit No. 28 marked for  
5 identification.

6 (Whereupon, the document was marked  
7 as Defendant's Exhibit No. 28 for  
8 identification.)

9 MR. KOTELLY: Your Honor, may we approach the  
10 Bench?

11 THE COURT: Yes.

12 (At the Bench.)

13 MR. KOTELLY: Your Honor, I would object to this  
14 document as having no relevance at all to the testimony of  
15 this witness. It is a change apparently that had something  
16 to do with the Office of Finance that has different language  
17 on it than are on these vouchers that are being signed, but  
18 the language is similar. It is not exactly the same.

19 Mr. Povich, I understand, obtained that from the Office of  
20 Finance a few days back; did not question Mr. Lawler about  
21 the language and I would submit this is an improper witness  
22 to be going into what may have been on other vouchers that  
23 Ms. Stultz is not involved with.

24 THE COURT: What is 28, Mr. Povich?

25 MR. POVICH: Exhibit 28, Your Honor, is a voucher

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certification saying he is entitled to reimbursement. The problem that we are going to have, Your Honor, is the certification here is for expenses incurred outside the District of Columbia. The voucher which Mr. Kotelly has certified entitled, "Reimbursement for Official Expenses Incurred in my Congressional District". The term "official office expenses" does not mean to the physical office. It is not limited to the physical office and that's simply what I am trying to obtain from this witness. Now, I can do it by reading her a regulation, but I don't think that's appropriate.

THE COURT: It seems to me like that is your proof in chief; isn't it?

MR. POVICH: Yes. I was just questioning whether her --

THE COURT: Is this based on the new law that you brought out in your opening statement?

MR. POVICH: Actually, this was a change in the law, but this was the form that should have been signed actually for the -- I think it's the last one of this; is that not right?

MR. KOTELLY: I'm not certain. I didn't look that closely at them.

MR. POVICH: For '76, last part of '75, they changed to this form, but I don't know. Maybe it is a

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matter of form rather than substance. But this woman has become so cavalier in what is and what is not proper expenses and I just feel sometimes I have to challenge her on it. I will pass.

THE COURT: All right.

(In open court.)

BY MR. POVICH:

Q The three offices that you had in the 13th District did not include the Federal Building, did they?

A Neither of those offices in my time was located in the Federal Building.

Q Were you familiar with the availability of the Federal Building for free offices for the Congressman if he sought to exercise that option?

A I understand that there was such space available, yes.

Q What was the reason for not taking it?

A The Congressman made his own decisions as to where he wanted his offices located. It was his decision to have them where they were located.

Q Do you know what that decision was based on?

A I have no idea.

Q I believe you testified also with respect to Jeralee Richmond that she did not have an office located or office space located within the District Office itself;

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is that correct?

A My first contact with her, no. She was at the House of Diggs.

Q All right. Was there any restriction as to whether or not an employee on the staff was required to work in an office in the particular District Office or not?

A I knew of no restriction.

Q So, the fact that she was not actually in the office was not determinative of whether or not she was doing any extra work in the Congressman's representation of the constituents in the 13th District?

A That could be correct. That is correct.

Q Is it fair to say as well as person could be doing the Congressman's business in the House of Diggs, could very well have been doing the Congressman's business within the House of Diggs?

MR. KOTELLY: Your Honor, I would object. I think this calls for speculation.

THE COURT: Ask her if she knew, Mr. Povich.

BY MR. POVICH:

Q Did you know, Mrs. Stultz, whether or not the Congressman's business could be furthered by a person within the House of Diggs?

MR. KOTELLY: Your Honor, I would object.

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Anything could be furthered in the House of Diggs. There is no question being asked if it is the direct knowledge of this witness.

BY MR. POVICH:

Q Do you have any knowledge of that, Mrs. Stultz?

A I have no knowledge of Mrs. Richmond doing any congressional work while she was employed by the House of Diggs.

Q Do you have any knowledge of whether or not Mrs. Richmond serviced constituents that came to the House of Diggs looking for the Congressman or looking for help of the Congressman?

A I have no such knowledge of that.

Q You have no knowledge of that at all?

A No, sir.

Q Do you have any knowledge as to whether or not there was any information in the House of Diggs with which the Congressman was concerned that it was in furtherance of his representation of that district?

A I have no such knowledge.

THE COURT: Defendant's Exhibit No. 29 marked for identification.

(Whereupon, Defendant's Exhibit No. 29 was marked for identification.)

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1 MR. KOTELLY: Your Honor, could I have your  
2 indulgence while I read this document?

3 THE COURT: All right.

4 MR. KOTELLY: Satisfied, Your Honor.

5 BY MR. POVICH:

6 Q Mrs. Stultz, I show you what's been marked as  
7 Defendant's Exhibit No. 29 and ask you to take a look  
8 at that. Perhaps it may refresh your recollection with  
9 respect to activities at the House of Diggs which the  
10 Congressman felt may or may not have been of benefit to  
11 him in the performance of his duty as a representative  
12 of the 13th District.

13 A I have read it.

14 Q Do you recall that memorandum now?

15 A Yes. This memorandum was to Ms. Claudia Young

16 Q Who was it from?

17 A It's from myself.

18 Q What did it concern?

19 A The topic is "Detroit Project". It concerns  
20 sending Ms. Young to Detroit as a representative of the  
21 Congressman to broaden his contacts with his constitu-  
22 ents with particular emphasis being placed on certain  
23 segments of the community and special interest groups.  
24 It indicates that she was to work out of the Detroit  
25 office commencing April 1st.

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The subparagraph of House of Diggs next-of-kin list, which says, "Following is a detailed outline of the project, a list of the next-of-kin or persons handling funeral arrangements for all deceased handled by the House of Diggs in '74.

"Your contact at House of Diggs will be Denise Diggs. Please discuss this with Denise immediately on your arriving in Detroit and establish a completion date on your return to Washington. This listing will be checked against our premailing list that we have duplicates. The new names will be incorporated in our mailing cards and books."

Shall I continue?

Q In addition to the House of Diggs were there other groups that were to be contacted?

A Block clubs.

