

1 A Yes. I was getting fourteen and then I got  
2 a thousand dollar raise.

3 Q Do you recall when it was that you went from  
4 \$14,000 to \$15,000?

5 A I think that was the latter part of '75.

6 Q You are referring to \$14,000 and \$15,000 a  
7 year; is that correct?

8 A That's right.

9 Q When you began paying for these offices  
10 expenses do you know what your salary was?

11 A Well, when I began to pay the office expenses  
12 my salary went up to around \$19,000, net checks. The  
13 gross checks went from -- first it went up to around  
14 a little better than \$2,000 and then it jumped up to  
15 around \$3,100.

16 Q You are talking now about the amounts of the  
17 checks; is that correct?

18 A That's right.

19 Q Do you know what your annual salary was after  
20 you had increases in your salary?

21 A After I had increases in my salary my annual  
22 salary was in the neighborhood of in the first year,  
23 '75, was in the neighborhood of \$20,000 and then it  
24 kept on going up and at the end of '76 I received  
25 \$35,000.

000488

Q Mr. Matlock, I again show you Government's Exhibits 9-A through 9-E which are the Treasury checks that have been admitted in evidence that show your salary. As to the first check on, 9-A, could you indicate to the jury the date and the amount of that check?

A July 31st, 1975: the amount of the check was \$907.32.

Q To your knowledge, of your own salary checks was that an increased check or was that not an increased check?

A This was not an increased check.

Q Could you indicate the second check as 9-A, the date and the amount?

A August 29, 1975; the amount went up to \$1,483.16.

Q Of that amount of money, Mr. Matlock, was any of it spent for office expenses?

A Yes.

Q Could you indicate to us how much of that second check would have been considered as your own salary?

A The difference in the \$907.32 plus I was told to use seven percent of the total check from my state and city income tax.

000489

Q What did you do as far as that money calculated as seven percent?

A That was for my tax.

Q What did you do with the actual money itself?

A I kept that and put it in the bank.

Q I would ask you to also go over to the next 9-B which is in evidence and again read to the jury the date and the amount of that check.

A September the 3rd of 1975. The amount of the check was \$1,960.57.

Q And the second check, date and amount?

A October 13, 1975; the amount was \$1,287.70.

Q Of that money were you allowed to keep all or just a portion?

A Just a portion.

Q The next Government's 9-C, would you read the amount of the check and the date of the check?

A November the 28th, 1975; \$1,706.22.

Q I don't remember. Did you give the date of that one?

A November the 28th, 1975.

Q I am sorry. You did.

The next check, date and the amount?

A December 19, 1975; amount was \$1,706.22.

Q Were you allowed to keep all of that?

000490

1 A No.

2 Q Or just a portion?

3 A Just a portion.

4 Q I ask you to go to the next check. What  
5 exhibit number is that, the one you are presently  
6 looking at?

7 A 9-D.

8 Q Would you again recite the amounts and the  
9 date of the top check and the second check?

10 A The date was January 30, 1976. The amount  
11 was \$1,153.34.

12 Q And the second check?

13 A Second check dated February 27th, 1976.  
14 The amount, \$1,453.34.

15 Q Were you allowed to keep a portion of that or  
16 were you allowed to keep the whole amount?

17 A A portion of it.

18 Q Are we on D or E now?

19 A We are on E now.

20 Q Could you recite the date and the amount of  
21 those two checks?

22 A March the 31st, 1976; \$2,014.96.

23 Q The second check?

24 A April the 30th, 1976; \$1,963.65.

25 Q Again I would ask you, were you allowed to

000491

keep a portion or the whole check for yourself?

A A portion. A portion.

Q 9-F, sir, I believe there is just one check on that page. I would ask you to give the date and the amount.

A 9-F, June 30, 1976; the check was \$1,063.65.

Q Again were you allowed to keep a portion or use the whole amount for yourself?

A A portion.

Q Next exhibit should be 9-G.

A 9-G, the check was dated 7/30/76. The amount, \$1,963.65.

Q The second one?

A Second check dated 8/31/76; amount, \$1,963.65.

Q Again were you allowed to use the whole amount for yourself?

A No.

Q The next check, which would be 9-H?

A Next check, 9-H, dated 9/30/76; \$1,963.65.

Q Could you repeat that number?

A The amount of money is \$1,963.65.

Q And the second check on that page? I don't believe that you read that, Mr. Matlock, 9-H.

A Second check on the page dated 10/29/76; amount was \$2,073.80.

000492

Q The next check should be 9-I.

A The date was 11/30/76; amount, \$2,073.80.

Q And the second check?

A Second check dated 12/20/76; amount was \$2,073.80.

Q As to these last three exhibits that you have identified, were you allowed to keep all of them for yourself or just a portion?

A No.

Q Mr. Matlock, from August of 1975 until the end of 1976, would you have identified checks as showing an increased salary for you, was there a regular procedure that you followed in finding out what expenses to be paid and then how they were paid?

A The procedure during the time that Mrs. Stultz was there, she would inform me of the bills pertaining to the District.

I would inform her of the same and then what would happen, I would get my check. I would go to the bank and deposit a portion of my check to my wife's allowance. I would take out the seven percent; deposit my own allowance in my own checking account; then with the difference I was instructed to buy money orders and send them to Washington.

Q Who instructed you to buy money orders?

000493

1 A Jean Stultz.

2 Q Where would you buy these money orders?

3 A If I was going to buy the money orders prior  
4 to -- if I knew exactly what the bills were going to be  
5 I would buy the money orders at the National Bank of  
6 Detroit or I would buy the money orders at the Common-  
7 wealth Bank.

8 Q Who was it that would determine who was to  
9 be paid and the amount to be paid?

10 A At first it was Mrs. Stultz. Then afterwards  
11 after she left it was Congressman Diggs.

12 Q How would you be notified as to who was to be  
13 paid?

14 A Most of the time we would do it when he would  
15 come to Detroit.

16 Q During the time that Mrs. Stultz was the  
17 office manager, at what time would it be decided?

18 A At the end of the month.

19 Q In what manner would you be told about this?

20 A Over the telephone.

21 Q After you purchased these money orders,  
22 Mr. Matlock, what did you do with the originals?

23 A The originals I would send them to Washington  
24 after making a copy of them for myself in my own  
25 records.

000494

Q Did this procedure occur all the time after  
mid-1975?

A Yes.

Q Were there any occasions when you directly  
paid any of these bills yourself?

A I would always hand deliver the bills, the  
money orders for the bills.

Q Mr. Matlock, I show you what has previously  
been identified as money orders, copies of money orders  
from the National Bank of Detroit, 47-D, G, H, I, J  
and M and ask you to look at each of these documents and  
ask you if you can identify them?

A 47-F --

Q Look at all of them and see if you can identify  
all of them, Mr. Matlock.

A Yes.

Q How do you identify all of them?

A I identify them because I purchased them. I  
dated them. I signed the Congressman's name on them,  
the address of the office, with the exception of this  
one from Jim Real. That was typed in, but this is my  
writing. I no doubt had somebody type Jim Real on it.

Q Your handwriting appears on each of those  
documents; is that correct?

A That's right.

000495

Q Who directed you to purchase those money  
orders, if you know, Mr. Matlock?

A Jean Stultz.

Q Were those documents purchased by you and  
then sent to the person named on them?

A No. They were purchased by me but I hand-  
delivered them.

Q Hand delivered them?

A Yes.

Q Would you do that on each occasion?

A On each occasion.

Q Would you go through those exhibits stating  
the exhibit number, the payee and the purpose of the  
payment and the amount of the payment?

A 47-F was for \$405.84. That was to Jim Real  
Leasing Company.

Q What was that for?

A To pay the note on the mobile van.

Q Fine. 47-G?

A 47-G, the amount -- the date is 6 of December  
'75; \$85 to Merle Staff Sign Company for sign painting.

Q With the office?

A With the office.

Q Next exhibit, 47-H?

A 47-H, date is 12/5/75 for \$277, paid to

000496

WJLB Radio Station to pay on the radio program.

Q Whose radio program?

A Congressman Diggs' radio program.

Q The next one is what number?

A 47-I.

Q Who was the payee and the amount and the purpose?

A December the 6th, '75; the amount, it was -- I can hardly see it. .

Q Why don't you just tell us the name then.

A It appears to be \$70.30. It was paid to One-Stop Locksmith for locks on the door for the office.

Q At the office of Congressman Diggs?

A Yes.

Q And the last document there is 47 what?

A 47-J.

Q Who is that to, the amount and the purpose?

A \$200 to Michigan Bell to pay on the office telephone.

Q And the next money order?

A The next money order is for \$77.20 paid to Detroit Edison for the light bill.

Q And the number on that exhibit?

A The number on this one is 47-M.

Q Thank you.

000497

Mr. Matlock, I next show you Government's Exhibits 48-A through D which has been identified earlier as personal money orders from the National Bank of Detroit. These are original copies. I ask you to look at all of them and ask you if you can identify them?

A Yes.

Q How do you identify them?

A I identify them by my handwriting.

Q Does your handwriting appear on each of these?

A My handwriting appears on each one.

Q Would you state to the jury starting with 48-A the payee, the amount and the purpose of each of those documents?

A 48-A, the amount was \$14. That was to Borin Oil Company. The purpose of it was to buy gas for the mobile unit.

Q 48-B?

A 48-B, the amount \$38.85 to Edison Company to pay the light bill.

Q For what?

A It would appear that this was for the light bill at either one of the offices, either 4825 Woodward or 8315 Mack Avenue.

000498

Q 48-C?

A 48-C, the amount is \$100 paid to Maxine Young for an ad.

Q What kind of an ad?

A A program, a political program.

Q Whose ad was that?

A Congressman Diggs.

Q Next one is 48-D.

A 48-D is \$101.46 paid to Jim Real Leasing Company for the note on the mobile office.

Q I next show you Government's Exhibits 48-G through 48-N and ask you to look at all of those and ask you if you can identify them?

A Yes.

Q How do you identify each of those?

A My handwriting.

Q Were those money orders that you purchased?

A They are money orders that I purchased and money orders that I hand delivered.

Q Starting with 48-G could you indicate the amounts, the person paid and the purpose?

A 48-G, the amount is \$101.46 paid to Jim Real Leasing Company for the note on the mobile unit.

Q 48-H?

A I was looking. Yes, it is on the back.

000499

Q 48-H?

A 48-H was for \$.91 paid to Michigan Gas Company for the gas bill at 8315 Mack Avenue.

Q 48-I?

A 48-I was for \$47 paid to Borin Oil Company for gas for the mobile unit.

Q 48-J?

A 48-J was \$13 for gas paid to Borin Oil Company.

Q Same purpose?

A For the same purpose.

One-Stop Locksmith, \$42.60 was for the locks to be changed on the door. I think that was at 4825 Woodward.

Q That's 48-K you just looked at?

A 48-K.

Q 48-L?

A 48-L, \$59.69 was for Edison.

Q Light bills for the office?

A Light bills for the office.

Q 48-L?

A 48-L, \$94.82 paid to Vaughn Mirror & Glass Company to repair the glass door at 4825 Woodward.

Q 48-M?

A M was \$500 paid to WJLB Radio for the radio program.

000500

Q For the Congressman?

A For the Congressman.

Q I next show you 48-P through 48-S and ask you to look at these money orders from the National Bank of Detroit and ask you if you can identify them?

A Yes.

Q How do you identify that?

A I identify the first one even though the signature is not mine, but the House Recording Studio for the \$400, that's in my handwriting.

Q The signature that you say is not yours, do you recognize that signature?

A It appears to be Congressman Diggs' signature.

Q The next exhibit -- Let me ask you, for the House Recording Studio what was the purposes of sending that money order?

A To pay for the taping of the radio program and the television program.

Q For Congressman Diggs?

A For Congressman Diggs.

Q And the next item on that was Exhibit 48-what?

A 48-Q.

Q Amount and the person paid?

A The amount is for \$300. The person paid was WJLB Radio, paid for Congressman Diggs' radio program.

000501

Q It would be 48-R?

A 48-R, \$55.79 paid to Detroit Edison for the light bill.

Q And 48-S?

A 48-S was for \$50 paid to the Martin Mirror & Glass Company for glass breakage.

THE COURT: Counsel, come to the Bench, please.

(At the Bench.)

THE COURT: How much more of this do you have?

MR. KOTELLY: Probably go close to 5:30, Your Honor.

THE COURT: How about your cross?

MR. WATKINS: I don't think it will be very long, but I can't really predict.

THE COURT: I think we will go to 5:00. We will knock it off at 5:00. If we have got to sit tomorrow we don't want to go too late tonight.

(In open court.)

BY MR. KOTELLY:

Q Mr. Matlock, as to each of these National Bank of Detroit money orders that I have just showed you for you to identify both the originals as well as the copies, were all of these instruments purchased by you

000502

either at the direction of Jean Stultz or Congressman  
Diggs?

A Yes.

Q Were all of them paid for out of the extra  
money that was put into your paycheck?

A Yes, with one exception.

Q Please tell us about the exception.

A The money paid to the Boron Oil Company, we  
would buy the gas at the gas company -- oil company  
rather and send the receipts to Washington and we would  
be reimbursed. At first we were reimbursed by the  
leasing company up to \$50 a month.

Q Did you ever exceed \$50 a month?

A No.

Q Then later who were you reimbursed by?

A Later we were reimbursed -- we would just  
simply, we would send receipts and the check would come  
from Washington. I never did see it any more.

Q As far as the reimbursement, you did not see  
it any more?

A No.

Q But the money for Boron Oil was reimbursed  
by the leasing company to your knowledge; is that  
correct?

A That's right. That's right.

000503

1 Q That money that you were reimbursed from  
2 the leasing company, how was that money used?

3 A Beg your pardon?

4 Q The money that you received as reimbursement  
5 for having paid Boron Oil, what did you use that money  
6 for?

7 A To go and pay the oil bill.

8 Q For later oil bills?

9 A No, for -- yes, it was for the oil bill that  
10 was due.

11 Q My question was when you received reimbursement  
12 from the leasing company what form would that  
13 reimbursement be, a check or cash?

14 A Well, I don't know because the reimbursement  
15 money went to Washington.

16 Q During the time that the leasing company was  
17 reimbursing?

18 A Yes.

19 Q Would you see any of that money?

20 A I would.

21 Q Reimbursement money?

22 A No. I would only see it when they sent me a  
23 check back to pay the oil company.

24 Q So we won't cause confusion, who would send  
25 you a check back?

000504

1 A Jean.

2 Q And what kind of check was it?

3 A It would be a check from, most of the time,  
4 from the oil company.

5 Q It was not Jean Stultz' check or the  
6 Congressman's check?

7 A No, no, no.

8 Q What would you do with the check that Jean  
9 Stultz would send you?

10 A I would cash the check.

11 Q Then what would you do with the money?

12 A Then take the money and pay the oil company.

13 Q For the next bill?

14 A For the next bill.

15 Q 50-A through 50-KK, I would ask you to look  
16 through those and ask you whether you can identify your  
17 handwriting on each of those documents? Just go through  
18 them quickly one at a time. If there are any that do  
19 not have your handwriting on it, please indicate that  
20 to us.

21 A Here. That's my handwriting. I am sorry.  
22 It is my handwriting. Part of it is my handwriting.

23 Q If your handwriting appears on any part of  
24 the document please indicate that to us.

25 THE CLERK: For the record, Your Honor, that

000505

is 50-D.

BY MR. KOTELLY:

Q Continue on looking at the documents,  
Mr. Matlock.

Have you had an opportunity to look through  
all of those?

A Yes.

Q Does your handwriting appear on each of those  
money orders from the Bank of the Commonwealth?

Have you found one your handwriting is not on?

A I found one that my handwriting is not on.  
It doesn't look like my handwriting, but I purchased  
that myself. I paid that.

Q It says 50-II?

A I paid that.

Q Well, what do you mean that you paid that,  
sir?

A I can recall paying this \$70 for a company  
boatwright.

Q Who was that for?

A Congressman Diggs.

Q You can recognize it based on the amounts of  
money?

A Yes.

Q And to whom it is paid?

000506

1 A Yes.

2 Q But your signature does not appear or your  
writing does not appear on that?

3 A No. My writing doesn't appear on it.

4 MR. KOTELLY: That's 50-II, Your Honor.

5 THE COURT: All right.

6 BY MR. KOTELLY:

7 Q Does your signature then appear on all of the  
8 other money orders from this Bank of Commonwealth,  
9 50-A through 50-KK, other than 50-II?