Q Pardon?

A Block clubs. She was to do basically the same thing, obtain the listing of all block clubs organized in the 13th District, churches.

Q Who was to handle that?

A This is -- Well, I didn't read the entire thing.

Q That's all right. The churches. Who was she to contact there?

000439

1 A "Contacts should be made with the pastor of  
2 each church in the District to reinforce the  
3 Congressman's interests, et cetera. The pastor  
4 should be made aware that Reverend Caldwell and  
5 Mrs. Robbie McCoy of the Michigan Chronicle are  
6 on CCD's staff."

7 MR. KOTELLY: Your Honor, I'm going to object  
8 if we are getting beyond just the House of Diggs aspects  
9 of that memo. It has not been relevant to any testimony.

10 MR. POVICH: It is relevant, Your Honor. I  
11 suggest, Your Honor, it is relevant. It is relevant,  
12 the contacts and the use which has made up House of  
13 Diggs with respect to his representation of those  
14 people.

15 THE COURT: But she has concluded the House of  
16 Diggs aspect of the memo, I guess.

17 BY MR. POVICH:

18 Q Do you recall this memorandum?

19 A Yes, I recall that memorandum.

20 Q And the project?

21 A Yes, sir.

22 MR. POVICH: Your Honor, I think I'm almost  
23 finished. If we could take a brief break now I think  
24 I could wrap it up when we come back.

25 THE COURT: On that promise, yes.

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1                   Ten minute recess, ladies and gentlemen.

2                   (Recess.)

3                   THE COURT: Bring in the jury.

4                   (The jury returned to the courtroom.)

5                   CROSS EXAMINATION (RESUMED)

6                   BY MR. POVICH:

7                   Q        Ms. Stultz, I show you what's been marked  
8                   already as your checks or money orders, 45-AA, 46-A,  
9                   46-B and 46-I. These appear to be -- and I will check  
10                   -- the only check or cashier's checks or money orders  
11                   which were written on the Riggs Bank in 1973 from the  
12                   stack that you gave me. If I find any additional ones  
13                   I will ask you to look at them. But would you separate  
14                   on one side and put on the other what you considered to  
15                   be the personal checks, personal expenses of the  
16                   Congressman and those expenses which were in furtherance  
17                   of his duties as a Congressman?

18                   MR. KOTELLY: Objection, Your Honor. May we  
19                   approach the Bench?

20                   THE COURT: Yes.

21                   (At the Bench.)

22                   MR. KOTELLY: Your Honor, first I would like  
23                   to object to Mr. Povich's facial expressions towards  
24                   the jury when I make objections.

25                   MR. POVICH: I was just -- I'm tired. I am

000441

1 sorry.

2 MR. KOTELLY: My objection again, Your Honor,  
3 is Mr. Povich is trying to get into his affirmative  
4 defense again. Based on his opening statement that  
5 there was some distinction between personal expenditures  
6 and expenditures for the office I would submit it is  
7 proper for him to do it in his part of the case and not  
8 in the Government's case.

9 MR. POVICH: I can't recall her. I am not  
10 limited any more under the new rule, Your Honor, in my  
11 examination. They have put these checks in. She is  
12 talking of terms when -- they put them in. "This was  
13 the Congressman's expense." They put in something so  
14 inflammatory as, "This is Mrs. Diggs' expense."

15 I think I have the right to do it on some  
16 intelligible basis; otherwise, we have a handful of  
17 checks.

18 THE COURT: The issue here is whether or not  
19 payment of these obligations, whether they be  
20 congressional or personal, is properly from the salary  
21 of an employee. That's the issue. So, it doesn't make  
22 any difference whether they are personal or congressional.

23 MR. POVICH: One of our defenses and one of  
24 our contentions, Your Honor, congressional expenses  
25 might very well be lawfully paid.

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THE COURT: But you can't do it by this particular ledger demand of increasing an employee's salary and then say, "Give me some of that back".

MR. POVICH: It depends on whether or not the employee wishes to do that.

THE COURT: That's the point. So, you can get to that.

MR. POVICH: If they decide that question was -- we are supposed to come back and retry the case now they have decided we are going to find out which ones are which? I think it also goes to -- the distinction goes to an intent of what her motive was, what his motive was. I don't think that we can spend three hours putting all of this information of his in, having the Government say this represents one kind of an expenditure; this represents another, if now they say it is irrelevant, that the distinction is irrelevant.

THE COURT: I think they are entitled to bring in checks that were paid from this so-called special fund regardless of what particular account was met by it or if indebtedness was met by it. I don't think they have to segregate it out. How much of this do you have?

MR. POVICH: Well, I had hoped to do it during the break, but Mr. Watkins advised me that

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Mr. Kotelly was going to object to it, so I didn't have her do it. It could have been done very quickly. I was just going to have her put it in two different stacks.

THE COURT: I don't think it makes any difference from the standpoint of the indictment. I think it may make some difference from the standpoint of mitigation. That's all.

MR. POVICH: Your Honor, I think it is relevant to intent and that's what this case is all about.

THE COURT: The Government is correct that you can't have a kick-back arrangement. It doesn't make any difference what you use it for.

MR. POVICH: A person has to enter into such an arrangement knowingly, willfully and these are specific intent crimes.

MR. KOTELLY: Again, Your Honor, I suggest if this is the defense case it properly belongs in the defense.

THE COURT: Well, as he points out, he can't bring her back.

MR. KOTELLY: The segregation as to whether it is personal or corporate or congressional can be done by anyone. The Congressman himself can testify.

THE COURT: I don't know whether he's going

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to testify. He may not testify. Is he going to testify?  
You don't know yet?

4 MR. POVICH: I never know, Your Honor. I'm  
sure we would like to hear from him. I know Mr. Kotelly  
5 would like to hear from him. I probably won't put him  
6 on the stand unless Mr. Kotelly gets so anxious to hear  
7 from him.

8 Your Honor, to me I am trying to bring some  
9 sense to this thing. There is no -- at the moment there  
10 is just a bunch of bills. There is no feeling for what  
11 was happening here. This is one way to give the jury  
12 a feel. I know you like to give them as much help as  
13 possible. You can't just throw in a stack of bills and  
14 say, "Here they are. That's what I paid." Those people  
15 want to know what they were paid for.

16 THE COURT: I don't think it makes any  
17 difference, as I have told you, to the case.

18 MR. POVICH: Well, I think it does. Would  
19 you give me an opportunity at least to have it in  
20 evidence.

21 THE COURT: You may do it briefly but don't  
22 let's go off on expeditions like these if it has no  
23 legal significance.

24 MR. POVICH: I didn't want to, as I say. I  
25 wanted to do it in the break but since we can do it this

000445

way, we can do it quickly, Your Honor.

THE COURT: All right.

(In open court.)

4 MR. POVICH: May she divide them, Your Honor,  
5 as briefly as she can?

6 THE COURT: Suppose you ask the question  
7 again.

8 BY MR. POVICH:

9 Q I would like you to divide, put in two stacks,  
10 if you would, in one stack would you put what you  
11 consider to be purely personal bills and other expenses  
12 which were incurred in furtherance of his duties as a  
13 Congressman? I give you first 1973. There were four,  
14 I believe, items.

15 Do you have them?

16 A Yes.

17 Q Would you indulge me for a moment and I will  
18 try to get the rest.

19 Which ones are which? These here on your  
20 right are --

21 A Those are in furtherance of his duties as a  
22 Congressman and this one is the personal.

23 Q Just as an example, you are saying Michigan  
24 Bell Telephone, which is Exhibit, Your Honor, 46-B and  
25 Barnett Caterers, which is 46-I, and the Gandel's Liquors

000446

which is 45-AA are in furtherance; is that correct?

A That's correct.

Q And the personal one is Daniel Clipper for portrait; is that correct?

A That's right.

Q And the personal you keep to your left; is that right?

A All right.

Q I will give you now your checks for 1974. They are 12 personal checks and nine cashier's checks and money orders, another cashier's check in September of '74, so it would be ten.

Do you have those separated?

A Yes, sir.

Q All right. Let me give you the ones then for 1975.

MR. POVICH: I won't count them, Your Honor, because the number doesn't make any difference. These are for '75.

BY MR. POVICH:

Q If you would separate those, please. You can just make a total of two stacks. I will give you another series I had over at my desk.

MR. POVICH: Your Honor, to save time I won't -- perhaps I can make arrangement with your clerk to

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have the exhibit numbers listed in the two stacks so  
that we don't have to take time once she identifies them.

THE COURT: All right.

BY MR. POVICH:

Q You have one?

A That one I can't categorize.

Q It is made out to?

A House Sergeant of Arms.

MR. POVICH: That's Exhibit, Your Honor, 46-D.

BY MR. POVICH:

Q These are the last ones. Have you been able  
to do that now?

A Yes.

Q Now, these to the right here are the expenses  
represented by your checks, cashier's checks and money  
orders which you paid from your account at Riggs Bank  
or you purchased at Riggs Bank; is that correct, and  
they were in furtherance, you say, of the Congressman's  
duties as a Congressman?

A Yes. If my interpretation of what you are  
saying is correct.

Q Fine. At least that's what you understand  
them to be?

A They relate to his congressional business,  
yes.

000448

Q Thank you.

MR. POVICH: Your Honor, I ask the courtroom  
clerk to segregate those.

BY MR. POVICH:

Q The other ones are the personals; is that  
correct?

A Yes.

Q Except for the Sergeant of Arms check.

Now, what did the Sergeant of Arms -- a check  
made out to the Sergeant of Arms could represent what  
type of payment?

A It could represent a deposit in this account  
and it could have represented money that he cashed for  
cash, a cashier's check that he turned in for cash.

Had it been deposited in the account it could  
have represented payment for any of the checks.

Q So, you --

A This may have either been deposited in his  
account or cashed.

Q Thank you.

MR. POVICH: That is 46-D again, Your Honor.

THE COURT: Very well.

BY MR. POVICH:

Q Now, just several other brief questions.

In addition to the items you deduct or had

000449

1 taken out of your salary, you also had an item, I believe  
2 for savings bonds; did you not?

3 A I don't think I had savings bonds, did I?

4 Q Well, that's only for 1976.

5 A I don't recall having savings bonds on the  
6 Hill.

7 Q But the Clerk's office would have a record of  
8 that; is that correct?

9 A Yes.

10 Q Now, you testified that Mr. Johnson did tax  
11 work for the Congressman; is that correct?

12 A That's right.

13 Q Now, when the Congressman went to Detroit he  
14 did meet with Mr. Johnson; did he not?

15 A Yes, he met with him.

16 Q Can you tell me what type of an individual  
17 Mr. Johnson was? What did you know him to be  
professionally?

18 A He was an accountant.

19 Q That's all? Did he have any particular  
expertise in any field?

20 A Other than accounting?

21 Q Yes.

22 A I don't know of any.

23 Q Just as far as you knew he was just an

000450

accountant?

A Yes. He had an accounting firm or business.

Q Were you present at any of the meetings between him and Congressman Diggs at the time they were in Detroit?

A At one.

Q When was that?

A Oh, I don't remember the date but I did go to Detroit with the Congressman once when we met with Mr. Johnson. I think the meeting was on a Saturday or Sunday.

Q Was that in connection with some preparation of some return or something?

A It was in connection with his tax return.

Q All right. That was the only time that you met with him?

A In Detroit.

Q Yes. Were you present -- how many times did Mr. Johnson come to the District of Columbia?

A I don't remember how many times he came to the District. I recall meeting with him, I believe, once in the office. He came down and let's see --

I don't know whether it was for any other function or not, but he was once, I recall, in the District.

000451

Q Do you know what, if anything, he and the Congressman discussed on the occasion he came to Washington when you were not present?

A Would I know what they discussed when I was not present?

Q Yes.

A No.

Q Now, you testified concerning the circumstances under which you left finally in August of 1976 and at that time you were office manager. You were in charge of both offices; is that correct?

A Yes, I was.

Q I mean both offices in the District of Columbia and the District Office, two offices plus the van?