10 A Yes.

11 Q Were each of these money orders from the  
12 Bank of the Commonwealth purchased by you at either the  
13 direction of Mrs. Stultz or Congressman Diggs?

14 A Yes.

15 Q Were they purchased by you for monies that  
16 you received in your extra salary?

17 A Yes.

18 Q I next show you Government's Exhibit 50-MM  
19 through 50-QQ and ask you to look at those few documents  
20 and ask you if you can identify your handwriting on  
21 each of those documents?

22 A Yes.

23 Q Is your handwriting on each of those documents?

24 A Yes.

25 000507

Q Those money orders from the Bank of the Commonwealth, were they all purchased by you?

A All purchased by me.

Q Were they purchased at the direction of either Jean Stultz or Congressman Diggs?

A Yes.

Q Were they from monies in your extra salary?

A Yes.

Q I will try to expedite this. I show you Government's Exhibit 50-A. Could you tell us the payee, the amount and the purpose?

A This was Consolidated Gas Company to pay a gas bill at one of the offices.

Q 50-B for identification, could you tell us the payee, amount and the purpose?

A Michigan Consolidated Gas Company. The amount, \$101.45 to pay the gas bill at 8315 Mack Avenue.

Q 50-C for identification, could you tell us the amount, the payee and the purpose?

A The amount is \$60.73 to Edison for the light bill.

Q Light bill for whom?

A For Congressman Diggs?

Q 50-D for identification, the amount, payee and

000508

purpose?

A The amount is \$220. The purpose is WJLB radio for Congressman Diggs' radio program.

Q 50-E for identification?

A The amount is \$45.30 to Edison Company for a light bill at 8315 Mack Avenue.

Q That is the District office; correct?

A Yes.

Q Would this be F for identification?

A 50-F, the amount, \$44.10 to James McCoy.

He did some work. I don't recall exactly what it was.

Q Worked for whom?

A For the office.

Q 50-G for identification?

A 50-G, \$167.25 for the House Recording Studio.

Q For what purpose?

A For recording the radio program and the television program for Congressman Diggs.

Q 50-H for identification.

A The amount of \$100, House Recording Studio.

Q Same purpose?

A For the same purpose.

Q 50-I for identification?

A \$220.52, Roosevelt Chrysler-Plymouth Company for notes on the mobile unit.

000509

1 Q 50-J for identification?

2 A Roosevelt Chrysler Company, \$100.

3 Q Same purpose?

4 A Same purpose.

5 Q 50-K for identification?

6 A This was for repair of the mobile van.

7 Q All right. 50-K for identification?

8 A Jim Real Leasing Company, \$101.46 for the  
9 monthly note on the mobile they had.

10 Q 50-L for identification.

11 A \$140 paid to WJLB for the radio program.

12 Q 50-M for identification?

13 A \$155 paid to WJLB Radio.

14 Q Same purpose?

15 A Same purpose.

16 Q 50-N for identification?

17 A For Jean Stultz, \$177. I don't recall exactly  
18 what that was for.

19 Q Is there any indication on this as to what it  
20 was for?

21 A No. Occasionally she would call me and say  
22 there was a bill due and tell me how much to send.

23 Q 50-O for identification.

24 A House Recording Studio, \$213 for the radio-  
25 television program.

000510

Q 50-P for identification?

A WJLB-Radio, \$250 for Congressman Diggs' radio program.

Q 50-Q for identification, I would ask you to look at the front and back of that one.

A Now, this is for \$250 for the radio program and in making this out at the station I wrote Charles C. Diggs, Jr. on the front when I should have written WJLB, and they had me sign my name on the back.

Q All the writing on that document is yours as far as you know?

A Yes.

Q It was paid to whom?

A WJLB.

Q And it was for?

A For the same purposes as before.

Q 50-R for identification?

A WJLB-Radio, \$70 for the same purpose.

Q 50-S for identification?

A This was a traffic ticket of \$17 that someone got with the mobile van that had been paid.

Q Put aside 50-T for Boron Oil since that had been reimbursed later.

50-U for identification, I ask you to identify that one.

000511

1       A    This is for \$50 to reimburse Phil Simms for  
2       fans that he bought for the office at 4825 Woodward.

3       Q    50-V for identification?

4       A    Press Picture Service, \$20.80 for pictures  
5       taken on the mobile van.

6       Q    50-W for identification?

7       A    Ruth Rox, \$6.75.

8       Q    Is that \$6.75 or \$6,075?

9       A    Six dollars. This was reimbursement for  
10      parking expenses.

11      Q    50-X for identification?

12      A    City Election Commission, City Treasurer.

13      Q    Amount?

14      A    \$12.00.

15            This was for three copies of the Detroit  
16      street directory.

17      Q    50-Y for identification?

18      A    Jim Real Leasing company, \$101.46 for the note  
19      on the mobile office.

20      Q    50-Z for identification?

21      A    House Recording Studio, \$250 to pay for  
22      recording the radio program and television program for  
23      Congressman Diggs.

24      Q    50-AA?

25            THE COURT: How many more of those have you

000512

got?

MR. KOTELLY: Probably about 20, Your Honor.

THE COURT: We will recess at this point. It is 5:00 o'clock.

Ladies and gentlemen, remember what the Court tells you. You don't discuss the case among yourselves. Don't let anybody talk to you about it. Don't talk to anybody about it. We will recess until tomorrow morning and it will be about 5:30. We will sit all day tomorrow. I want to get through this case as soon as we can.

All right. You are excused.

(Whereupon, the jury left the courtroom.)

THE COURT: Counsel, come to the Bench, please  
(At the Bench.)

THE COURT: How much can you go tomorrow?

MR. KOTELLY: All day. We have more than enough witnesses.

MR. POVICH: Who do you have for tomorrow besides Matlock?

MR. KOTELLY: For tomorrow we have Ruth Rox, Lorraine McDaniels, Ofield Dukes, George Johnson, Jeralee Richmond, are all available and we can have a few more if need be.

THE COURT: All right.

000513

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MR. POVICH: Do you think you will finish?

MR. KOTELLY: I forgot two custodians; one  
from WJLB and one from the Michigan Chronicle we also  
have here.

MR. POVICH: Will you finish tomorrow.

MR. KOTELLY: My guess is probably a little  
into Tuesday.

THE COURT: All right. Very good.

(In open court.)

THE MARSHAL: Court will stand recessed until  
tomorrow morning at 9:30.

(Whereupon, at 5:05 o'clock p.m., the above-  
entitled matter was recessed.)

000514

1. IN THE UNITED STATES DISTRICT COURT

2. FOR THE DISTRICT OF COLUMBIA

3. UNITED STATES OF AMERICA, ]

4. v. ] Criminal No. 78-142

5. CHARLES C. DIGGS, JR., ]

6. Defendant. ]

7. 8. Washington, D.C.

9. 10. September 30, 1978

11. 12. The above-entitled matter came on for further  
13. hearing at 10:00 o'clock a.m. before:

14. HONORABLE OLIVER GASCH  
15. UNITED STATES DISTRICT JUDGE

16. APPEARANCES:

17. ON BEHALF OF THE GOVERNMENT:

18. JOHN KOTELLY, ESQUIRE  
ERIC MARCY, ESQUIRE

19. ON BEHALF OF THE DEFENDANT:

20. DAVID POVICH, ESQUIRE  
ROBERT WATKINS, ESQUIRE  
BERNARD CARL, ESQUIRE

21. -000-

22. REGIS GRIFFEY  
23. Official Court Reporter

000515

## PROCEEDINGS

MR. POVICH: May we approach the Bench?

THE COURT: Yes.

(At the Bench.)

5 MR. POVICH: There is something that has come up  
6 that we had to divert some time again to this morning. We  
7 have a witness who I consider to be a very important witness  
8 in our case who we had hoped to be able to come who has  
9 advised us really now because of scheduling commitments that  
10 he has set months long standing, that he is not going to be  
11 able to come to Washington, but he would, if we could depose  
12 him on Monday, which is an off day, he could do that. And it  
13 is out of town. It is on the west coast, Your Honor, and he  
14 is a very important witness. I would like very much to be  
15 able to go and I can't do it, but Mr. Watkins could do it and  
16 take his deposition.

17 MR. KOTELLY: I am not certain who this witness is,  
18 Your Honor. It is the first I have heard anything about this.  
19 I have no idea of even who this witness is.

20 MR. POVICH: It is an important character witness,  
21 Your Honor, and I would not make the request unless I thought  
22 that it was of sufficient moment for this case to warrant  
23 that kind of --

24 MR. KOTELLY: Your Honor, I would strenuously  
25 object having either myself or Mr. Marcy have to travel way

000516

1 out to the West Coast on Monday in order to take a deposition  
2 of a character witness. Mr. Diggs can certainly have many,  
3 many, many character witnesses here available in town on  
4 Tuesday or Wednesday to testify. A character witness is just  
5 a person who is going to give his personal opinion or reputa-  
6 tion in the community, of the man's character for certain  
7 character traits, and it seems to me that those should be  
8 interchangeable.

9 THE COURT: This case has been set for quite  
10 awhile.

11 MR. POVICH: Your Honor, I --

12 THE COURT: I think this character witness could  
13 conform his engagements to the requirements of the case.

14 MR. POVICH: Your Honor, it is an unusual situation.  
15 The character witness -- it is not a situation of which I  
16 had any control. I don't think he did either. I think his  
17 commitments were set long before this trial.

18 Your Honor, the character witness is President  
19 Gerald Ford who has indicated he would like to speak on  
20 behalf of Mr. Diggs.

21 THE COURT: I would like to have Mr. Ford in court.  
22 I don't think a deposition of a character witness is suffi-  
23 cient.

24 MR. WATKINS: Well, Your Honor, may I be heard?

25 THE COURT: Yes.

000517

1                   MR. WATKINS: Saturday -- I mean Monday is a day off  
2 for us because of the holiday. Mr. Povich is not going to  
3 be available.

4                   THE COURT: I understand.

5                   MR. WATKINS: I am willing to go out to the West  
6 Coast to set this up and to do it. I don't think it would  
7 add unduly to the length of the trial, and it would severely  
8 limit presentation of our defense.

9                   THE COURT: Let Mr. Ford come here.

10                  MR. WATKINS: Very well.

11                  THE COURT: Tell him I said so.

12                  All right.

13                  (In open court.)

14                  THE COURT: Bring in the jury.

15                  (Whereupon, the jury resumed their seats in the  
16                  jury box, and the following proceedings were had  
17                  in open court:)

18                  THE COURT: Good morning, ladies and gentlemen of  
19                  the jury.

20                  THE JURY: Good morning.

21                  THE COURT: You may proceed.

22                  MR. KOTELLY: We would recall Mr. Matlock, Your  
23                  Honor.

24                  THE DEPUTY CLERK: Your Honor, the witness has been  
25                  previously sworn.

000518

1  
2 You may resume the stand, Mr. Matlock. You are  
3 still under oath.

4  
5 DIRECT EXAMINATION

6 BY MR. KOTELLY:

7 Q Mr. Matlock, I would like to show you the  
8 remaining personal money orders from the Bank of the Common-  
9 wealth, which you yesterday identified as having your hand-  
10 writing on them, and again I would ask you to indicate the  
11 amount of money and the payee on each of these.

12 A Exhibit 57 for identification the amount of money  
13 is \$250 paid to the Recording Studio.

14 Q And the purpose?

15 A The purpose was to pay for the recording of the  
16 radio and television program for Congressman Diggs.

17 Q 50-AA for identification.

18 A 50-AA, the amount is \$250, House Recording Studio  
19 to pay for the radio/television program for Congressman Diggs.

20 Q 50-BB.

21 A \$24.25, House Recording Studio to pay --

22 Q Same purpose?

23 A Uh-huh.

24 Q 50-CC?

25 A \$78.19 paid to Edison re: light bill in the District  
Office.

Q 50-DD?

000519

1 A \$70.68 to pay the insurance premium policy for the  
2 Congressman, Congressman Diggs, to the North Carolina  
3 Mutual Insurance Company.

4 Q 50-EE?

5 A \$14.75, House Recording Studio for the radio/  
6 television program.

7 Q 50-FF for identification?

8 A \$220 paid to WJLB-Radio for the radio program of  
9 Congressman Diggs.

10 Q 50-GG?

11 A \$220 paid to WJLB-Radio for the same purpose.

12 Q 50-HH and JJ are made out to whom?

13 A Bolton Oil Company.

14 Q You were later reimbursed for those?

15 A That is right.

16 Q If you just put those aside.

17 50-KK.

18 A \$100.46 paid to Gem Reel Leasing Incorporated for  
19 the note on the mobile unit.

20 Q 50-MM.

21 A Michigan Consolidated Gas Company, \$56.43 which  
22 paid the gas bill at the District Office at 8315 Mack  
23 Avenue.

24 Q 50-NN.

25 A \$93.07 paid to Edison, a light bill for 4825

000520

1 Woodward Avenue.

2 Q 50-00.

3 A \$23.90 paid for a lock repair, One-Stop Locksmith  
4 at the District Office.

5 Q 50-PP.

6 A \$28.71. Edison light bill, District Office, 8315  
7 Mack Avenue.

8 Q And 50-KK.

9 A \$36.09, Michigan Consolidated Gas Company, a gas  
10 bill at 8315 Mack Avenue.

11 Q Mr. Matlock, all of these money orders that I have  
12 shown you from the Bank of the Commonwealth that you  
13 identified yesterday and today, 50-A through 50-KK and except  
14 a few numbers in that sequence, were all of these paid at  
15 the instructions of either Jean Stultz or Congressman Diggs?

16 A Yes.

17 Q And the monies that purchased these money orders,  
18 did they come from your salary, paycheck?

19 A Yes.

20 Q Mr. Matlock, I wish to show you Government's  
21 Exhibit 49 for identification and ask you if your writing  
22 appears anywhere on that document?

23 A No.

24 Q And the payee on that, on Government's Exhibit No.  
25 49 for identification is whom?

000521

1           A    The payee?

2           Q    Yes, who is the payee?

3           A    Charles C. Diggs, Jr.

4           Q    To your knowledge or recollection, did you make  
5   out any personal money orders or cashier checks to Charles C.  
6   Diggs, Jr.?

7           A    I recall making out a cashier's check.

8           Q    Do you recall ever making out any money orders to  
9   Charles C. Diggs?

10          A    Only at the one time and that was to WJLB. There  
11   might have been another time when Jean instructed me, I don't  
12   remember.

13          Q    Okay. I show you Government's Exhibit No. 51-A  
14   through 51-D, which are cashier's checks from the Bank of the  
15   Commonwealth and ask you if your handwriting appears on any  
16   of those documents.

17          A    No.

18          Q    Could you tell us the payee on each of those  
19   documents starting with 50-A, 51-A?

20          A    51-A, Congressman Charles C. Diggs, Jr. 51-B,  
21   Felix R. Matlock, Sr.

22          Q    Is it made payable --

23          A    To Jean Stultz.

24          Q    Okay. Fine. Does your name appear imprinted on  
25   either of those?

000522

1 A No, it is typewriting.

2 Q Okay. Fine. 51-C?

3 A 51-C the payee is Felix R. Matlock, Sr. made  
4 out to Congressman C. Diggs, Jr.

5 Q You mean the payor?

6 A Yes.

7 Q Is Felix Matlock?

8 A Yes.

9 Q 51-D?

10 A 51-D, the payor was Charles C. Diggs, Jr.  
11 made out to WJLB-Radio.

12 Q Would those persons that are listed on those  
13 documents, would they be the type of persons you would  
14 pay with cashier's checks?

15 A Yes.

16 Q I show you 50-LL which is a money order from  
17 the Bank of the Commonwealth and ask you if your writing  
18 appears on that document?

19 A No.

20 Q Who is the payee on that document?

21 A The House Recording Studio.

22 Q Was that the type of person you would pay with  
23 money orders?

24 A That is right.

25 Q I show you 47-L, 47-K and L and ask you if

000523

1 your writing appears on that document?

2 A 47-K, my writing does not appear on the  
3 document.

4 Q And 47-L?

5 A 47-L, my writing does not appear on the  
6 document.

7 Q Who is the payee on those two documents?

8 A Congressman Charles -- Oh, WJLB-Radio.

9 Q Is that the type of person you would pay with  
10 a money order?

11 A Yes.

12 Q I show you this 47-N for identification and  
13 ask you if your handwriting appears on that National  
14 Bank of Detroit money order?

15 A No.

16 Q Who is that made out to?

17 A Gem Reel Leasing, Incorporated.

18 Q Is that the type of person you would make a  
19 money order out to?

20 A Yes.

21 Q For what purpose?

22 A A note on the mobile unit.

23 Q Mr. Matlock, did there come a time when you  
24 no longer received instructions from Jean Stultz as to  
25 what expenses would be paid?

000524

1 A Yes.

2 Q When did that occur?

3 A The end of August of '76.

4 Q Do you recall the reasons that you no longer  
5 had contacts with Jean Stultz about the payment of  
6 expenses?

7 A She was resigning. She was leaving the  
8 employment.

9 Q Of the Congressman?

10 A Yes.

11 Q After Jean Stultz left the employment of the  
12 Congressman, what, if anything, did you do regarding  
13 the payment of expenses for the District Office?

14 A I waited until I saw the Congressman,  
15 Congressman Diggs.

16 Q Did you make any further payments after Jean  
17 Stultz left the Congressman's employment?

18 A Yes.

19 Q Could you tell the jury how that would occur?

20 A That would occur once a month after consulting  
21 with the Congressman, finding out what bills were to be  
22 paid, getting the instructions, then I would pay them.

23 Q For how long a period did you do this?

24 A That was September to October, November, and  
25 December.

000525

1 Q Do you recall making any payments into  
2 January of 1977?

3 A I made one payment.

4 Q Mr. Matlock, were there any occasions when  
5 you would give blank money orders to anyone?

6 A At first I made out blank money orders to  
7 Detroit -- I mean to Washington. That was only on one  
8 occasion. I recall that I gave some blank money orders  
9 to Congressman Diggs.

10 Q Could you tell the jury the circumstances,  
11 the giving of the blank money orders to Congressman  
12 Diggs?

13 A Yes. This was in September. I had deposited  
14 the bill money in my account and I waited for  
15 instructions and we were going over bills and Congress-  
16 man Diggs and I were. I had purchased the money orders  
17 and I bought one for \$101.46 to the Jim Reel Leasing.  
18 I had been instructed prior to that to have \$100 money  
19 order on hand to pay Maxine Young. So, we went over  
20 those two. He told me to pay them. Then I had a few  
21 other money orders left. He says to me, "Give me these  
22 money orders. I will pay the bills myself."

23 Q On how many occasions did you pay money  
24 orders to Maxine Young?

25 A One time to my knowledge.

000526

1 Q I show you again 48-C for identification and  
2 ask you if that is the document you are referring to?

3 A This is it.

4 Q Mr. Matlock, would you read the serial number  
5 on that money order from the National Bank of Detroit?

6 A 7871344.

7 Q Mr. Matlock, do you recall how many money  
8 orders it was that you gave blank to Congressman Diggs?

9 A Three or four money orders.

10 Q Mr. Matlock, are you familiar with the  
11 writing of Congressman Diggs?

12 A Yes.

13 Q How frequently have you seen the Congressman's  
14 signature?

15 A Over the years I have seen it at least  
16 every two or three months.

17 Q Do you believe that you could recognize the  
18 Congressman's signature if you saw it?

19 A I think so.

20 Q I show you Government's Exhibit 48-E for  
21 identification, a personal money order from the  
22 National Bank of Detroit and ask you if you can identify  
23 any of the writing on the front of that document?

24 A Yes. It appears to be Congressman Diggs'  
writing.

000527

1 Q And 48-F for identification, a money order  
2 from the National Bank of Detroit. Can you identify the  
3 writing on that document?

4 A Again, it appears to be Congressman Diggs'  
5 writing.

6 Q 48-F-1 for identification. Can you identify  
7 the writing?

8 A It appears to be Congressman Diggs' writing.

9 Q 48-F-2 for identification. Can you identify  
10 any of that writing?

11 A The signature of the purchaser appears to be  
12 Congressman Diggs, but the person has made out -- that  
13 it is made out to, Ruth Rox, it doesn't appear to be  
14 his writing.

15 Q Who is Ruth Rox?

16 A She is an employee of Congressman Diggs.

17 Q Mr. Matlock, did there come a time when you  
18 stopped paying for the expenses of the District Office?

19 A Yes.

20 Q When was that?

21 A That was -- I stopped paying the 1st of  
22 January of 1977.

23 Q Could you state to the jury the circumstances  
24 that surrounded your stopping the payments of the paying  
25 of expenses?

000528

1 A Well, I had been told by --

2 MR. WATKINS: Objection.

3 THE COURT: Did you get certain information as  
4 a result of what you stopped?

5 THE WITNESS: Excuse me?

6 THE COURT: Did you get certain information  
7 as a result of which you made the decision?

8 THE WITNESS: Yes.

9 THE COURT: From whom?

10 THE WITNESS: First I got it from the  
11 Congressman, Congressman Diggs, and I got it from  
12 Randall Robertson.

13 BY MR. KOTELLY:

14 Q Could you tell us what Congressman Diggs told  
15 you?

16 A He told me that this arrangement would end the  
17 end of the year.

18 Q What, if anything, did the Congressman tell  
19 you about your salary?

20 A He told me that my salary would be \$20,000 a  
21 year.

22 Q Subsequent to that time, what was your salary?

23 A Subsequent?

24 Q After that.

25 A After that, \$20,000.

000529

1 Q Did you pay any further expenses for the  
2 District Office after January 1, 1977?

3 A No.

4 Q Mr. Matlock, during the period of, I believe  
5 it was August of 1975 through the end of 1976, why did  
6 you pay for these expenses out of the District Office?

7 A I didn't want to make any waves.

8 Q Mr. Matlock, when was the first time that you  
9 heard about this investigation, the investigation of  
10 Congressman Diggs?

11 A The 31st of May, 31st of May, 1977.

12 Q What type of notice did you receive?

13 A I received a subpoena from the United States  
14 Justice Department to appear.

15 Q Before that time, before May of 1977 had you  
16 contacted any law enforcement officials regarding your  
17 payment of District Office expenses?

18 A No.

19 MR. KOTELLY: I have no further questions,  
20 Your Honor.

21 THE COURT: Mr. Povich?

22 CROSS EXAMINATION

23 BY MR. WATKINS:

24 Q Good morning, Mr. Matlock.

25 A Good morning, Mr. Watkins.

000530

1 Q Now, Mr. Matlock, you have been an employee of  
2 Congressman Diggs for a long time; is that correct?

3 A That is correct.

4 Q And you were an employee of Congressman Diggs  
5 in his Detroit office from 1973 to '78; in fact, still  
6 are an employee of his?

7 A Yes.

8 Q Now, during the course of your employment you  
9 learned, did you not, that there was never enough money  
10 in the congressional appropriation to pay for the two  
11 District offices?

12 MR. KOTELLY: Objection, Your Honor, unless  
13 the question is asked to his knowledge.

14 MR. WATKINS: I asked him, did he learn that.

15 MR. KOTELLY: Objection, Your Honor, unless we  
16 know in what form he learned of this.

17 THE COURT: Well, he may ask the question.  
18 You may inquire as to the manner in which he learned it.

19 THE WITNESS: I was informed that there wasn't  
20 enough money.

21 BY MR. WATKINS:

22 Q To cover both District Offices?

23 A Yes.

24 Q Now, I think you testified yesterday that  
25 Congressman Diggs did not have an office in the Federal

000531

1 Building; is that correct?

2 A No, I don't think I testified to that.

3 Q Well, let me ask you then, Mr. Matlock, in the  
4 period of 1973 to 1976, Mr. Diggs did not have an  
5 office in the Federal Building; is that right?

6 A That is right.

7 Q His offices were in the community; is that  
8 right?

9 A That is right.

10 Q Is it fair to say they were store front  
11 offices?

12 A That is right.

13 Q On the first floor?

14 A That is right.

15 Q Visible to his constituents?

16 A That is right.

17 Q And, did he always -- well, did he always have  
18 two offices during your employment with him?

19 A With the exception of a short period after the  
20 offices were consolidated at 4825 Woodward.

21 Q Tell me about that short period how many  
22 offices did he have, sir?

23 A During that very short period we only had one  
24 office at --

25 Q Where was that?

000532

1 A 4825 Woodward.

2 Q I take it if I am correct in the sequence,  
3 there is a time you had two offices, and then there  
4 became a time you had one and then later on you had two;  
5 is that correct?

6 A That is right.

7 Q Do you know why Congressman Diggs found it  
8 necessary to open a second office after he had tried to  
9 consolidate at 4825 Woodward Avenue?

10 A Excessive complaints from constituents.

11 Q What kind of complaints, Mr. Matlock?

12 A About his not having office accessibility to  
13 them.

14 Q All right. And as a result of these  
15 complaints he opened a second office again?

16 A That is right.

17 Q On the other side of town?

18 A That is right.

19 Q All right. And he also, during this period  
20 of 1973 to 1976 decided that it was necessary to him to  
21 have a mobile van; is that correct?

22 A That is right.

23 Q And some of the payments that you made during  
24 this period were for the upkeep of this mobile van,  
25 repairs; is that right?

000533

1 A That is right.

2 Q And gas and oil?

3 A That is right.

4 Q And payment on the lease for the mobile van?

5 A That is right.

6 Q And that van was used in the servicing of his  
7 constituents; is that right?

8 A That is right.

9 Q And did that van move around the District?

10 A Yes.

11 Q At regular intervals?

12 A Yes.

13 THE DEPUTY CLERK: Defendant's Exhibit No. 31  
14 marked for identification.

15 (Whereupon, Government's

16 Exhibit No. 31 was marked for  
17 identification.)

18 BY MR. WATKINS:

19 Q Mr. Matlock, I show you what has been marked  
20 as Defendant's Exhibit No. 31 for identification. Would  
21 you look at it and tell the ladies and gentlemen of the  
22 jury whether you recognize that?

23 A Yes.

24 Q What is it?

25 A This is a report, newsletter from Congressman

000534

1 Diggs to the District constituents.

2 Q Mr. Matlock, I am going to turn to the third  
3 page and there is a picture on that page; is there  
4 not?

5 A Yes.

6 Q Is that the mobile van about which we have  
7 been talking?

8 A Yes, this is the mobile van.

9 Q That is used as a moving office; is that  
10 correct?

11 A That is right.

12 Q And to the right of the picture is there a  
13 schedule that indicates the stops that that mobile van  
14 will be making during the period of December,  
15 November and December of 1976?

16 A There is a schedule of where the mobile van  
17 will be during this period.

18 Q Thank you, Mr. Matlock.

19 Now, would it be fair to say that the reason  
20 Mr. Diggs had to have the offices, or two stationary  
21 offices and a mobile office or mobile van as you have  
22 called it, is because his district is a large sprawling  
23 district?

24 A Yes.

25 Q And it has a number of aged and infirmed

000535

1 persons that cannot get to the offices?

2 A Yes.

3 Q Mr. Matlock, I show you what has been  
4 previously marked as Government's 51-C for identification  
5 That is a Bank of the Commonwealth cashier's check; is it  
6 not?

7 A That is right.

8 Q And it is made out to Congressman Diggs; is  
9 that correct?

10 A That is correct.

11 Q In the amount of \$564, is that right?

12 A That is right.

13 Q And on the back it has been endorsed; is that  
14 correct?

15 A Yes.

16 Q Do you know what this payment was for?

17 A As I recall it was for the House Recording  
18 Studio.

19 Q All right. Fine. Thank you.

20 Is the House Recording Studio, what do you  
21 understand the House Recording Studio to be?

22 A Well, all I know about the House Recording  
23 Studio is it plays Congressman Diggs' recorded radio/  
24 television program.

25 Q His radio/television programs are aired, his

000536

1 radio program is aired on Sunday morning; is that  
2 correct?

3 A That is right.

4 Q And it contains discussions by Congressman  
5 Diggs of legislative and current events; is that a fair--

6 A Exactly, right.

7 Q Thank you.

8 Now, yesterday I think you indicated that  
9 there was an office at one time at 1201 East Grand  
10 Boulevard; is that correct?

11 A Yes.

12 Q Now, what is 1201 East Grand Boulevard, or  
13 what was it?

14 A . That was the House of Diggs Funeral Home.

15 Q All right. Where was that office physically  
16 located?

17 A In the heart of the 13th Congressional  
18 District.

19 Q Well, let me see. Isn't it fair, Mr. Matlock,  
20 to say that that office occupied the second floor of the  
21 House of Diggs Funeral Home, which was on the first  
22 floor?

23 A Yes.

24 Q All right. And is it fair to say that the  
25 receptionist for the House of Diggs also served as a

000537

1 receptionist for the congressional office?

2 A In a sense.

3 Q Well, in a sense. Do you mean that when  
4 persons came in for congressional help, constituents  
5 came in for congressional help --

6 THE COURT: Counsel, please come to the Bench.

7 (At the Bench.)

8 THE COURT: It appears, Mr. Watkins, that to a  
9 large degree you are doing the testifying here. I think  
10 it is best that that be brought out in the defense case,  
11 or at least if you want this man to testify from this,  
12 at least you would let him do the testifying.

13 MR. WATKINS: You are saying you want me to  
14 ask him non-leading questions?

15 THE COURT: You are making him your witness.

16 MR. WATKINS: All right, Your Honor, I will  
17 do that.

18 (In open court.)

19 BY MR. WATKINS:

20 Q Mr. Matlock, will you describe the physical  
21 setup of the receptionist at the facilities at 1201  
22 East Grand Boulevard?

23 A Yes. The receptionist was on the first floor.

24 Q Was that -- that is in the lower portion  
25 where the funeral home was?

000538

1           A    Where the funeral home was and the people that  
2    came in invariably had questions concerning the  
3    political setup and political problems and you would  
4    have to spend some time with them before she would refer  
5    them to us.

6           Q    Where would she refer them to?

7           A    To the second floor, to the congressional  
8    office.

9           Q    Who provided that receptionist?

10          A    I always thought the receptionist was hired  
11        by the House of Diggs. I don't know.

12          Q    Now, I think that you testified this morning,  
13        Mr. Matlock, that there was an occasion on which you  
14        gave the Congressman two blank money orders; is that  
15        correct?

16            MR. KOTELLY: I object. I don't believe that  
17        was his testimony at all. My recollection is three or  
18        four.

19            THE COURT: You may clear it up by asking  
20        him.

21            THE WITNESS: I said three or four.

22            MR. WATKINS: I am sorry, Mr. Matlock.

23          BY MR. WATKINS:

24          Q    On this occasion when you gave the  
25        Congressman three or four blank money orders, I think

000539

1 that was in November -- September of 1976?

2 A That is right.

3 Q All right. And as I recall your testimony  
4 about the events, you and the Congressman were going  
5 over what bills were to be paid?

6 A That is right.

7 Q For that month; is that correct?

8 A That is correct.

9 Q And one of the bills that you were directed  
10 to pay was Gem Reel Leasing; is that correct?

11 A That is right.

12 Q And that is for the lease on the mobile van?

13 A That is right.

14 Q Another bill that you were requested to pay  
15 was Maxine Young; is that correct?

16 A That is right.

17 Q I am handing you Exhibit 48-C, Government's  
18 Exhibit 48-C. Is that the check that was paid to  
19 Maxine Young?

20 A Yes.

21 Q All right. Now, Mr. Matlock, who is Maxine  
22 Young?

23 A Maxine Young is one of the commissioners in  
24 Wayne County, Detroit.

25 Q Do you know what this check specifically was

000540

1 for?

2 A For an ad.

3 Q An ad in what?

4 A In some program she was having pertaining to  
5 her district.

6 Q Pertaining to her district, is Maxine Young's  
7 district within Congressman Diggs' congressional  
8 district?

9 A Yes.

10 Q Thank you. All right, now to continue on  
11 with that conversation after you were directed to pay  
12 those two bills you had two other blank money orders;  
13 is that correct?

14 A Three or four other blank money orders.

15 Q What I am trying to establish, you told me  
16 you had -- I see. Strike that.

17 You had six blank money orders in all; is  
18 that right?

19 A That is right.

20 Q Or six money orders in all?

21 A That is right.

22 Q Two of them were to pay Maxine Young and the  
23 four remaining were in blank?

24 A That is right.

25 Q And Congressman Diggs, after directing you

000541

1 to pay two of those bills he said to you something to  
2 the effect of "Give me the rest of the checks, I will  
3 pay the rest,"?

4 A That is right.

5 Q Mr. Matlock, the following month did you have  
6 any dunning notices that indicated that bills were not  
7 paid?

8 A It would be difficult to tell, because we had  
9 oftentimes dunning notices from the lights and from the  
10 gas. I just don't recall having any dunning notices  
11 the following month.