A Right.

Q And any of the operations in the District. And when you left, did you have any evaluation as to the people, the number of people that it took to replace you in the job that you had been doing?

A When I left it was Mr. Randall Robinson and his secretary in addition to Ms. McDaniels who was already there. So, actually two persons were employed, to my knowledge, to cover my one position; however, at one time I was performing these secretarial functions.

000452

the function that Mr. Robinson performed and the function that his secretary performed.

Q So, you felt you were performing the functions of how many people who were hired there?

A At one point of three people.

Q Three people?

A Yes.

Q And were you bitter about that?

A No.

Q Did you ever indicate that you felt that you had been underpaid because of the salary which you received and the fact that you were being replaced by three additional people?

A No.

Q What did you consider your position to be at the office?

A Office manager.

Q Did you ever consider your position to be that of administrative assistant?

A I knew my position to be office manager. There were certain publications that did not use that title and I was listed as administrative assistant, as the chief person in the office responsible only to the Congressman.

Q Did you ever represent yourself to the public

000453

as being an administrative assistant?

A No. As his office manager and principal assistant.

Q And you discussed what you considered to be the amount of your salary. Did you represent yourself to the public as having a salary of \$36,000 a year?

A No, sir.

Q Never did?

A No.

MR. POVICH: Could Your Honor indulge me for a moment?

Could I have this marked as Defendant's Exhibit --

THE CLERK: Defendant's Exhibit No. 30 marked for identification.

(Whereupon, Defendant's Exhibit No. 30 was marked for identification.)

MR. POVICH: Your Honor, I will substitute what I have for something more authoritative because there is a note on it, but for present purposes I would like to use it.

THE COURT: All right.

Is it marked?

MR. POVICH: Yes, sir, it is marked. Someone

000454

has made obviously an additional notation on here and it is not part of the official documents.

Your Honor, I feel badly about showing the witness this copy because it is so bad I can hardly read it myself. Could you give me a moment and maybe we could find a better copy? I will show you what I mean.

THE COURT: You needn't show me something you can't read.

MR. POVICH: Well, I will just show you --

THE COURT: My eyes are twice as old as yours.

MR. POVICH: Mine are going fast. Maybe she can read it, Your Honor.

BY MR. POVICH:

Q Ms. Stultz, look very carefully -- First of all, could you tell me what Defendant's Exhibit 30 is? Can you identify that for me?

A Yes. It's an application for a loan to First National Bank.

Q Is that the application that you made for the thousand dollar loan?

A I believe this is a copy of it, yes.

Q Can you read or did you fill it in or did you give them the information?

A Yes, sir.

Q You did.

000455

1 Could you tell me what information you gave  
2 them insofar as your employer and your position is  
3 concerned?

4 A My position I show as administrative assis-  
5 tant. My salary I show -- I am sorry. You asked  
6 employer, Congressman Charles C. Diggs, Jr.

7 Q Can you read the amounts you show as salary  
8 or do you recall what it was?

9 A My salary I show as \$36,000.

10 Q \$36,000?

11 A \$36,000. That's not a representation to the  
12 public. That's a private document to a financial  
13 organization for a loan. That's telling the truth.

14 MR. POVICH: I have no further questions.

15 THE COURT: Anything further?

16 MR. KOTELLY: Yes, Your Honor. I have a  
17 number of questions.

18 REDIRECT EXAMINATION

19 BY MR. KOTELLY:

20 Q Ms. Stultz, Mr. Povich asked you regarding  
21 your performing the function of three people for  
22 Congressman Diggs. For how long a period of time would  
23 you say that you were performing the function of three  
24 people?

25 A During the period of time when I was office

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manager and secretary when he did not have a secretary.  
This was right after Ms. Corker left.

Q What period of time would that be then?

A It would have been around '73, '74, '75.

Q How about in later years?

A In later years I did do a bit of secretarial functions. I took the occasion from him. When necessary I assisted him with his appointment book. I also performed the officer manager's duties and, of course, I never had a secretary as Mr. Randall did to assist me -- as Mr. Robinson, I am sorry.

Q At the beginning of 1976, which was your last partial year with the Congressman, were you the office manager until the time you left?

A Yes, sir.

Q Did you also handle the Congressman's financial matters during that time?

A Yes, I did.

Q How about the appointment calendar? Who handled that during 1976?

A Primarily Ms. McDaniel. When she was not there or when she was not present, I handled it.

Q When did Ms. McDaniel assume that responsibility?

A I believe she came over to the congressional

000457

1 office in '75.

2 Q Did she immediately take over the function  
3 of keeping the appointment calendar?

4 A Yes. Yes.

5 Q Was your salary reduced at the time when  
6 Ms. McDaniel took over that function?

7 A Was my salary reduced?

8 Q Yes.

9 A No, it wasn't.

10 Q Were you doing secretarial work for  
11 Congressman Diggs during 1976?

12 A Yes, sir.

13 Q Would that be true all the way until the time  
14 that you resigned?

15 A Yes, sir.

16 Q You have indicated that I believe it was  
17 March of 1976 when you decided to cease the arrangement  
18 of having the special account for payment of the  
19 Congressman's bills?

20 A That's right.

21 Q In the following months did your work change  
22 in any regard?

23 A My work in the following months, the last  
24 three months, was based primarily on getting his accounts  
25 in order. I had -- my functions as far as legislative,

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you know, the congressional office, the operation of the office, that kind of thing, decreased considerably at my own request.

Q At what point in time?

A After the Congressman and I had the discussion about my staying on the additional three months.

Q Would that have been a period of time after you had your salary reduced?

Let me rephrase that question. Was there a period of time after you had your salary reduced where you were still the office manager and still had the same functions that you had had prior to 1976?

A Oh, yes, in April I think after March, after we discontinued that inflated salary I still retained the same functions I had.

Q Ms. Stultz, why did you tell the Congressman that you wished to cease the special accounts arrangement that you had with him?

A Well, as I said, I was no longer -- I didn't like the arrangement. I never did. I was also -- felt I was getting in trouble with my taxes. I had a tax liability and I just wanted to be free of it.

Q At that time what was your attitude regarding your job whether you would maintain it or not?

A My attitude was I would take whatever happened.

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1 I would take my lumps, so to speak, you know. If I were  
2 dismissed I would be dismissed. I would find another  
3 job.

4 Q When did you finally reach that conclusion  
5 as to your attitude?

6 A When I made up my mind that I was no longer  
7 going to be a part of that arrangement.

8 Q Did you have the same feelings in earlier  
9 months from October of '73?

10 A Not as strongly. I had given it a good deal  
11 of consideration but not as strongly as when I finally  
12 took the action.

13 Q You indicate that you had considerable tax  
14 liability. Were there any problems with the payment of  
15 your taxes in any of the years between October of 1973  
16 and August of 1976?

17 A Yes. One of those years I had a substantial  
18 tax liability. I think it was '75. It was either  
19 '75 -- '74, I believe it was. It was one of those  
20 two years I had quite a bit owed.

21 Q Ms. Stultz, were you paying taxes on the full  
22 amount of your take-home salary?

23 A Yes, sir.

24 Q And that included taxes on the amount of  
25 money that you were using to spend on the Congressman's

000460

expenses?

A Yes, sir.

Q Regarding the files you maintained on creditors and the documents that you were placing into those files, would you normally put your customer copy of money orders and cashier's checks that you had purchased at the Riggs Bank in those files?

A Yes, in the file for the particular creditor.

Q Were there occasions when the customer copy of money orders or cashier's checks did not end up in those files; to your knowledge?

A There may have been, to my knowledge. I can't think of any particular occasion.

Q During the period of time that you worked for Congressman Diggs, were there, to your knowledge, any customer copies of Riggs cashier's checks or Riggs money orders or Xerox copies of Riggs cashier's checks that would be in your files that were not purchased by you?

A Not to my knowledge.

Q At the time that you left the Congressman's office the end of August of 1976, did you take any of the money order copies or --

A Excuse me. May I correct that?

Q Certainly.

000461

1 A They would be copies of money orders that had  
2 been purchased by Mr. Matlock.

3 Q I asked about Riggs money, from Riggs.

4 A I am sorry. I misunderstood the question.

5 Q So, to your knowledge there would not be any  
6 other -- anyone else purchasing Riggs money orders or  
7 Riggs cashier's checks?

8 A Not to my knowledge, no.

9 Q At the time that you left Congressman Diggs  
10 did you take any of these copies of money orders or  
11 Xerox copies of cashier's checks with you when you left  
12 that office?

13 A No, sir. I took nothing from the office.

14 Q Did you keep any lists or ledgers of such  
15 cashier's checks or money orders that you had purchased,  
16 that you took with you when you left the Congressman's  
17 office?

18 A No, sir, no.

19 Q Had you maintained such a list of money orders  
20 and cashier's checks when you were working for the  
21 Congressman?

22 A Nothing other than the ledger sheets and the  
23 notations I would make on the file copy.

24 Q After leaving Congressman Diggs' office in  
25 August of 1976, when was the next time that you saw the

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customer copy of money orders and Xerox copies of Riggs cashier's checks that you had purchased?

A When they were shown to me in Mr. Marcy's office.

Q Mr. Marcy is an Assistant United States Attorney, correct?

A That's correct.

Q Do you recall when that would have been?

A I believe it was -- it might have been either the second or third week ago.

Q When you first met with Mr. Marcy, do you recall when that was?

A I believe it was in May of '77. I am sorry. Yes, '77.

Q When was the first time that you heard about this investigation, the investigation of Mr. Diggs?

A I believe it was in April or very early in May, '77, when I received a letter from Riggs Bank indicating that my bank account -- my bank records had been subpoenaed.

Q Prior to that time had you told any law enforcement officials about your arrangement for paying for Mr. Diggs' expenses?

A No.

Q When you received notification from the Riggs

000463

Bank, what did you do?

A Well, I called -- let's see. I believe Riggs Bank gave me the name of Mr. Beizer.

Q And Mr. Beizer --

A Or either I contacted Riggs Bank. In any case I called Mr. Beizer and I spoke with him and asked him what it was all about.

Q After talking with Mr. Beizer, what did you do?

A I contacted Mr. Robinson in the Congressman's office, Randall Robinson.

Q Did you contact anyone else after Mr. Beizer's telephone conversation?

A I contacted my attorney.

Q What was the purpose of your calling Mr. Randall Robinson?

A Mr. Beizer had indicated that -- based on what Mr. Beizer had indicated to me I called Mr. Robinson. Mr. Beizer had indicated that --

MR. POVICH: Objection.

THE COURT: Sustained.

BY MR. KOTELLY:

Q Without going into what Mr. Beizer advised you, after you spoke with your attorney -- first of all, where was your attorney located?

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A In Washington, D.C.

Q How long have you known this attorney?

A At least 25 years.

Q How do you know this attorney?

A I was employed by her about 25 years ago.

Q After talking to your attorney did you and your attorney meet with the Assistant United States Attorneys who were working on this case?

A Yes, sir, we did.

Q Were any promises made to you at that time as to prosecution?

A No, they were not.

Q Ms. Stultz, Mr. Povich showed to you a memo regarding the Detroit project; is that correct?

A Yes.

Q I believe it is Defense Exhibit 29.

This is your memorandum to Cynthia A. Young?

A Right.

Q Regarding the Detroit project.

In that memorandum it regards -- it mentions for Cynthia Young to contact someone at the House of Diggs; is that correct?

A Yes, sir. It's Claudia Young.

Q I am sorry, Claudia Young. You indicated to Claudia Young that she should contact someone at the

000465

House of Diggs; is that correct?

A That's correct.

Q And that was Denise Diggs?

A That's correct.

Q Who is Denise Diggs?

A The Congressman's daughter.

Q What was her position at the House of Diggs, if you know? What was Denise Diggs' position in the House of Diggs?

A In March of '75 I'm not sure. I'm really not sure what her position was there.

Q Did she work at the House of Diggs?

A Yes.

Q Was Denise Diggs on your staff, congressional staff?

A No, sir.