12 Q You don't recall having any?

13 A No.

14 Q Now, Mr. Matlock, do you know a person named  
15 Jeralee Richmond?

16 A Yes.

17 Q Who is she?

18 A She is an office employee of Congressman  
19 Diggs.

20 Q Did you know her in 1974?

21 A Yes.

22 Q And where did she work in 1974?

23 A She worked at the House of Diggs.

24 Q The funeral home?

25 A The funeral home.

000542

1 Q Did you have contact with her in 1974 while  
2 she was working at the funeral home?

3 A Yes, quite often.

4 Q How did that come about?

5 A Constituents would go to the funeral home with  
6 problems pertaining to the District and she would refer  
7 them to me.

8 Q All right. Do you know why constituents would  
9 go to the funeral home to solve problems?

10 MR. KOTELLY: Objection, Your Honor, calls for  
11 speculation.

12 MR. WATKINS: I asked him if he knew, Your  
13 Honor.

14 THE COURT: If they told him, otherwise it  
15 would be hearsay.

16 MR. KOTELLY: May I be heard on that, Your  
17 Honor?

18 THE COURT: You may ask the question. Repeat  
19 the question, but rephrase it so that it isn't  
20 objectionable.

21 BY MR. WATKINS:

22 Q Mr. Matlock, do you know if constituents went  
23 to the Diggs Funeral Home to have constituent problems  
24 solved?

25 MR. KOTELLY: Objection, Your Honor.

000543

1 THE COURT: He testified to that. You asked  
2 him why, if he knows of his own knowledge why they went  
3 there he may testify. Otherwise, it would be hearsay.

4 BY MR. WATKINS:

5 Q Do you know, Mr. Matlock?

6 A Well, they would be there for often times  
7 funeral business and while they were there they would  
8 ask about the constituency problem.

9 Q Now, Mr. Matlock, in your time with  
10 Congressman Diggs, did you learn whether he ever held  
11 fund raisers to help him in his political campaigns?

12 MR. KOTELLY: Objection, Your Honor,  
13 irrelevant.

14 THE COURT: I am inclined to think it is, but  
15 you may ask the question.

16 THE WITNESS: To help him in his personal  
17 political campaign? I don't recall. I don't think so.

18 BY MR. WATKINS:

19 Q Well, are you saying that you don't recall  
20 that he held them?

21 A That is right.

22 Q All right. I am still not sure I understand  
23 your answer, Mr. Matlock. Are you saying --

24 A To my knowledge he didn't have any.

25 Q All right. And you have been with him for

000544

over 20 years; is that correct?

A That is right.

Q And in Detroit, where you worked --

A Uh-huh.

Q -- did you know of him having any?

A No.

Q All right. Now, Mr. Matlock, Mr. Kotelly has asked you to identify a number of checks that were used to pay bills; is that correct?

A That is correct.

Q All right. And all of those checks were in connection with some form of Congressman Diggs' duties as a congressman; is that correct?

A Possibly, with the exception of one; that is correct.

Q Which is that one?

A I am not too sure, but whether the check for the North Carolina Mutual was for business insurance or whether it was a personal check.

Q But all right. With the exception of the check to North Carolina Mutual, you think 17.68 --

A Yes --

Q -- the bills that you paid were in connection with Congressman Diggs representing his constituents; is that right?

000545

1 A Yes.

2 Q Now, you talked both with Mrs. Stultz and  
3 Mr. Diggs about paying those bills; is that correct?

4 A Yes.

5 Q All right. Did Congressman Diggs ever tell  
6 you not to tell anybody that you were paying the bills  
7 of the Detroit office?

8 A No.

9 Q Did Ms. Stultz ever tell you that?

10 A No.

11 Q In fact, it is true that employees in the  
12 office were told to bring the bills of the office to  
13 you and you would pay them; is that correct?

14 A Yes.

15 Q All right. Mr. Matlock, during the period  
16 from 1973 to 1977 did you give any portion of your  
17 salary back to Mr. Diggs?

18 A No.

19 Q Did he ask you for it?

20 A No.

21 Q Thank you.

22 MR. KOTELLY: Your Honor, I have about two or  
23 three questions that I failed to ask on direct.

24 MR. WATKINS: Your Honor, I am sorry. I have  
25 no further questions.

000546

1 MR. KOTELLY: Two or three questions that I  
2 failed to ask on direct. I would ask permission to  
3 reopen for that brief matter. I have a few questions  
4 on redirect, also.

5 THE COURT: All right.

6 REDIRECT EXAMINATION

7 BY MR. KOTELLY:

8 Q Mr. Matlock, when you purchased the money  
9 orders and cashier's checks from the Bank of the  
10 Commonwealth and the National Bank of Detroit, did you  
11 keep any records or copies of those documents?

12 A Yes. I made a receipt. I made a copy for my  
13 own records and I kept it.

14 Q What type of copy did you keep?

15 A I kept a duplicate copy that I took from the  
16 Xerox machine.

17 Q After you were first subpoenaed in this  
18 investigation, did you give these records to anyone?

19 A I gave them to the United States Justice  
20 Department.

21 Q Now, Mr. Watkins questioned you about giving  
22 any money directly back to Congressman Diggs and you  
23 testified that you didn't; is that correct?

24 A That is right.

25 Q Regarding money orders and cashier's checks

000547

1 that either you sent in blank or you gave in blank, to  
2 either Mrs. Stultz or Congressman Diggs, did you have  
3 knowledge as to how they were to be used?

4 A No.

5 Q Regarding your paying bills at the District  
6 Office, did you tell people how you were paying those  
7 bills?

8 A No.

9 Q Mr. Matlock, did you have any personal  
10 knowledge as to how much money that Congress was giving  
11 to Congressman Diggs to run his District Office?

12 A No.

13 Q Did Congressman Diggs give you any cash money  
14 to pay for any of the expenses?

15 MR. WATKINS: Your Honor, I would like to  
16 object. This is not cross examination, Your Honor.  
17 This is redirect and Mr. Kotelly is leading the witness,  
18 and I think that is improper.

19 THE COURT: You should not lead the witness  
20 on direct.

21 BY MR. KOTELLY:

22 Q Mr. Matlock, besides paying for expenses by,  
23 out of your Treasury check for your salary, did you  
24 receive any other money to pay for District Office  
25 expenses?

000548

1 A No.

2 MR. KOTELLY: No further questions, Your Honor.

3 THE COURT: Mr. Watkins?

4 RECROSS EXAMINATION

5 BY MR. WATKINS:

6 Q Mr. Kotelly asked you if you kept any records  
7 of these bills or the checks that you made to pay these  
8 bills; right?

9 A Uh-huh.

10 Q And did Mr. Diggs ever tell you to destroy  
11 any records?

12 A No.

13 Q He knew you were keeping them?

14 A Yes.

15 Q When you were contacted by the Justice  
16 Department did he tell you not to tell the truth?

17 A No.

18 Q In fact, he told you to tell the truth; didn't  
19 he?

20 A Yes.

21 MR. WATKINS: Thank you.

22 THE COURT: Anything else?

23 MR. KOTELLY: Nothing further, Your Honor.

24 THE COURT: May the witness be excused?

25 MR. KOTELLY: We would ask that he be excused.

000549

1 THE COURT: You may be excused. Thank you.

2 (Witness excused.)

3 MR. MARCY: Your Honor, the Government would  
4 call Ofield Dukes.

5 Whereupon,

6 OFIELD DUKES

7 was called as a witness by and on behalf of the Govern-  
8 ment and, having first been duly sworn, was examined  
9 and testified as follows:

10 DIRECT EXAMINATION

11 BY MR. MARCY:

12 Q Mr. Dukes, would you please state your full  
13 name?

14 A Ofield Dukes.

15 Q And what is your profession, Mr. Dukes?

16 A Public relations counselor.

17 Q Do you have a firm?

18 A Yes, Ofield Dukes & Associates, National Press  
19 Building, Suite 716.

20 Q Where do you live at the present time?

21 A 3412 Barger Drive, Falls Church, Virginia.

22 Q Could you spell that for us?

23 A B-a-r-g-e-r.

24 Q Where did you live prior to that time?

25 A 201 I Street, Southwest, Washington.

000550

Q Do you know Congressman Charles C. Diggs?

A I have known him for about 20 years.

Q Do you see Congressman Diggs in the courtroom?

A I see -- Where is he? Oh, yes. Okay.

Q Would you briefly describe what he is wearing?

MR. WATKINS: We will stipulate that he is here.

THE WITNESS: I think he is wearing a very attractive --

BY MR. MARCY:

Q Thank you.

A -- blue suit.

Q You are in public relations?

A I am not certain. Whatever it is, it is a very nice looking suit.

Q Mr. Dukes were you at one time employed by Congressman Diggs?

A Yes.

Q When were you first employed by him?

A I think the records indicate in the spring of 1973. I think it was about April.

Q What was the salary that you were employed at?

A Oh, I think it was \$12,000 annually.

Q What were your duties during that period of time that you were employed by Congressman Diggs?

000551

1           A    Okay. That was a wide range of responsi-  
2           bilities.

3                   Some people refer to me as the Chief of Staff  
4           at large. In terms of programs activities, very little  
5           happened in the Congressman Diggs' office without my  
6           involvement. That included developing all of the  
7           program activities for the City of Detroit mainly  
8           because I am a product of Detroit and knew the city very  
9           very well. I was very, very much involved in all of  
10           the strategy, and development for the passage of the  
11           Home Rule Bill, also the University of D.C. Bill. I had  
12           the responsibility of going out into the District and  
13           developing a coalition of community organizations to  
14           develop political support for the bills.

15                   I was very, very much involved in his  
16           activities in Africa, so it is unlimited program  
17           responsibility. As a matter of fact, I think that if  
18           Mr. Diggs had not been a friend, I don't know if I  
19           would have accepted him as a client. I put in far more  
20           time than there was compensation.

21           Q    How long did you work for Congressman Diggs?

22           A    From '73 until February. I resigned in  
23           February.

24           Q    Of this year?

25           A    That is right.

000552

1 Q What was your salary when you left Congressman  
2 Diggs' employment?

3 A I think it was about \$13,000.

4 Q During that period of time did you receive  
5 United States Treasury checks each month?

6 A Yes. They were sent to my home address.

7 Q Okay. Let me show you Government's Exhibits  
8 12-A through 12-R which have previously been marked.

9 Q Would you go through those -- well, let me  
10 ask you first. Can you identify those?

11 A Yes.

12 Q How can you identify them?

13 A My name is indicated.

14 Q Is there any other way that you can identify  
15 them?

16 A Well, that is the main --

17 Q Does your signature appear on the back in the  
18 form of an endorsement?

19 A On some of them, yes.

20 Q Would you go through and indicate which they  
21 do not appear on?

22 A This one, I think, was sent to the bank by my  
23 secretary.

24 THE DEPUTY CLERK: What number is that, sir?

25 MR. MARCY: Would you identify that one?

000553

1 THE WITNESS: May 31st, 1974.

2 BY MR. MARCY:

3 Q Is there a Government exhibit on it?

4 A 12-G.

5 THE DEPUTY CLERK: Thank you.

6 BY MR. MARCY:

7 Q 12-G was deposited in your account for your  
8 benefit?

9 A Yes, uh-huh. Should I go through all of them?

10 Q Yes, would you please.

11 A 12-K.

12 Q 12-K does not have your signature on the back.  
13 Do you know if that was deposited to your account and  
14 for your benefit?

15 A Yes. 12-L.

16 Q Do you know if that one was deposited to your  
17 account for your benefit?

18 A Yes. 12-M. 12-P, 12-Q.

19 Q Were 12-M, P and Q all deposited to your  
20 account?

21 A Yes.

22 Q How did you receive these Treasury checks?

23 A Through the mail.

24 Q Were they directed to the address that appears  
25 on each Treasury check?

000554

1 A Yes. That is the home address.

2 Q During the period of time that you worked for  
3 Congressman Diggs, what was your salary during the  
4 period of time you worked for him?

5 A The basic salary was \$12,000 a year, \$1,000 a  
6 month.

7 Q Were there occasions when you received more  
8 than \$12,000 a year?

9 A Yes.

10 Q Would you relate under what circumstances  
11 you would receive more?

12 A As I indicated to you in our different section,  
13 it is a practice in the field of public relations for a  
14 client --

15 Q Mr. Dukes, I don't want to know about the  
16 practices in the field of public relations, just what  
17 were the occasions when you received more than \$12,000?

18 A If I can give it to you in context --

19 THE COURT: Just answer the question.

20 BY MR. MARCY:

21 Q Were there occasions when you received more  
22 than \$12,000 a year?

23 A Yes.

24 Q What were the circumstances under which you  
25 received those?

000555

1       A    They were reimbursements for bills incurred  
2       by me in the performance of the specific job  
3       responsibilities for the Congressman.

4       Q    Would you relate what sort of bills they  
5       would include?

6       A    I think the first series of bills were based  
7       on a photographer taking some photographs of the  
8       Congressman and the President of Liberia. I think that  
9       was in June of 1973. In the fall of '73. I think at  
10      the Congressional Black Caucus dinner. We had a  
11      practice of taking pictures of the Congressman and his  
12      constituents and other V.I.P.'s that would be sent to  
13      the Michigan Chronicle in Detroit. We developed --  
14      there was a problem in connection with that.

15      Q    Well, without going into problems, what were  
16      the other expenses?

17      A    I think in '74, '75 I took a trip to Little  
18      Rock, Arkansas to represent the Congressman at the  
19      National Black Assembly. He was the Chairman of that  
20      Assembly, and I was reimbursed for the airline fare and  
21      the other expenses incurred.

22      Q    Were there other types of expenses besides the  
23      ones that you have mentioned?

24      A    Yes.

25      Q    What types would those be?

000556

1       A    In May of 1974, May of 1975 we had a staff  
2       meeting in Detroit. The entire staff met in Detroit. I  
3       presided over that meeting and we decided at that time --

4       Q    Without going into the meeting, could you  
5       answer the question as to what expenses you are referring  
6       to as to travel to and from Detroit?

7       A    No. This was in connection with a series of  
8       ads run by the Congressman in connection with the  
9       mobile unit and also his congressional staff on the  
10      East Side and the congressional staff for the main  
11      office downtown and the second --

12      Q    And you paid for these ads that were placed  
13      in the paper; is that what you are saying?

14      A    I would like to, if I can answer, you know,  
15      there are certain circumstances involved in each  
16      situation.

17      Q    Well, my question now is confined to what  
18      expenses you incurred, that you asked the Congressman to  
19      reimburse you for.

20      A    With the Michigan Chronicle, before the  
21      Chronicle would run an ad on the Diggs team and in  
22      speaking with Mr. Quinn, the former boss of the Michigan  
23      Chronicle, he indicated to me that he would not be  
24      able --

25      Q    Without going into what Mr. Quinn indicated to

000557

1 you, did there come a time that you paid some Michigan  
2 Chronicle bills?

3 A Yes, those bills were paid in connection with  
4 the work I was doing for the Congressman.

5 Q Let me ask you: When you would incur an  
6 expense, how would you go about being reimbursed for it?

7 A Well, the reimbursement process at the very  
8 beginning was based on sending the bills to Mrs. Stultz  
9 and the problem developed in that the bills were not  
10 paid. So, she developed a new system and that was for  
11 me to pay the bills in connection with the expenses  
12 incurred and then I would be reimbursed.

13 Q And you would submit to Jean Stultz a list of  
14 your expenses?

15 A No, I would send her the vouchers.

16 Q You would send vouchers?

17 MR. WATKINS: Objection. It is leading, Your  
18 Honor.

19 THE COURT: Seek to avoid leading questions.

20 MR. MARCY: Yes, Your Honor.

21 BY MR. MARCY:

22 Q How frequently would you send Mrs. Stultz  
23 vouchers?

24 A I don't think there was a frequency connected  
25 with that. It was really depending on what I was working

000558

on.

Q Did there come a time that you paid any Michigan Chronicle bills?

A I think I indicated that, yes.

Q Do you recall when that was?

A That was during -- I am not really certain of the exact date. I can check my own record.

Q Did you write out a check for the Michigan Chronicle bill?

A Yes, I wrote out three checks.

Q A series of checks? Let me show you Government's Exhibits 56-A, B, and C. I would ask that they be marked at this time, Your Honor.

THE COURT: Very well.

BY MR. MARCY:

Q Can you identify Government's 56-A, B and C?

A Yes.

Q How can you identify them?

A There is my signature and they are personal checks.

Q Who is the payee?

A Michigan Chronicle.

Q What are the dates of the Government Exhibits?

A April 18, 1974; January 8, 1975, and December the 1st, 1975.