Q Did she do, to your knowledge, any congressional work?

A Not to my knowledge, no.

Q Now, at the time that that memo was written in I believe you said March of 1975?

A That's right.

Q Jeralee Richmond was on the congressional payroll; was she not?

A I have to look at the documents. I can't

000466

remember.

MR. KOTELLY: If the Court will indulge me one second.

BY MR. KOTELLY:

Q Ms. Stultz, I show you Government's Exhibit 13-A through 13-G and ask you if that would refresh your recollection as to whether Jeralee Richmond was on the congressional staff at that time?

A Yes, sir. This would indicate that she was.

Q Ms. Stultz, did you tell Claudia Young to contact Jeralee Richmond regarding any matters involved with the House of Diggs?

A Not to my knowledge and recollection.

Q Claudia Young was merely obtaining a mailing list from the House of Diggs records; is that not correct?

A Those were instructions, yes.

Q You have testified regarding the loan that you obtained from Union First and also about turning over \$1,500 to Clarence Robinson; is that correct?

A Yes, sir.

Q Part of the testimony was that there was a \$500 Treasury check which was reimbursement; is that correct?

A Yes, sir.

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Q Did you receive any authorization to use that reimbursement check?

A Yes, sir.

Q To give to Mr. Robinson?

A Yes, sir.

Q Who authorized you to do that?

A The Congressman.

MR. KOTELLY: Your Honor, if I might look at the cashier's checks and money orders that were separated by Ms. Stultz and see the group that were congressionally-related. I believe that was the right side, Your Honor.

BY MR. KOTELLY:

Q Ms. Stultz, I show you one of these documents that you placed on the congressionally-related list, 23-U and ask you who was that for?

A This is to Wayne County Democratic Committee.

Q To your knowledge was the Congressman required to give money to the Wayne County Democratic Committee?

A Well, I don't know.

Q Was it a requirement of being a Congressman that he had to belong to the Wayne County Democratic Committee?

A I'm not really sure.

Q I show you 23-X and ask you the payee on that

000468

one.

A Bazleton Florist.

Q What was the purpose of paying a bill of  
Bazleton Florist of the Congressman?

A This was his flower account.

Q Flowers for whom?

A Well, the Congressman would purchase flowers  
for some of his friends or constituents who were ill.

Q Was that required of the Congressman?

A Or deceased. It was not a condition or  
requirement for his employment or his position as  
Congressman.

Q You separated a money order 45-U to Barnett  
Caterers. Is that for catering some function?

A Yes. This was for catering a reception the  
Congressman sponsored, I believe, in the House of  
Representatives.

Q Was that required of the Congressman that he  
had to sponsor that function?

A No, it was not required.

Q 23-Z is your personal check to E. C. Chapter,  
Historical College Alumni. Do you know if that check  
was required to be paid by Congressman Diggs because  
of his position as a Congressman?

A No, sir.

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Q 45-F is a money order to the House Stationery Account; is that correct?

A Yes, sir.

Q On occasion did you have to put money into the House Stationery account?

A Yes.

Q Why was that?

A Because all of our funds had been exhausted.

Q Why was it that your funds were exhausted?

A Well, usually at the beginning of each year the Congressman would withdraw a large amount of cash from this account which was permitted.

Q And the money that was withdrawn from cash, was it given to you to operate any of the district expenses?

A If so, not the total amount.

MR. KOTELLY: I return these to the Clerk, Your Honor.

No further questions, Your Honor.

THE COURT: Mr. Povich.

RECROSS EXAMINATION

BY MR. POVICH:

Q Mrs. Stultz, Mr. Kotelly asked you when you met with Mr. Beizer whether or not any -- I don't know what the question was. It was whether any arrangements were made or deals were made with you; is that correct?

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14 MR. POVICH: I'm sorry, Your Honor. I have  
15 forgotten the exact words.

16 BY MR. POVICH:

17 Q Do you remember that question?

18 A I don't remember the exact words either but I  
19 remember the question.

20 Q Do you remember the gist of it, if any arrange-  
21 ments had been made about your appearing to testify?

22 A I don't know. Why don't you restate as best  
23 you think and I will answer the question.

24 THE COURT: What, if any, promises were made  
25 her.

14 BY MR. POVICH:

15 Q Yes. What, if any, promises were made? What,  
16 if any, promises were made, and you say no promises were  
17 made; is that right?

18 A No, sir.

19 Q Well, now, Mrs. Stultz, you are appearing in  
20 Court today and testifying under oath; is that correct?

21 A Yes, sir.

22 Q At any time prior to the time you appeared in  
23 Court to testify did the Government make any representa-  
24 tion to you with respect to your testimony today?

25 A Prior to my appearance today but not at the  
time that Mr. Beizer spoke with me.

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1 Q Not at the time Mr. Kotelly specifically  
2 mentioned?

3 A Nor not prior to my grand jury testimony.

4 Q Nor prior to your grand jury testimony.

5 A Right.

6 Q But prior at some point they did; is that  
7 what you are saying?

8 A They -- at some point we discussed it, yes.

9 Q What did you discuss? What promises or  
10 representations were made to you?

11 A My attorney -- the discussion was between my  
12 attorney and Mr. Kotelly and Mr. Marcy.

13 Q What was your understanding of what represen-  
14 tation the Government made, what promises, if any, the  
15 Government has made?

16 A The only understanding I received was that  
17 Mr. Kotelly and Mr. Marcy had no intention of prosecuting  
18 me for my testimony. They would not give me immunity.

19 Is that what you are trying to get me to say?  
20 They would not give me immunity but they themselves had  
21 no intentions of prosecuting me for my testimony.

22 Q You say they would not give you immunity?

23 A They would not. They did not ever promise me  
24 immunity.

25 Q Well, did you have any other discussions with

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them?

A My attorney may have. That was the only discussion at which I was present in their office.

Q Was there any other occasion at which the matter of any promises or representations made to you again came up?

A Not in the presence of the District Attorney's office, not with me. That was the one occasion with me.

Q And you have not had any discussion with them since?

A Not me personally, no.

Q Well, has your attorney on your behalf had discussions with them?

A My attorney may have.

Q What is your understanding as to any promise or representations made by the United States Attorney's Office?

A My attorney informed me yesterday morning after the meeting in the courtroom that she had received assurance again that I would be free of prosecution for my testimony in this trial.

Q And that took place in this courtroom?

A That took place in the witness room outside of this courtroom yesterday morning.

Q And that was right after you had started to

000473

1 testify?

2 A Yes, sir.

3 Q And then there was a recess?

4 A I believe there was, yes.

5 Q Then you don't know what happened but after  
6 that recess your attorney came out and advised you  
7 what, that the Government had done what?

8 A My attorney advised me that she had received  
9 an assurance that I would not be prosecuted for my  
10 testimony.

11 MR. POVICH: Thank you very much.

12 MR. KOTELLY: Just a couple of additional  
13 questions, Your Honor.

14 REDIRECT EXAMINATION

15 BY MR. KOTELLY:

16 Q Mrs. Stultz, regarding your understanding of  
17 what the assurances of the prosecutor are you do under-  
18 stand, do you not, if you commit perjury or lie under  
19 oath that you can be prosecuted for that?

20 A Yes, sir.

21 MR. KOTELLY: I have nothing further.

22 THE COURT: Anything else?

23 MR. POVICH: I'm sorry, Your Honor, nothing.

24 THE COURT: Did you have anything based on  
25 that last question?

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11 MR. POVICH: I'm sure, Your Honor, but I will  
12 end the examination now.

13 THE COURT: All right. May the witness be  
14 excused, gentlemen?

15 MR. KOTELLY: Yes, Your Honor. We would ask  
16 she be excused.

17 THE COURT: You may be excused. Thank you.

18 (Witness excused.)

19 MR. KOTELLY: I call Felix R. Matlock.

20 Whereupon,

21 FELIX R. MATLOCK

22 was called as a witness by and on behalf of the Government  
23 and, having been first duly sworn was examined and  
24 testified as follows:

25 DIRECT EXAMINATION

26 BY MR. KOTELLY:

27 Q Would you please state your full name for the  
28 record?

29 A Felix R. Matlock.

30 Q Mr. Matlock, where do you presently live?

31 A 9110 Darcy Street, Detroit, Michigan, ZIP is  
32 48204.

33 Q How long have you lived in Detroit, Michigan?

34 A Since 1939.

35 Q Mr. Matlock, are you presently employed?

36 000475

1 A Yes.

2 Q For whom are you employed?

3 A Congressman Diggs.

4 Q What position do you hold in the employment of  
5 Congressman Diggs?

6 A Caseworker and field representative.

7 Q Where are your offices?

8 A Offices at the present time, our offices are  
9 at 83 -- our offices at the present time are at 6362  
10 Grescher, and we have one at 8401 Woodward.

11 Q The person that you employed by Congressman  
12 Diggs, do you see him here in court today?

13 A Yes, sir. He is seated at the table.

14 MR. KOTELLY: Satisfied with the identifica-  
15 tion?

16 MR. POVICH: Yes.

17 BY MR. KOTELLY:

18 Q How long have you worked as a Congressional  
19 employee for Congressman Diggs?

20 A January, 1965.

21 Q Did you know Congressman Diggs prior to that  
22 time?

23 A Yes.

24 Q Have you worked for Congressman Diggs prior  
25 to the time that you were not on his congressional

000476

payroll?

A Yes. I was in the insurance business.

Q What period of time?

A 1950 to the end of 1964.

Q Now, you have indicated that you began working for Congressman Diggs in 1965; is that correct?

A That's right.

Q What was your position at that time?

A In 1965 I was a field representative.

Q What generally were your duties as a field representative?

A Caseworker, office duties, field work.

Q Casework consists of what?

A Assisting people with problems, the constituents, such as welfare and so forth.

Q Do you have much contact with Congressman Diggs' office in Washington, D.C.?

A Occasionally by telephone.

Q Mr. Matlock, do you know an individual named Jean Stultz?

A Yes.

Q How long have you known her?

A Since 1973.

Q How do you know her?

A I met her here in Washington as an employee

000477

of Congressman Diggs.

Q What was Mrs. Stultz' position in relation to yours?

A I always knew her as the office manager.

Q As the office manager what, if anything, responsibilities, did Mrs. Stultz have regarding your day-to-day functions as an employee of Congressman Diggs?

A She called me on various problems as they occurred that related to the District.

Q Mr. Matlock, as an employee of Congressman Diggs do you receive a salary?

A Yes.

Q How frequently are you paid?

A Once a month.

Q During the period of 1975-1976, during that period of time how did you receive your salary?

A Through the mail either at the office or my home address.

Q Where would that be?

A At first when I first started it was at an office that we had on Mt. Elliott. Later on it was -- the office was moved to 1201 East Grant Boulevard and then later I received my checks at 4824 Woodward and then I started getting the checks at home.

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Q At home was where?

A 9110 Darcy.

Q Did you always receive your checks by mail?

A Always by mail.

Q Were there any months did you did not receive your check by mail?

A No.

Q What part of the month did you receive your salary check?

A Either at the end of the month or the first of the month.

Q After receiving your salary check, Mr. Matlock, what would your normal practice be as to what you did with it?

A I would go to the bank and deposit it. At first I would deposit part of my check for my wife's allowance, then the balance to my own checking account.

Q Mr. Matlock, I will show you a group of Treasury checks, Government's Exhibit 9-A through 9-I and ask you to look at the front and the back of those documents and ask you if you can identify those?

A I identify these documents because they have my name on them. These are at my office address, 4825 Woodward, where the check was mailed and they have my signature on the back.

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Q That is as to 9-A that you have in your hand?

A That is as to 9-A.

Q I would ask you to just quickly look through all the rest and see if your signature appears on all those documents and your name and address on the front of each of those documents?

A On Exhibit 9-B --

Q Why don't you just look at all of them one right after another without having to say anything at this time.

Have you looked at all the checks, Government's 9-A through 9-I?

A Yes.

Q Does your name appear on each one?

A My name appears on each one.