000559

1 Q How did you come to know that those bills were  
2 outstanding?

3 A I called the Michigan Chronicle and I talked,  
4 as I indicated before coming to Detroit, I worked there  
5 as an assistant editor. I talked to Mr. Quinn. I also  
6 talked to Ms. Sylvia Lee, and --

7 Q What was it that precipitated your calling the  
8 Michigan Chronicle about the Congressman's bills?

9 MR. WATKINS: Excuse me, Your Honor. I think  
10 the witness ought to be able to answer the question  
11 before he is interrupted.

12 THE COURT: That is a perfectly proper ques-  
13 tion. What precipitated the call? Overruled.

14 THE WITNESS: Well, the main reason is that  
15 the Michigan Chronicle is the most important newspaper --  
16 BY MR. MARCY:

17 Q Tell me what precipitated your call?

18 A I can only tell you what the situation was,  
19 if you would indulge me.

20 Q Well, wasn't there an incident that precipita-  
21 ted your calling the Michigan Chronicle?

22 A There are a certain set of circumstances.

23 Q Did you talk to someone before calling the  
24 Michigan Chronicle?

25 A No. There is a set of circumstances --

000560

1 Q Tell us the set of circumstances.

2 A The set of circumstances is this, is that the  
3 Michigan Chronicle is the most important --

4 Q Well, I don't want to know about the  
5 Michigan Chronicle. I am asking why you called.

6 A I can only explain to you in the context of  
7 the circumstances.

8 Q Why did you call the Michigan Chronicle?

9 A Okay, if I can explain.

10 Q Can you answer my question?

11 A I can only -- I am trying to be honest and  
12 direct and candid and sincere and in responding to your  
13 question --

14 Q I appreciate that, Mr. Dukes, but I would  
15 like to find out why you called the Michigan Chronicle.

16 A I called the Michigan Chronicle because  
17 there was a set of circumstances that prevented the  
18 Congressman from having articles in that newspaper  
19 until the outstanding bill was paid.

20 Q How did you become aware of that?

21 A I became aware of it because one of my major  
22 areas of responsibility was in that particular year,  
23 was the developing a new press strategy, media strategy,  
24 for the Congressman for the City.

25 Q Were you --

000561

1       A    If I may continue.

2                   For the City of Detroit based on new program  
3    initiatives.  We had eight or ten programs going in the  
4    City of Detroit and the Michigan Chronicle was more  
5    important to him in getting the message to his people  
6    than the Detroit Free Press and the Detroit News.  So,  
7    we had a crisis.

8       Q    Excuse me, Mr. Dukes.  Were you in contact  
9    with the Michigan Chronicle?  Is that what you are  
10   telling me and they would not place ads?

11      A    There was one particular ad that we had  
12    discussed at the staff meeting.  This was an ad --

13      Q    When was this staff meeting?

14      A    The staff meeting was in the spring.

15      Q    The spring of what year?

16      A    The spring of 1975.

17      Q    The spring of 1975.  Let me ask you first  
18    about Government's Exhibit 56-A, which is a check dated  
19    April 18th, 1974.  What precipitated your paying that  
20    bill to the Michigan Chronicle?

21      A    I don't remember the circumstances for that  
22    one.

23      Q    Do you recall who asked you to pay that bill,  
24    if anyone?

25      A    Probably was Mrs. Stultz, and I think that

000562

1 this was the ad having to do with the East Side office.

2 Q All right. Let me show you what has been  
3 marked as Government's Exhibit 56-B, which is dated  
4 January 8th, 1975, and in the amount of \$661.50. Do  
5 you recall the circumstances leading to your paying that  
6 bill?

7 A May I just indicate one thing? I am not  
8 really certain when the staff meeting was held in  
9 Detroit. It could have been in the spring of '74. It  
10 could have been the spring of '73.

11 Q Okay.

12 A But anyway --

13 Q Referring to Government's Exhibit 56-B, can  
14 you tell me what precipitated your paying that bill?

15 A I think there is an overall concern here --

16 Q Excuse me. Did someone tell you to pay that  
17 bill?

18 A I can't say absolutely.

19 Q You don't recall?

20 A No. The other thing, if I may answer, if I may  
21 indicate, Mr. Marcy, there was --

22 Q There is no pending question.

23 Let me show you 56-C and ask you if you can  
24 identify that.

25 A Yes.

000563

1 Q What is that?

2 A That is a bill to the Michigan Chronicle paid  
3 by Ofield Dukes.

4 Q A check?

5 A Yes.

6 Q What is the amount of that check?

7 A That is \$924.

8 Q Do you have the date of that check?

9 A Yes.

10 Q What is the date?

11 A December the 1st, 1975.

12 Q Do you recall the circumstances under which  
13 you paid that check?

14 A I don't recall, but I voluntarily paid all  
15 three.

16 Q When you would submit vouchers to Mrs. Stultz,  
17 what form would they take?

18 A It was a copy of the check.

19 Q Anything else?

20 A I think that depended on the nature of the  
21 bill. With the photographers there are always copies  
22 of the vouchers. On the airline trips there was a  
23 copy of the airline ticket.

24 MR. MARCY: Your Honor, could I have Govern-  
25 ment's Exhibit 55 marked for identification?

000564

THE COURT: Yes.

THE DEPUTY CLERK: Government's Exhibit 55

marked for identification.

BY MR. MARCY:

Q Showing you what has been marked as Government's Exhibit 55, is that one of the invoices that you have referred to that you sent to Mrs. Stultz?

A Yes.

Q What does that exhibit contain?

A It is a note to Ms. Sylvia Lee of the Michigan Chronicle.

Q Is there a copy of your check? .

A Yes, that is true.

Q Would it be a practice as you have indicated to send that to Mrs. Stultz?

A A copy of it, yes.

Q What is your connection with WJLB?

A That was one -- I was the producer of a ten-minute radio -- co-producer of a ten-minute radio program called "The Congressman Speaks".

Q When did "The Congressman Speaks", go on the air?

A I don't remember the exact date.

Q Can you give us an approximate time?

A It was sometime during 1975.

000565

Q Toward the beginning or toward the end?

A I am not really certain.

Q When did that show appear on the air?

A It was in the morning.

Q Any particular day?

A On Sunday.

Q Did you pay for that program?

A Yes, I paid for it under a set of circumstances.

Q Who asked you to pay for that program?

A As a memoranda in my file would indicate, in  
August of that year we started negotiating with the  
radio --

Q My question, Mr. Dukes, is: Who asked you to  
pay that bill?

A I am not really certain who asked me.

Q Okay. Did there come a time that you began  
receiving bills from WJLB?

A Under a set of circumstances.

Q And those bills were for Congressman Diggs?

A They were routinely forwarded to his office  
because they were sent to me by his secretary.

Q Did you receive a bill from WJLB which is  
marked as Government's Exhibit 57-A?

A Yes, I received that and I routinely sent that  
one to Ms. Jean Stultz.

000566

Q You did send 57-A to Jean Stultz?

A Yes.

Q Let me just ask you: What is the address on that bill?

A Which one?

Q The one you have in your hand?

A The National Press Building.

Q Addressed to you?

A Ofield Dukes Associates, yes.

MR. MARCY: I would move into evidence at this time 57-A.

MR. WATKINS: I have no objection.

THE DEPUTY CLERK: Is it received, Your Honor?

THE COURT: Received.

THE DEPUTY CLERK: Government's Exhibit 57-A received in evidence.

(Whereupon, Government's Exhibit No. 57-A was received into Evidence.)

BY MR. MARCY:

Q Referring to 57-A, does it indicate the name of the person who put the show on?

A That is the House of Diggs.

Q Does it indicate a time of day that that show is on?

000567

1 A That is in the evening.

2 Q Any time in the evening?

3 A I don't see the time listed.

4 Okay, that is at 9:00 p.m.

5 You also find here, if I may -- I am sorry,  
6 there is a second bill that I received during the time  
7 period.

8 Q Excuse me, Mr. Dukes.

9 THE COURT: He is just asking you questions and  
10 please seek to answer his questions.

11 THE WITNESS: Okay.

12 BY MR. MARCY:

13 Q Mr. Dukes, did you send 57-A to Jean Stultz?

14 A Yes, I did.

15 Q Did there come a time that Jean Stultz asked  
16 you to do anything about this bill?

17 A Under a set of circumstances.

18 MR. MARCY: Your Honor, could I have Govern-  
19 ment's Exhibit 58 marked for identification?

20 THE DEPUTY CLERK: Government's Exhibit No. 58  
21 marked for identification.

22 (Whereupon, Government's

23 Exhibit No. 58 was marked for  
24 identification.)

25 BY MR. MARCY:

000568

1 Q Showing you what has been marked as Govern-  
2 ment's Exhibit 58, is that your memorandum to Jean  
3 Stultz?

4 A It is one of them.

5 Q Did that memorandum accompany this bill,  
6 57-A?

7 A It is very possible, yes.

8 Q Okay.

9 MR. MARCY: Your Honor, I would move that into  
10 evidence at this time, 58.

11 THE COURT: Do you wish to be heard on that?

12 MR. WATKINS: No objection.

13 THE COURT: Received.

14 THE DEPUTY CLERK: Government's Exhibit 58  
15 received in evidence.

16 (Whereupon, Government's  
17 Exhibit No. 58 was received  
18 in Evidence.)

19 BY MR. MARCY:

20 Q Mr. Dukes, would you read that memorandum?

21 A "I have received through the mail the enclosed  
22 bill from WJLB. There must be a mistake. Enclosed  
23 bill, I think, is from the Sunday night program, unless  
24 there is a change I am to pay for the new Sunday morning  
25 show. Please let me know if there is something new I

000569

1 should know." This is one of two memorandas that I sent  
2 to her on the subject.

3 Q Thank you. What is the amount of the bill in  
4 57-A?

5 A \$224.

6 Q Did there come a time that you wrote out a  
7 check in that amount to WJLB?

8 A That was on December the 10th.

9 MR. MARCY: I would ask that Government's  
10 Exhibit 60 be marked for identification.

11 THE DEPUTY CLERK: Government's Exhibit 60  
12 marked for identification.

13 (Whereupon, Government's

14 Exhibit No. 60 was marked for  
15 identification.)

16 BY MR. MARCY:

17 Q I am showing you what has been marked as  
18 Government's Exhibit 60. Is that the check that you  
19 wrote out?

20 A Yes.

21 Q Who is the payee?

22 A WJLB-Radio.

23 Q And the date?

24 A December 10th, 1975.

25 Q And the amount?

000570

1 A \$224.40.

2 MR. MARCY: Your Honor, could I have Govern-  
3 ment's Exhibit 59 marked for identification?

4 THE COURT: Yes.

5 THE DEPUTY CLERK: Government's Exhibit 59  
6 marked for identification.

7 (Whereupon, Government's  
8 Exhibit No. 59 was marked  
9 for identification.)

10 BY MR. MARCY:

11 Q Showing you what has been marked as Govern-  
12 ment's Exhibit 59, is that one of the vouchers that  
13 you would have submitted to Jean Stultz?

14 A Yes.

15 Q Would you tell us what it contains?

16 A It contains a note that my secretary sent to  
17 WJLB and it does not contain my signature.

18 Q What does it reflect?

19 A Beg your pardon?

20 Q What does it reflect?

21 A It says, "December 10th, 1975, WJLB-Radio,  
22 31st Floor, Dave Hart Towers, Gentle Persons: The  
23 enclosed check for \$224.45 is the payment of the House  
24 of Diggs account. 'Sincerely, Ofield Dukes.'

25 That was sent by my secretary without my

000571

1 signature.

2 Q Was that sent with your permission and with  
3 your knowledge?

4 A The intent was not for the check to be sent  
5 for the House of Diggs show, and this is what I indi-  
6 cated before the Grand Jury.

7 Q But it was sent?

8 A Inadvertently, and Mr. Marcy, it is also  
9 indicated under the set of circumstances with all of  
10 the confusion between the radio station and the two  
11 programs, and there is a --

12 Q Thank you, Mr. Dukes.

13 Did there come a time that you paid a bill for  
14 the House Recording Studio?

15 A Under a set of very peculiar circumstances.

16 Q Who asked you to pay that bill?

17 A I'm not certain, but I paid it because I was  
18 the Executive Producer of a TV program.

19 Q Now, do you know who asked you to pay that  
20 bill?

21 A I am trying to decide whether I voluntarily  
22 paid the bill. I know I had conversations with John  
23 Willowbee who was the producer of the show and I had  
24 conversations with Jean Stultz.

25 Q Did Mrs. Stultz ask you to pay that bill?

000572

A I am sincerely, honestly, I am not really certain who asked me to pay for it.

MR. MARCY: Your Honor, could I have these marked as the next Government's exhibit?

THE COURT: Yes.

THE DEPUTY CLERK: Government's Exhibit 64-A and B marked for identification.

(Whereupon, Government's Exhibits Nos. 64-A and B were marked for identification.)

BY MR. MARCY:

Q Did you receive, Mr. Dukes, instructions on how to pay the House Recording bill?

A I received the instructions from Mrs. Jean Stultz.

Q What were her instructions?

A I think under the circumstances the Congressman could not use the studio unless that bill was paid, and it had to be paid either by a money order or cashier's check.

Q Let me show you Government's Exhibit No. 64-A.

MR. WATKINS: Mr. Marcy --

BY MR. MARCY:

Q Showing you what has been marked as Government's Exhibit 64-A, can you identify that?

000573

1 A Yes.

2 Q What is that?

3 A That is a check, a personal check for \$183.75.

4 Q Is that your personal check?

5 A Yes.

6 Q What is the date on that?

7 A The date is February 6th, 1976.

8 Q What did you do with that check?

9 A I cashed the check. I purchased a money  
10 order -- not a money order, but a cashier's check.

11 Q Showing you what has been marked as Govern-  
12 ment's Exhibit 64-B, does that appear to be the cashier's  
13 check that you purchased?

14 A Yes.

15 Q What is the date of that and the amount?

16 A The same date as the check.

17 Q And the amount?

18 A The same amount as the check.

19 Q What did you do with that cashier's check?

20 A I gave it to -- somehow I think I gave it to  
21 Mrs. Stultz.

22 Q What was your normal monthly take-home pay?

23 A It was about \$600; \$600 something.

24 Q Showing you what has been marked as Government's

25 Exhibit 56-C, 64-A and 60.

000574

1 Let me do it this way. Showing you what has  
2 been marked as Government's Exhibit 56-C, what is the  
3 date of that and the amount and the payee?

4 A December 1st, 1975.

5 Q And the amount?

6 A The amount is \$924.

7 Q And the payee?

8 A Michigan Chronicle. This one, WJLB.

9 Q Government's Exhibit 60?

10 A Yes.

11 Q The amount?

12 A \$224.20, December 10th, 1975.

13 Q Showing you Government's Exhibit --

14 A February 6, 1976, cash, \$183.75.

15 Q Did you receive -- do you recall what you  
16 received in the months of November, December and  
17 January of 1975?

18 A No, I do not.

19 Q And, excuse me, November, December of '75 and  
20 January of '75?

21 A No.

22 Q Let me show you Government's Exhibit 12-P, Q  
23 and R and ask you if that refreshes your recollection?

24 A Yes.

25 Q What did you receive in November of 1975?

000575

1 A This check is dated November the 28th, 1975  
2 for \$1,839.87.

3 Q And in December of 1975?

4 A December 19, 1976, \$1,826.51. January --

5 Do you want the January 30th?

6 Q Please.

7 A That is \$1,826.51.

8 Q And February?

9 A February is \$628.23.

10 Q Is that February check your normal check,  
11 again?

12 A Oh, it depends on -- well, I guess it depends  
13 on the reference of "normal".

14 Q What was your normal?

15 A The average, yes, for the annual rate, yes.

16 Q Did there come a time that you stopped paying  
17 bills this way?

18 A Yes.

19 Q Why was that?

20 A Well, there was -- there was a set of circum-  
21 stances for me paying those three bills and there was  
22 another set of circumstances for my not, and maybe if I  
23 get a chance later to explain the set of circumstances  
24 for paying the bills, the circumstances for not using  
25 this procedure for reimbursement based on the fact that

000576

1 my accountant indicated to me whatever the salary, the  
2 personal income was increased. I not only had to pay  
3 the Federal tax on that, but also District tax. And so  
4 for the income of 1975, I think it was \$21,000. I paid  
5 \$6,000 Federal tax plus about \$3,000 extra tax on the  
6 reimbursement process, plus \$900 in District taxes.

7 Q In 1975 you earned \$21,000?

8 A I think the records indicate that.

9 Q And what was your --

10 A Mr. Marcy, if I may --

11 Q What was your true salary in 1975?

12 A Probably about twelve, but that is contrary  
13 to --

14 MR. MARCY: Thank you, Your Honor. I have  
15 no further questions.

16 THE WITNESS: Mr. Marcy, would you like these?

17 MR. MARCY: Yes, I would.

18 THE COURT: Mr. Watkins?

19 CROSS EXAMINATION

20 BY MR. WATKINS:

21 Q Good morning, Mr. Dukes.

22 A Good morning, sir.

23 Q You are a public relations man; isn't that  
24 right?

25 A That is true.

000577

1 Q And your firm is called "Ofield Dukes &  
2 Associates?

3 A And associates.

4 Q And associates?

5 A Right.

6 Q Do you have clients other than Mr. Diggs?

7 A Yes.

8 Q Did you have clients other than Mr. Diggs in  
9 19 -- the period of 1973 to --

10 A I had about seven other clients.

11 Q -- 1973 to '76.

12 Who were they?

13 A Let's see. We had the Washington Bullets,  
14 Anheiser-Busch, Alex Haley, HEW, Department of Commerce.

15 Q Are you finished?

16 A Yes.

17 Q Mr. Dukes, in the course of your representing  
18 your clients, how did you bill them?

19 A I am usually on a retainer, which is a fixed  
20 sum, and I bill them at the end of the month and that  
21 billing is based on other expenses incurred.

22 If I have to make a trip, or if I have to use  
23 printing and other services, that amount is included and  
24 this is standard cost accounting for public relation  
25 firms.

000578

Q Let me see if I understand you.

You say you have a fixed fee, a monthly fee that you charge your clients?

A That is true.

Q And if your monthly fee were \$1,000 a month, when you billed your client and you had incurred an additional expense, such as photographers, printing, advertising --

A Overhead, and that is -- the Government recognizes it. This is true for Government clients because the built-in sum for overhead, and even the Government includes a percentage for income.

MR. MARCY: Excuse me, Your Honor. The witness was an employee. It is not a consulting firm, and I think this whole field is irrelevant to what we are talking about.

THE COURT: I will permit the question.

BY MR. WATKINS:

Q Mr. Dukes?

A If I may clarify that, Mr. Watkins.

THE COURT: I think you have answered his question.

BY MR. WATKINS:

Q Mr. Dukes, it will be easier for the reporter if you wait until I finish my question.

000579

1 A I am sorry.

2 Q And then we can go on.

3 A Thank you.

4 Q I know. All right.

5 So, let me just go back over this so I can get  
6 it clear.

7 You bill on a fee basis?

8 A Yes.

9 Q And at the end of each month so that your fee  
10 is \$1,000 a month you bill out \$1,000 plus any expenses  
11 you have incurred on behalf of your client, such as  
12 photography, printing --

13 A Travel and any other bills connected with the  
14 performance of my responsibilities.

15 Q All right. Now, when you talked to Mrs.  
16 Stultz and she suggested that you send your bills to her  
17 at the end of each month, you didn't find this unusual:  
18 did you?

19 A No, that is the normal practice.

20 Q And that is what you did?

21 A Yes.

22 Q And you got paid as far as you were concerned,  
23 just as you would be paid by any other client?

24 A Through a very legitimate reimbursement  
25 process.

000580

1 MR. KOTELLY: Objection, Your Honor. That is  
2 for the jury to decide.

3 THE COURT: Well, he has expressed his views.

4 BY MR. WATKINS:

5 Q And neither Mrs. Stultz nor Mr. Diggs ever  
6 told you to conceal the fact that you were being  
7 reimbursed by an increase in salary when you incurred  
8 the expenses; is that right?

9 A No, not at all.

10 Q You didn't find it unusual?

11 A No, and the fact that I had to pay an income  
12 tax, it was all part of the public record.

13 Q I will get to your income taxes, Mr. Dukes.  
14 We will let you explain that.

15 Now, you were hired by the Congressman to deal  
16 with his, among other things, with his media problems?

17 A I was hired as a consultant.

18 Q As a consultant to deal with his media prob-  
19 lems?

20 A No. I was hired as a consultant to deal with  
21 program development, media, as I said before. There  
22 weren't too many things that I was involved in, there  
23 weren't too many things in the Congressman's office that  
24 I was not involved in. I just have a memo here dated  
25 September 4, 1975, and there are 12 projects at that

000581

1 particular time that I was coordinating for the Congress-  
2 man relating to the District of Columbia, Africa, and  
3 about six program activities in the City of Detroit, and  
4 that was September 4th, 1975, including the development  
5 of a new 10-minute radio program "The Congressman Speaks".

6 Q Mr. Dukes, so it is fair to say among other  
7 things, you were general utility infielder, among other  
8 things you dealt with media?

9 A Yes. I think I was mainly, Mr. Watkins,  
10 because I spent three years as an assistant to Vice-  
11 President Hubert Humphrey. I learned quite a bit, and  
12 also a product of Detroit and knew the Congressman when  
13 I was in high school. I knew as much about Detroit and  
14 utilized the experiences and expertise I learned from  
15 three years traveling around the world with Hubert  
16 Humphrey to assist the Congressman.

17 Q Now, I want to focus basically on your  
18 contacts with the media.

19 Now, you were not hired to do any work for  
20 the House of Diggs as opposed to the Congressman?

21 A Absolutely not. I was never involved in any  
22 activity involving the House of Diggs.

23 Q All right. Now, in connection with your  
24 representation of Congressman Diggs, I think you  
25 indicated on direct that there came a time in 1975, a

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set of particular circumstances regarding the Michigan Chronicle which caused you to call the Michigan Chronicle?

A That is true.

Q Do you want to tell us what those particular circumstances were?

A Okay. As I was indicating before, the Michigan Chronicle is a black newspaper in Detroit, about 60 years old, and the most influential paper in terms of the black community and the 13th Congressional District in Detroit is predominantly black, and in connection with a series of new program initiatives that we were trying to develop in Detroit, it was essential that we had a media outlet, not necessarily the daily papers, because they for some reason had their own criticisms of the Congressman's involvement in Africa.

So, we spent a lot of time convincing the Congressman that it was fine for him to be dedicated and committed to bringing home rule to the District of Columbia and being the conscious, leading spokesman for Africa, but he also had to find time to deal with the problems and develop new programs for his constituents in Detroit.

MR. MARCY: Could we approach the Bench?

THE COURT: Yes.

000583

1 (At the Bench.)

2 MR. MARCY: We would object to their bringing  
3 out the defense through this witness.

4 MR. WATKINS: I would stop it if I could.

5 THE COURT: I understand that. He has been  
6 about as quick on the trigger as I have ever seen a  
7 witness.

8 MR. WATKINS: I just don't think it is  
9 appropriate for me to try and interrupt him.

10 Mr. Marcy tried to do that and couldn't. I tried to ask  
11 him questions meaning "Yes" or "NO" answers. I just  
12 can't hold him to that. It makes very much sense for  
13 me to try. I think if you instruct him to answer the  
14 questions, that would be fine.

15 THE COURT: Mr. Povich?

16 MR. POVICH: I think Your Honor, the problem  
17 would be solved if Mr. Watkins asked him if he would  
18 briefly answer the question under the circumstances.

19 MR. WATKINS: I will try to do that, Your  
20 Honor, but I may need some help from you.

21 THE COURT: I suppose everybody else is a  
22 volunteer in this case, why shouldn't I be one.

23 (In open court.)

24 THE COURT: Mr. Dukes, in view of the fact  
25 that we are trying to get along with the case we have a

000584

jury that is sequestered, their time is important too. Just answer the questions briefly and to the point, if you will.

THE WITNESS: Thank you, Your Honor.

BY MR. WATKINS:

Q Now, Mr. Dukes, I think what you were saying to me is that there was a set of circumstances that arose where Mr. Diggs was not getting adequate coverage in the Michigan Chronicle; is that correct?

A Thirty seconds to say that the publisher of the Michigan Chronicle who, although was a good friend of mine, was a hard nosed businessman, would not run any articles on the Congressman until the bill was paid.

Q He wouldn't run new articles on the Congressman until he paid his advertising bill?

A That is true.

Q All right. And at that point you went to the publisher or the newsman and asked him what could be done; is that a fair statement?

A I indicated to Mr. Quinn and to Ms. Sylvia Lee, if necessary I would pay those bills, and since it was my responsibility as an area of my responsibility, that certain things were done and that I would do that for my client.

Q And I take it this telephone conversation with

000585

1 Mr. Quinn about not running any stories until the bill  
2 was paid, you were here in Washington and he was in  
3 Detroit?

4 A That is true.

5 Q Did he tell you what the amount of the bill  
6 was?

7 A No, I got that, I think, from Ms. Lee.

8 Q All right. Now, did you ever see the bill  
9 when you paid the check, when you wrote the check?

10 A I am not really certain whether I saw the bill,  
11 but Mr. Watkins, I voluntarily --

12 Q Mr. Dukes, I understand you are trying to be  
13 helpful and I appreciate it, but there is a form that we  
14 have to follow to get through this.

15 A All right.

16 Q Now, that bill was in the amount of \$924; is  
17 that correct?

18 A I am not certain of the amount.

19 Q Okay. I show you what has been marked as  
20 Government's Exhibit 56-C. Would you look at that?

21 A Yes.

22 Q That is a check that you paid to the Michigan  
23 Chronicle, the bill; is that right?

24 A Yes.

25 Q And your understanding was that that was a

000586

1 bill for the Congressman's outstanding advertising  
2 bill?

3 A That is precisely --

4 Q Now, I show you also, Mr. Dukes, what has  
5 been marked as Government's Exhibit No. 54 for identi-  
6 fication. Would you look at that?

7 Now, it says, does it not, as the addressee,  
8 "House of Diggs Funeral Home"? Correct?

9 A That is right.

10 Q Now, if you had seen that bill when you were  
11 told that the Congressman's account with the Michigan  
12 Chronicle was overdue, would you have paid it?

13 A Absolutely not.

14 Q Why not?

15 A Because my responsibility was for taking care  
16 of the ads run in connection with the Congressman's  
17 office, his new east side office and a new mobile unit.

18 Q Not in connection with the House of Diggs?

19 A Not at all.

20 Q All right. Now, I show you the back of  
21 Government's 56-C. What does it say?

22 A It says, "The House of Diggs".

23 Q Is that your handwriting?

24 A No, it is not.

25 Q Do you have any indication of who wrote that

000587

1 on there?

2 A I don't know.

3 Q All right. Would it be fair to say that it  
4 was not your intention to pay this money to the  
5 Michigan Chronicle for the House of Diggs' ad?

6 A Most definitely.

7 Q I show you Government's Exhibit 55 and that  
8 is the note that you sent along with your check,  
9 Government's Exhibit 56-C to the Michigan Chronicle to  
10 pay the Congressman's bill, so you thought.

11 A That is right.

12 Q Now, would you read the body of that section  
13 of Government's Exhibit 55?

14 A Mr. Watkins, the notice to Sylvia Lee says,  
15 "Dear Ms. Lee, enclosed is a check for \$924 to bring  
16 the Congressman's account up to date."

17 Q So, you indicated at that time that this was  
18 for the Congressman's account?

19 A That is true.

20 Q By some manner unknown to you they apparently  
21 credited this to the House of Diggs account?

22 A For whatever reason.

23 Q Do you have any idea what the reason is?

24 A No.

25 Q Now, Mr. Dukes, in connection with your

000588

1 representation of Mr. Diggs, you also had occasion  
2 about that time to have contact with a radio station,  
3 WJLB; is that correct?

4 A That is true.

5 Q And that was for his radio program that ran on  
6 Sunday, that radio program that ran on Sunday morning?

7 A That is right, "The Congressman Speaks."

8 Q Now, do you know if there is another radio  
9 program that was run by the House of Diggs in the  
10 evening?

11 A Yes. That was in the evening, yes.

12 Q Did you have any responsibility for that  
13 program?

14 A None whatsoever.

15 Q Were you hired to do anything in connection  
16 with that program?

17 A No, not at all.

18 Q All right. Now, let's refer to these  
19 programs, these two programs respectively as the morning  
20 show for the Congressman, "The Congressman Speaks", and  
21 the evening show as the House of Diggs so that we don't  
22 get confused.

23 A All right.

24 Q I would like to go through this process that  
25 Mr. Marcy went through with you.

000589

1 Now, I show you what has been marked as  
2 Government's Exhibit 57-A for identification. Would  
3 you look at that and tell me what it is?

4 A This is a bill to me from WJLB and it is for  
5 the evening show.

6 Q All right. That is the 9:00 o'clock show, the  
7 House of Diggs show?

8 A Uh-huh.

9 Q Q In fact it indicates right on it, "House of  
10 Diggs Show"?

11 A That is true.

12 Q Now, and it is dated October 27th, 1975?

13 A That is right.

14 Q All right. You received this bill in the  
15 mail, would it be fair to say, sometime around the first  
16 week in November?

17 A That is true.

18 Q Was this the only bill that you received from  
19 WJLB around that time?

20 A No.

21 Q You received another bill?

22 A Yes.

23 Q Do you have a copy of that other bill?

24 A That is part of the record, too.

25 THE DEPUTY CLERK: Defendant's Exhibit 32

000590

1 marked for identification.

2 (Whereupon, Defendant's

3 Exhibit No. 32 was marked for  
4 identification.)

5 BY MR. WATKINS:

6 Q All right. Now, I show you what has been  
7 marked as Government's Exhibit No. 32, Mr. Dukes, and  
8 would you tell us what that is?

9 A This is a bill to Ofield Dukes & Associates,  
10 National Press Building, and this is from the morning  
11 show.

12 Q All right.

13 A And it was sent about the same time as the  
14 other bill.

15 Q All right. How do you know that?

16 A The dates are about the same.

17 Q When you say, "the other bill". you are  
18 referring to --

19 A Check the dates.

20 Q -- Government's Exhibit 51-A?

21 A That is true.

22 Q All right.

23 A I think the dates are 10-27-75, 10-27-75.

24 Q So both bills bear the same date?

25 A That is true.

000591

1 Q Both bills have you as the addressee?

2 A Yes.

3 Q Do you believe that you received them both  
4 about the same time?

5 A That is true.

6 Q All right. Now, since you had no responsibility  
7 for the House of Diggs Show and you did have  
8 responsibility for "The Congressman Speaks" Show, you  
9 took some action; correct?

10 A That is true.

11 Q And that action was to send a note to Jean  
12 Stultz with a Xerox copy of the House of Diggs' show;  
13 correct?

14 A Yes.

15 Q And you retained "The Congressman Speaks" bill  
16 in your own file?

17 A Yes.

18 Q All right. Is this a copy of the -- well, I  
19 show you Government's 58, which is a copy of the note  
20 that you sent to Jean Stultz asking her if in effect,  
21 well, read it.

22 A Okay. It says: "Ms. Jean Stultz, Ofield  
23 Dukes, dated December -- I am sorry -- November 5th,  
24 1975. I have received in the mail the enclosed bill  
25 from WJLB. There must be a mistake. The enclosed bill.

000592

I think, is from the Sunday night program. Unless there is a change I am to pay for the new morning show. Please let me know if there is something new that I should know." If I may add, this is one of two memorandas that I sent to Mrs. Stultz regarding the same subject.

MR. WATKINS: Mr. Kotelly, I take it you do not have the other memoranda?

MR. KOTELLY: At least I am not aware of having it. We have many memorandums from Mr. Dukes, copies of them.

MR. WATKINS: Would it be fair to say it might be in the file?

MR. KOTELLY: I was not made aware of it being there, and I have not seen it.

THE WITNESS: It is about a four paragraph memorandum, once again emphasizing the fact that I was not -- it was not my responsibility nor my intentions to be paying any bills relating to the House of Diggs, and Your Honor, if I could just take 30 seconds --

THE COURT: I think you have answered the question.

BY MR. WATKINS:

Q Now, did there come a time when you heard from Mrs. Stultz about the bill that you sent to her for the

000593

evening show?

A I am not really certain because those were very, very confusing times. There were extensive discussions with the sale, program manager, who did not want the new program on the air.

MR. KOTELLY: Objection, Your Honor, hearsay.

BY MR. WATKINS:

Q Mr. Dukes, if you can be brief.

A Okay.

Would you repeat the question?

Q Did there come a time when Mrs. Stultz responded to your note to her about the evening show?

A I am not very clear because as you will see, the memorandum was written November the 5th and the date of the check was December the 10th, and I am not really certain what type of response there was to that.

Q All right. Would it be fair to say that you had conversations with Mrs. Stultz? Did you have conversations with the radio station?