Q Does your name and address appear on the front of each one?

A Either my office address or my home address.

MR. KOTELLY: Your Honor, at this time we would move into evidence Government's Exhibit 9-A through 9-I.

THE COURT: Do you wish to be heard?

MR. POVICH: No, Your Honor. We have no objection.

THE COURT: They will be received.

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THE CLERK: Government's Exhibits 9-A through  
9-I received in evidence.

(Whereupon, Government's  
Exhibits 9-A through 9-I were  
received into Evidence.)

BY MR. KOTELLY:

Q Mr. Matlock, during the period of time that  
you worked with Congressman Diggs since 1965 to the  
present, how frequently did you have contact with  
Congressman Diggs?

A On the weekends when he comes home.

Q Where do you usually see the Congressman?

A At the office. Occasionally I pick him up at  
the airport.

Q Now, Mr. Matlock, as far as your employment  
at the District Office, in the period of 1973 through  
the end of 1976 where was that located, the office that  
you were in?

A In the period of 1973 to 1976 the offices  
were located at 4825 Woodward and 8401 Woodward.

Q Did you work at each of those offices?

A At each one.

Q Were those offices at different periods of  
time between 1973 and the end of 1976?

A Yes.

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Q Mr. Matlock, was there any other District office at that time?

A At that time?

Q During that period of time?

A During that period we opened an office at 8315 Mack Avenue and then later on I think it was at the end of '76 we moved the Mack Avenue office to 6362 Greshner.

Q Did you work at either of those two offices?

A No, no.

Q Now, Mr. Matlock, during this period of 1973 through the end of 1976 did you have any personal knowledge as to how any expenses relating to the operation of the District offices were paid?

A In 1973 I had no personal experience with the exception of -- No, not in 1973.

In 197 -- latter part of '74 or '75 when the office was opened at 8315 Mack Avenue I was told that the Government paid part of the rent and the Congressman paid the other.

Q Who told you that?

A Mrs. Stultz.

Q Did you have any connection with paying any of the expenses at the District Office?

A Not that I recall.

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Q Did there come a time when you did pay any of the expenses at the District Office?

A Yes.

Q When was that?

A '75. Occasionally -- oh, no. In '73 there were some expenses with signs and in '75 there were -- there began expenses with lights, with heating, with the lights, the heat, Real Leasing Company.

Q What was that?

A That was for our mobile van. That was for the payments I made, and I made payments on occasions to the House Recording Studio here in Washington.

Q Directing your attention to the period of 1973, 1974 could you indicate on how many occasions you can recall paying for any expenses?

A 1973, three or four times.

Q 1974 can you recall any during that year?

A A few times, three or four times.

Q How did it happen that you paid these expenses for the District Office?

A Mrs. Stultz would contact me and tell me that certain expenses exist and she was going to put some money in my check and she would tell me when to send it to her so it could be paid.

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Q After these conversations with Mrs. Stultz,  
what would happen as far as your paycheck?

A My paycheck would go up.

Q What, if anything, would you do after you  
received this paycheck that had gone up?

A After the paycheck had gone up I would --  
when I would get paid I would have in most instances  
prior knowledge of the bill. I would go to the bank,  
either to the Bank of the Commonwealth or to the  
National Bank of Detroit and buy the money orders and  
send them to Washington.

Q Why would you purchase money orders?

A So I'd have a record of them.

Q Did anyone advise you as to using money  
orders?

A Yes. Mrs. Stultz told me to get a money  
order.

MR. KOTELLY: I ask to have marked 47-A through  
E, Your Honor.

(Whereupon, Government's  
Exhibits Nos. 47-A through  
47-E were marked for identifi-  
cation.)

BY MR. KOTELLY:

Q Mr. Matlock, I show you five money orders.

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Government's Exhibits 47-A through E, and ask you if you can identify those documents?

A 47-A is a money order purchased by me.

Q How can you tell that?

A It's my writing and I used the money order to pay the sign man, the Staff sign.

Q What was the purpose of your paying the Staff?

A To put a sign on the door.

Q 47-B, can you identify that?

A 47-B was a money order that I purchased to pay George Fishman who at that time was our landlord at 4825 Woodward.

Q What was the amount of that money order?

A This one is for \$300.

Q 47-C, can you identify that document?

A 47-C is the same thing. It's for signs paid to the Staff Sign Company.

Q How do you identify that?

A Because it's my writing and I hand delivered the check.

Q Now, I also ask you to look at 47-D and E on the next page and ask you if you can identify those documents?

A 47-D was money order that I purchased and

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paid \$300 to Bell Telephone.

Q How do you identify that?

A It's my handwriting. I bought the money order.

Q And 47-E?

A 47-E is another one that I purchased and paid to Bell Telephone. I identify it because it is my handwriting and again it was hand delivered by me.

Q Government's 47-D and E, for what purpose did you pay those money orders?

A To pay on the telephone bill.

Q For where?

A For Congressman Diggs' office in Detroit.

Q Why did you purchase the five money orders, 47-A through E?

A I purchased them because I was instructed to purchase them.

Q How did you pay for them?

A I paid for them out of my check.

Q During that period of 1973 and 1974, Mr. Matlock, the payment of bills by yourself, was it frequent or infrequent?

A Infrequent.

Q Directing your attention to 1975, during that year did you pay for any office expenses?

A Yes.

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Q Were your payments of office expenses in 1975 frequent or infrequent?

A At first it was infrequent and then it became frequent.

Q Approximately when did it become frequent?

A I would think around the middle of '75.

Q How did it occur around the middle of '75 that you began to frequently pay these expenses?

A Mrs. Stultz told me that most of the bills were down there in the District and Detroit and it was a waste of time to mail the money orders to Washington and she would get with me each month and tell me which bills to pay and just go buy the money orders and pay them.

Q What, if anything, occurred as far as your salary was concerned?

A It went up.

Q Mr. Matlock, during the early months of 1975 do you recall what your salary was?

A In the early months of 1975 I don't recall exactly.

Q Would you give us any type of an estimate as to the amount of money that you were making?

A Around fifteen.

Q \$15,000?

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