A There were extensive discussions with the radio stations.

Q All right, fine. So, it is fair to say you don't know who gave you some instructions about paying the bill?

A One thought, Mr. Watkins, is the fact the

000594

program would not run the new show unless the morning bill was paid.

Q All right. Are you saying to me, Mr. Dukes, that WJLB said, "We will not run 'The Congressman Speaks' --"

MR. KOTELLY: Objection, Your Honor.  
Mr. Watkins is testifying to hearsay.

MR. WATKINS: All right.

THE COURT: Sustained.

BY MR. WATKINS:

Q Did you learn why WJLB would not run the morning show?

A Yes. I learned from discussions with the manager of the radio station.

Q What did you learn, Mr. Dukes?

A Mr. Charles Seneca, the manager --

Q Don't tell me what he said. Tell me what you learned.

A That he would not run the new "Congressman Speaks" program until the bill for the morning show was taken care of.

Q All right. As a result of that -- well, as a result of that conversation or learning that information, did you take some action?

A It was a crisis situation. I paid the bill

000595

1 for the morning show.

2 Q You paid the bill for the morning show?

3 A That was my intent.

4 Q All right. Before we get to that, I want  
5 you to tell me what the amounts of the bill on Govern-  
6 ment's 57-A, that is the House of Diggs bill for the  
7 evening show is?

8 A That was \$224.40.

9 Q I want you to tell me what the total amount  
10 of the bill for "The Congressman Speaks" show?

11 A \$220.

12 Q Now, can you tell me what exactly happened  
13 in your office when you decided in this crisis situation  
14 that you had to pay the bill to WJLB so "The Congress-  
15 man Speaks" could continue running?

16 A Okay. It was in a conversation with  
17 Ms. Doris Gordon.

18 Q Don't tell us what she said, Mr. Dukes. Tell  
19 us what you did as a result of that conversation.

20 A From the conversation with Mr. Seneca, the  
21 manager of the station, Ms. Doris Gordon who was the  
22 host of the program and also who purchased the time and  
23 also Ms. Jean Stultz wrote a check for a certain amount  
24 on December the 10th. That was in the morning. I gave  
25 that check to my secretary and during that particular

000596

time we were having a fund raiser for the Congressman. I gave her the check and just told her to send it to WJLB. The note that was sent was not dictated by me. It was not signed by me, and I don't know what action my secretary took in calling Ms. Stultz or the radio station to find out that it should be sent to the Continuity Department, or what have you, but if you would check the original note --

Q If you could be brief, Mr. Dukes, and if I could ask the questions and if you can answer them, I think we can get this out in an orderly manner.

A Thank you.

Q It is fair to say, is it not, that the bill, Government's 57-A and Defendant's 32, the amounts are very close?

A Yes.

Q And it is fair to say that you told your secretary after getting off the phone to pay the bill; is that right?

A That is true. I wrote a personal check.

Q Is it likely or fair to say that what you said to your secretary was something to the effect of, "Let me have the WJLB bill"?

MR. KOTELLY: I object to Mr. Watkins testifying here.

000597

1 MR. WATKINS: Let me put it this way:

2 THE COURT: Suppose you rephrase your  
3 question.

4 BY MR. WATKINS:

5 Q Mr. Dukes, do you recall what you said to  
6 your secretary?

7 A I gave her a check and told her to send it to  
8 WJLB.

9 Q All right. What does the note with the  
10 check say?

11 A It says, "This is to the Continuity  
12 Department, WJLB-Radio. Gentlepersons: The enclosed  
13 check for \$224.40 is in payment of the House of Diggs  
14 account." Signed Ofield Dukes.

15 Q All right. Did your secretary give that  
16 note back to you to sign it before it was sent out?

17 A No. It is not customary for those kinds of  
18 letters.

19 Q All right. Was it your intention to pay a  
20 House of Diggs bill with that check?

21 A Oh, no.

22 Q Your intention was to pay the other bills  
23 that you have in your file for \$220?

24 A As I have testified before the Grand Jury.

25 Q Would you answer the question, please?

000598

1 A Yes.

2 Q And so what you are telling us is that this  
3 \$224 to WJLB was in error?

4 A Very much so.

5 Q All right. Now, when were you able to figure  
6 this out, this set of circumstances out?

7 A I don't know if it was really figured out.  
8 There was finally a letter from Mrs. Sonnet to the  
9 Congressman and that was in January, and I was relieved  
10 of the responsibility for the radio show by the  
11 Congressman's new administrative assistant.

12 Q Mr. Dukes, I am sorry to cut you off. I only  
13 asked, "When did you figure it out?" If you can't give  
14 me a date, just say so.

15 A I am not really certain when it was figured  
16 out.

17 Q Fine, all right.

18 Now, if you had had, or if you had been shown  
19 all the documentation surrounding this set of  
20 circumstances, would you have been able to determine  
21 that you paid the bill in error?

22 A Yes.

23 Q Were you shown all the documentation by the  
24 Government when you talked to the Government prosecutors?

25 A I am not really certain that I saw all of

000599

1 them.

2 Q All right. But had you seen all of them you  
3 would have known that you had paid the wrong bill for  
4 sure?

5 A I indicated that, yes.

6 Q How many times did you meet with Mr. Marcy?

7 A Mr. Marcy, do you remember?

8 THE COURT: He cannot answer the question.

9 BY MR. WATKINS:

10 Q Mr. Dukes, you are here to answer questions.  
11 Do the best you can and we will get through this.

12 THE COURT: Hopefully.

13 THE WITNESS: Once before Christmas.

14 BY MR. WATKINS:

15 Q How many hours did you meet with him?

16 A Oh, I would say about -- say about 10 or 12.  
17 I would say four or five times.

18 Q Four or five times, two or three hours each?

19 A Mr. Kotelly, would you say about two hours,  
20 an hour and a half?

21 THE COURT: Mr. Dukes, you are not supposed to  
22 ask questions. If you cannot answer it, say so.

23 THE WITNESS: I am sorry, sir.

24 BY MR. WATKINS:

25 Q Mr. Dukes, it is important that you only answer

000600

the questions, if you can remember.

A I would say an average of an hour and a half each meeting.

Q An hour and a half each meeting. Did you say you had three or four?

A Four or five.

Q And at those meetings you went through documents and they showed you all kinds of documents and asked you about them and asked you what happened?

A Yes. Yes.

Q And you tried to explain and to the best of your recollection you did explain?

A Yes. Yes.

Q Now, you talked about the termination of the arrangement by which you submit your bills to the Congressman's office to be paid; correct?

A Yes.

Q All right. That came about, as I understand it, because your accountant looked at your checks and came to the conclusion that you were having tax problems with this method of repayment?

A Yes.

Q And it caused you a greater tax liability and as a result you told Mrs. Stultz, "I don't want to continue with this"?

000601

A That is part of the process of reimbursement.

Q You didn't do that, because you thought there was anything wrong with it; did you?

A Oh, no, and I still don't.

Q Did the Congressman or Mrs. Stultz ever indicate to you that there was anything wrong with that arrangement?

A I never had any discussions with the Congressman regarding the process for reimbursement.

Q      Did Mrs. Stultz?

A No.

Q Did she ever indicate that there was anything wrong with it?

A No.

MR. WATKINS: Would you indulge me a moment,  
Your Honor?

**THE COURT:** Yes, sir.

THE DEPUTY CLERK: Defendant's Exhibit 33  
marked for identification.

(Whereupon, Defendant's

Exhibit No. 33 was marked for identification.)

BY MR. WATKINS:

Q      Mr. Dukes, I hate to go back to this subject again, but I must. I show you what has been marked as

000602

Defendant's Exhibit No. 33 for identification. Would you tell me what it is?

MR. KOTELLY: Your Honor, we would object. The proper question would be if he can identify it, unless there is some foundation we would object to any other questions.

MR. WATKINS: Fine.

THE COURT: You may rephrase it.

BY MR. WATKINS:

Q Can you identify it?

A Yes. This is a bill from the House of Diggs.

Q All right.

A Dated 10-27-75 and sent to the House of Diggs in Detroit.

Q All right. Now, you said it was sent to the House of Diggs in Detroit. There is a paste-over label on that, that appears to change the address if you hold it up to the light; is that correct?

A Yes. I think it is Ofield Dukes was the original addressee.

Q Now, I show you Government's 57-A for identification. Will you compare those?

A Well, the amount is --

Q Would you look at them before you answer, Mr. Dukes?

000603

1 A Yes.

2 This is the same bill.

3 Q They are identical with the exception of one  
4 fact and that is the addressee, is it not?

5 A There is another difference. The bill that was  
6 originally sent to me and was then sent to the House of  
7 Diggs was \$264 and then this bill --

8 Q You are referring to Government's 57-A.

9 A -- is a bill minus the agency fee, commission  
10 of \$39.60 which comes to \$224.40.

11 Q All right. And the bill that you were sent  
12 has that section pasted out; is that correct?

13 A That is true.

14 Q So, in their original form they were identical  
15 bills?

16 A That is true.

17 Q With the exception, the Government's 57-A had  
18 Ofield Dukes as the addressee?

19 A That is true.

20 Q And Defendant's 33 had the House of Diggs as  
21 addressee?

22 A That is true.

23 Q Who was the proper addressee?

24 A The House of Diggs.

25 Q Did the Government in their 12 or so many

000604

hours of going over bills such as these with you, ever show you this document?

A No.

MR. WATKINS: Thank you, Mr. Dukes. No further questions.

MR. KOTELLY: May I have the Court's indulgence, Your Honor?

THE COURT: Yes.

MR. MARCY: I am looking for an exhibit.

REDIRECT EXAMINATION

BY MR. MARCY:

Q Mr. Dukes, showing you what has been marked as Defendant's Exhibit No. 33, the bill that was sent to the House of Diggs, do you have any personal knowledge as to whether the House of Diggs paid that bill?

A No, I don't.

Q Who was employed by Congressman Diggs, was it Ofield Dukes or was it Ofield Dukes & Associates?

A Ofield Dukes.

Q How many hours did you meet with Mr. Watkins?

A About 45.

Q 45 hours?

A 45 minutes.

MR. MARCY: I have no further questions, Your Honor.

000605

**RE CROSS EXAMINATION**

BY MR. WATKINS:

Q      Mr. Dukes, when I met with you did I tell you something? Did I give you any instructions about testifying?

A No.

Q When I talked to you on the phone last night, did I give you any instructions about testifying?

A No. No.

MR. WATKINS: Thank you, Mr. Dukes.

THE COURT: May the witness be excused?

MR. KOTELLY: Yes.

THE COURT: You are excused.

(Witness excused.)

THE COURT: We will take a 10-minute recess.

(Whereupon, at 11:30 o'clock a.m. a short recess was taken at the conclusion of which the following proceedings were had at 11:50 o'clock a.m.:)

THE COURT: Bring in the jury.

(Defendant present in open court.)

(Whereupon, the jury resumed their seats in the jury box and the following proceedings were had in open court:)

MR. MARCY: Your Honor, the Government would

000606

1 call Ruth Rox.

2 Whereupon,

3 RUTH A. ROX

4 was called as a witness by and on behalf of the Govern-  
5 ment and, having first been duly sworn was examined and  
6 testified as follows:

7 DIRECT EXAMINATION

8 BY MR. MARCY:

9 Q Mrs. Rox, will you please state your full  
10 name?

11 A Ruth Alexy Rox.

12 Q Where do you live, Mrs. Rox?

13 A I live in Detroit, Michigan.

14 Q Who do you work for at the present time?

15 A Congressman Diggs.

16 Q How long have you worked for Congressman  
17 Diggs?

18 A I have been with him since '67.

19 Q Directing your attention to September of 1976,  
20 did there come a time when the Congressman gave you  
21 some money orders to cash?

22 A I believe so.

23 Q Would you briefly relate the circumstances  
24 under which the Congressman came to you and asked you  
25 to cash the money orders?

000607

1 A Oh, my God. I believe I worked that weekend  
2 when the Congressman was in town and he asked me to --  
3 he asked me to cash the money orders for him.

4 Q Did you cash the money orders?

5 A Yes. He didn't have an account. I know he  
6 doesn't have an account in Detroit. Since I had an  
7 account I didn't see anything wrong with cashing the  
8 money orders for him.

9 Q What, if anything, did you do with the money  
10 received after you cashed the money orders?

11 A I believe I took it back to the office and  
12 gave him the money.

13 Q Showing you what has been marked as Govern-  
14 ment's Exhibit 46-E, can you identify that?

15 A Yes, I do.

16 Q How can you identify that?

17 A It is my account number there.

18 Q Does your signature appear anywhere on it?

19 A Yes, it is.

20 Q How much is that money order for?

21 A Oh, my God. It is \$250.

22 Q Is that one of the money orders that you  
23 referred to as cashing for the Congressman?

24 A I believe it is.

25 Q Showing you what has been marked as Government

000608

Exhibit -- let me ask you one other question: Are you familiar with Congressman Diggs' signature?

A Yes, I am.

Q Do you see Congressman Diggs' signature on that exhibit?

A It appears to be his.

Q Showing you what has been marked as Government's Exhibit 48-F, can you identify that?

A Yes, I do.

Q How do you identify that?

A It is my signature and my account number.

Q How much is that money order for?

A \$250.

Q Showing you what has been marked as Government's Exhibit 48-F-1, can you identify that?

A I believe this is a Xerox copy of the one you just showed me.

Q Would you compare the serial numbers, the last two digits of each serial number?

A Yes.

Q Can you identify Government's Exhibit 48-F-1?

A Yes, I do.

Q Is that an additional money order that the Congressman gave you?

A I really don't recall it. I guess it is, yes.

000609

1 Q What is the amount of that one?

2 A It is \$250.

3 Q Showing you what has been marked as Govern-  
4 ment's Exhibit 48-F-2, can you identify that?

5 A Yes, I do.

6 Q How do you identify that?

7 A It is my signature and my account number.

8 Q How much is that money order for?

9 A \$22.10, I think.

10 Q Looking at all four exhibits as they are in  
11 front of you, are those numbered consecutively?

12 A Yes, they are.

13 Q What is the last two digits of the first and  
14 the last two digits of the last exhibits?

15 A 78, 71346 is the first one.

16 Q And the last one?

17 A Talking about this?

18 Q Yes.

19 A 7871349.

20 Q Would you refer to the dates on those money  
21 orders? Are the dates listed on them the same or are  
22 they different?

23 A They are the same.

24 Q What is the date?

25 A September 11th of '76.

000610

Q Are those the money orders that Congressman  
Diggs gave you on approximately that day and that you  
cashed?

A To the best of my knowledge, yes.

Q Did you return the cash to him?

A Yes, I did.

Q Do you know what he used the money for?

A No, I don't.

Q Have you ever cashed a United States Treasury  
check for Congressman Diggs?

A I don't recall it, no.

Q Showing you what has previously been marked as  
Government's 22-F, would you look at that? Could you  
identify that check?

A Yes, I do.

Q How do you identify it?

A It is made out to the Congressman. My initials  
and my account number are there on the back.

Q It is made out to Congressman Diggs?

A Yes, it is.

Q And your endorsement appears on the back?

A Yes, it does.

Q Can you tell where you cashed that check?

A I believe I cashed it at my bank and my account

Q What is your bank?

000611

1           A    The Bank of the Commonwealth.

2           Q    How much is that check for?

3           A    I can't make it out. \$500.

4           Q    What is the date of that check?

5           A    October 2nd, '76.

6           Q    After you cashed that check what did you do  
7   with the proceeds?

8           A    I gave it to the Congressman after I cashed it.

9           Q    I'm sorry.

10          A    I gave it to Congressman Diggs.

11          Q    Do you know what Congressman Diggs used that  
12   money for?

13          A    No, sir, I don't.

14            MR. MARCY: I have no further questions, Your  
15   Honor.

16           THE COURT: Mr. Watkins?

17           CROSS EXAMINATION

18          BY MR. WATKINS:

19          Q    Ms. Rox, are you a citizen of this country?

20          A    An alien resident.

21          Q    Pardon?

22          A    An alien resident.

23          Q    You cashed these checks for Congressman Diggs  
24   because he didn't have an account with a Detroit bank;  
25   is that right?

000612

1 A Yes.

2 MR. WATKINS: Thank you, Ms. Rox, that is all.

3 THE COURT: Anything else?

4 MR. MARCY: No, Your Honor.

5 THE COURT: Thank you. You are excused.

6 MR. WATKINS: Just one other thing.

7 BY MR. WATKINS:

8 Q Ms. Rox, where are you from?

9 A Originally from British Honduras.

10 THE COURT: Anything further, gentlemen?

11 MR. MARCY: Nothing further.

12 THE COURT: You may be excused.

13 (Witness excused.)

14 MR. KOTELLY: Your Honor, the next witness  
15 we would call is Sylvia Shearer.

16 Whereupon,

17 SYLVIA SHEARER

18 was called as a witness by and on behalf of the Govern-  
19 ment and, having first been duly sworn, was examined  
20 and testified as follows:

21 DIRECT EXAMINATION

22 BY MR. KOTELLY:

23 Q Would you please state your full name for  
24 the record?

25 A Sylvia Shearer, formerly Lee.

000613

1 Q Where do you presently live?

2 A Detroit, Michigan.

3 Q Are you presently employed?

4 A Yes, I am.

5 Q For whom are you employed?

6 A The Michigan Chronicle Publishing Company.

7 Q How long have you been employed with the  
8 Michigan Chronicle?

9 A 12 years.

10 Q What is your position?

11 A Comptroller.

12 Q How long have you had that position?

13 A Approximately five years.

14 Q What are your general duties as comptroller  
15 of the Michigan Chronicle?

16 A Bookkeeping, dealing with the general  
17 expense ledger, accounts receivable, accounts payable,  
18 payroll.

19 Q The accounts receivable that you are  
20 referring to relate to what type of persons or  
21 organizations?

22 A It is for advertising accounts that place  
23 ads in the paper.

24 Q What type of records do you maintain at the  
25 Michigan Chronicle relating to accounts receivable?

000614

1       A    We have a ledger card that records the  
2 transactions for the charges and payments received.

3       Q    For each particular advertiser?

4       A    Yes, for each one.

5       Q    What other records do you maintain regarding  
6 the accounts receivable?

7       A    We have a daily collection sheet that records  
8 the money received, and this is recorded on the ledger  
9 also.

10      Q    And is that done each day?

11      A    Yes, this is daily.

12      Q    Are these records, these ledger account cards  
13 and the daily collection sheets kept in the ordinary  
14 course of business of the Michigan Chronicle?

15      A    Yes, they are.

16      Q    Does the Michigan Chronicle have the business  
17 of keeping and maintaining this type of documents?

18      A    I don't understand your question.

19      Q    In the regular course of business of the  
20 Michigan Chronicle's business in the advertising area,  
21 is it part of your business to maintain and keep these  
22 documents?

23      A    Yes, it is.

24      Q    Are these documents based on information  
25 given to the Michigan Chronicle around the time that the

000615

1 information is placed on the ledger cards and the daily  
2 collection sheets?

3 A Yes. The collections are posted daily and  
4 the charges are weekly.

5 Q Mrs. Shearer, were you subpoenaed to bring  
6 with you certain documents relating to either  
7 Congressman Charles Diggs or the House of Diggs?

8 A Yes, I was.

9 Q What type of documents did you bring with  
10 you?

11 A I brought the ledger recording the transac-  
12 tions of the ads and the charges and the payments for  
13 the House of Diggs and Charles Diggs.

14 MR. KOTELLY: I ask that these be marked as  
15 Plaintiff's Exhibit 53-D for identification.

16 THE DEPUTY CLERK: Government's Exhibit 53 --

17 MR. KOTELLY: D.

18 THE DEPUTY CLERK: Government's Exhibit 53-D  
19 as in dog marked for identification.

20 MR. KOTELLY: And also premarked Government's  
21 Exhibit 53-A, B and C, Your Honor.

22 THE DEPUTY CLERK: 53-A, B and C marked for  
23 identification.

24 (Whereupon, Government's

25 Exhibits Nos. 53-A, B, C, D

000616

were marked for identification.)

3 BY MR. KOTELLY:

4 Q All right. Mrs. Shearer, I first show you  
5 Government's Exhibit 53-A, B, and C for identification  
6 and ask you if you can identify those three documents?

A Yes, I can.

Q How do you identify them?

9       A    I have initialed them, dated them, and they  
10      are the forms that we record the daily collections for  
11      the Michigan Chronicle.

12 Q Can you tell us for each date what 53-A, B  
13 and C, the daily collections, relate to?

A 53-A is for April 19, 1974.

63-B is January 11 of '75.

53-C is December the 4th of '75.

17 Q Mrs. Shearer, I also show you Government's  
18 Exhibit 53-D, which is a two-page document for identi-  
19 fication and ask you if you can identify that document?

20 A Yes. This I have also initialed and this is  
21 the display ledger of the advertising of the House of  
22 Diggs, of Congressman Diggs.

23 Q Is there a separate ledger card for the House  
24 of Diggs and for Congressman Diggs?

25 A No. We have a card on the record on the same

000617

1 accounts.

2 MR. KOTELLY: Your Honor, at this time we  
3 would ask to have moved into evidence 53-A, B, C and D.

4 MR. WATKINS: No objection, Your Honor.

5 THE COURT: They will be received.

6 THE DEPUTY CLERK: Government's Exhibit 53-A,  
7 B, C and D received in evidence.

8 (Whereupon, Government's  
9 Exhibits 53-A, B, C and D  
10 were received into evidence.)

11 BY MR. KOTELLY:

12 Q Mrs. Shearer, I would first ask you to look at  
13 53-A and ask you if there are any notations on that  
14 daily collection sheet relating to Congressman Diggs or  
15 the House of Diggs?

16 A Yes, there is.

17 Q Again, what date is that?

18 A This is April 19, 1974.

19 Q What is the notation regarding either  
20 Congressman Diggs or the House of Diggs?

21 A It is recorded on Congressman Diggs, \$583  
22 even.

23 Q Even?

24 A Even.

25 Q Is there any other references on that entry?

000618

1 A Oh, his agent, sales person.

2 Q Would you also look at 53-D, to see the  
3 ledger card, to see whether that entry was posted on the  
4 ledger?

5 A There is a recording. I am sorry. There is  
6 a recording on the ledger, April. 1974 of \$588.

7 Q Does that correspond with 53-A in evidence?

8 A Yes, it does.

9 Q I next ask you to look at 53-B, which is in  
10 evidence and ask if there are any references on that  
11 document to either Charles C. Diggs or the House of  
12 Diggs?

13 A This is for Congressman Diggs, \$651.50, and  
14 it is dated January 11th, 1975.

15 Q Could you see if there is a corresponding  
16 amount on the ledger card, 53-D?

17 A On the ledger it is recorded January 11th of  
18 1975, \$651.50.

19 Q Does that amount compare?

20 A It is identical.

21 Q 53-C, which is in evidence, is there any  
22 notations on that document as to whether there are any  
23 payments made on behalf of either Congressman Diggs or  
24 the House of Diggs?

25 A On 53-C, it is December 4, the House of Diggs,

000619

1 \$924.

2 Q Is there any corresponding notation on 53-D,  
3 the ledger card?

4 A Yes. It is recorded December 4th of '75,  
5 \$924 even.

6 Q Mrs. Shearer, based on your records are you  
7 able to determine specific ads that were run for the  
8 Michigan Chronicle which were the ads that were paid  
9 for by 53-A, B and C, the amounts listed?

10 A Yes, I have.

11 Q Did you bring those ads with you?

12 A Yes, I brought tear sheets from the paper  
13 that I had.

14 MR. KOTELLY: Your Honor, I would ask that  
15 these be marked 52-A, B, C, and D for identification.  
16 They have been premarked.

17 THE COURT: Very well.

18 THE DEPUTY CLERK: Government's 52-A, B, and  
19 C marked for identification.

20 BY MR. KOTELLY:

21 Q Mrs. Shearer, I show you what has been  
22 marked as Government's Exhibit 53-A through D for  
23 identification and ask you if you can identify those  
24 documents?

25 A Yes, sir. These are the documents

000620

1 I brought with me. They are also dated the dates of  
2 the charges that are recorded on the ledger.

3 Q The newspaper ads that you brought with you,  
4 do they relate to the three payments for the daily  
5 collections of 53-A, B, and C?

6 A Yes. The ads for April 27th is an 84-inch  
7 ad and that is the one that is on 52-A.

8 Q Fine.

9 A It is marked with --

10 Q You will have to keep your voice up, Mrs.  
11 Shearer.

12 A Did you want --

13 Q What was the amount?

14 A \$588. This is an 84-inch ad pertaining to  
15 Diggs.

16 Q And the second ad, the date of that paper?

17 A January the 11th. This is a 95-inch ad.  
18 This was \$661.50.

19 Q Is that the ad that was paid for by the  
20 collection item on January 11th, 1975 which the Govern-  
21 ment's exhibit reflects?

22 A Yes. \$661.50.

23 Q I ask you to look at 52-C and D, please.  
24 Can you identify those?

25 A Yes. 52-C is an 80-inch ad which was \$560.

000621

1 I can't read this, and this one is a 52-inch ad which  
2 was \$354. The two ads together were \$924 and this is  
3 what was paid for.

4 Q For the record, the first, this was 52-C and  
5 the second, this was 52-D. You indicated the two ads  
6 together were what amount?

7 A \$924 even.

8 Q When were the two ads paid?

9 A They were paid December the 4th, which is  
10 reflected on this collection sheet.

11 Q Were the two ads paid at one time according  
12 to your records?

13 A At one time in the amount of \$924.

14 Q Mrs. Shearer, based on your records, can you  
15 identify the instrument, the check, or the form of  
16 payment as to each of these payments that you have  
17 testified about?

18 A I could not identify the exact form of  
19 payment because the payment is made in one office and  
20 it is recorded from the collection sheet in my office.  
21 So, that whether this was paid in a check or cash or  
22 anything, I would have no way of knowing this. I make  
23 my figures up from the tally.

24 Q Mrs. Shearer, I show you what has been  
25 previously identified as 56-A, B and C, which are the

000622

1 three checks, personal checks of Ofield Dukes and ask  
2 you to look at them and ask you if you can identify  
3 them or any part of them?

4 A They are made out to the Michigan Chronicle  
5 and they have the Michigan Chronicle endorsement stamp,  
6 so this I would identify as the payment for the \$580,  
7 which is recorded.

8 Q Okay. And that check is what exhibit number?

9 A This is 56-A.

10 Q Thank you. I ask you to look next at 56-B.

11 A 56-B is made to the Michigan Chronicle. It  
12 also has the Michigan Chronicle stamp endorsement and  
13 it is in the amount of \$661.50, which I would account  
14 for the January 11, '74, \$661.50.

15 Q Does the amount on your ledger correspond  
16 with the amount on that check?

17 A It is identical.

18 Q And 56-C. I ask you to look at that and ask  
19 if you can identify the marking on that document?

20 A This is made out to the Michigan Chronicle  
21 in the amount of \$924 and has the Michigan Chronicle  
22 endorsement stamp on the back of it.

23 Q Does that correspond with any of the notations  
24 on your ledger card?

25 A This corresponds with the payment of

000623

December 4th of 1975 for \$924.

Q And the amount on the check, the amount on your ledger card, how do they correspond?

A Identical, \$924, even.

Q And the last item for \$924, paid for how many ads?

A Two ads. It paid for two ads.

MR. KOTELLY: Your Honor, at this time we would move into evidence these ads which are 52-A, B, C and D.

THE COURT: Do you wish to be heard?

MR. WATKINS: No objection, Your Honor.

THE COURT: They will be received.

THE DEPUTY CLERK: Government's Exhibits 52-A,  
B, C and D received in evidence.

(Whereupon, Government's

Exhibits Nos. 52-A, B, C and  
D were received into  
evidence.)

MR. KOTELLY: Nothing further.

THE COURT: Mr. Watkins?

## **CROSS EXAMINATION**

BY MR. WATKINS:

Q Good morning, Mrs. Shearer.

A Yes.

000624

1 Q Now, Mrs. Shearer, I am going to show you two  
2 documents, one that has been marked as Government's  
3 54. That is a bill from the Michigan Chronicle; is it  
4 not?

5 A Yes, it is.

6 Q And the other; that has been marked as 53-D  
7 for identification and in evidence, that is also a bill  
8 from the Michigan Chronicle; is it not?

9 A Correct, yes.

10 Q And the addressee or the person billed is  
11 House of Diggs; is that right?

12 A Yes, it is.

13 Q Now, I show you what has been marked as  
14 Government's Exhibit 53-A. That is the daily collection  
15 sheet that Mr. Kotelly referred to.

16 A Uh-huh.

17 Q And there is a line there that indicates  
18 \$588 of Congressman Diggs; is that correct?

19 A Yes, that is correct.

20 Q And on 53-B, there is a line that also  
21 indicates \$661.50, Congressman Diggs; correct?

22 A Correct.

23 Q And on Government's Exhibit 53-C, there is a  
24 line that indicates House of Diggs, \$924.

25 A That is correct.

000625

1           Q     Now, Mrs. Shearer, looking at your bill, it is  
2     fair to say, is it not, that both the collection sheets  
3     or the collection sheet bear items relating to either  
4     House of Diggs or Congressman Diggs?

5           A     That is correct.

6           Q     And when you send out bills you do not  
7     distinguish between the House of Diggs and Congressman  
8     Diggs?

9           A     No.

10          Q     So, that someone outside your organization  
11     looking at a bill or learning about a bill would not be  
12     able to tell whether that bill related to the House of  
13     Diggs and/or Congressman Diggs' ads; is that correct?

14          A     They would not know just from the statement;  
15     that is correct. They would only know were there a  
16     tear sheet.

17          Q     And you normally do not send tear sheets.  
18     Let me ask you this, specifically:

19           Do you recall sending a bill and a tear  
20     sheet to a person named Ofield Dukes?

21          A     No. I personally do not send out the bills  
22     and tear sheets. I oversee this, so I can tell you  
23     our procedure.

24           When an account is invoiced for the weekly  
25     newspaper, and when we invoice the account for each ad

000626

1 we will send a tear sheet with that. However, our  
2 particular records are set up on monthly payments, so  
3 that when we send a monthly statement there is no  
4 tear sheet accompanying that.

5 Q All right. So --

6 A This is a statement that you have.

7 Q Now, referring to Government's 54 in evidence,  
8 showing \$924.

9 A Uh-huh.

10 Q A person receiving that bill would not be  
11 able to determine whether the amount listed there was  
12 for ads for Congressman Diggs or the House of Diggs;  
13 is that correct?

14 A That is correct.

15 MR. WATKINS: Thank you very much, Mrs.  
16 Shearer.

17 THE COURT: Anything else?

18 BY MR. WATKINS:

19 Q Now, Mrs. Shearer, showing you what has been  
20 marked as 52-B, 52-C, 52-A, B, C and D, I am going to  
21 ask you to look at these, Mrs. Shearer.

22 Now, in looking at these four tear sheets is  
23 what you call them; is that correct?

24 A Yes, that is correct.

25 Q Three of these tear sheets, 52-D, 52-A, and

000627

1 52-B, relate to Congressman Diggs; is that correct?

2 A Yes.

3 Q And 52-C?

4 A House of Diggs.

5 Q That relates to the House of Diggs?

6 A The House of Diggs, yes.

7 Q Thank you. But as you say no one receiving  
8 such -- Let me strike that.

9 One receiving a monthly statement without the  
10 tear sheet would not be able to distinguish whether the  
11 bill was for the House of Diggs or Congressman Diggs'  
12 ads?

13 A That is correct, they would not know.

14 MR. WATKINS: Thank you, Mrs. Shearer. I  
15 have no further questions, Your Honor.

16 THE COURT: Anything further?

17 MR. KOTELLY: Nothing further of this witness,  
18 Your Honor.

19 May the witness be excused, Your Honor?

20 THE COURT: You are excused. Thank you.

21 (Witness excused.)

22 THE COURT: Do you gentlemen have a short  
23 witness?

24 MR. KOTELLY: The witness would probably be  
25 about 15 minutes, Your Honor.

000628

1                   THE COURT: All right, ladies and gentlemen  
2 of the jury. It is close to 12:30. We will recess at  
3 this point for lunch. Do we know how long it will  
4 take?

5                   THE DEPUTY CLERK: The same as yesterday,  
6 Your Honor.

7                   THE COURT: Do not discuss the case among  
8 yourselves. Do not let anybody talk to you about it  
9 and do not talk to anybody about it. We will seek to  
10 resume just before 2:00 o'clock.

11                  Mr. Marshal, get them back as soon as you can.

12                  (Whereupon, at 12:25 o'clock p.m. the  
13 luncheon recess was taken at the conclusion  
14 of which the following proceedings were had.)

000629

3 THE COURT: Bring in the jury.

4 (The jury returned to the courtroom.)

5 Whereupon,

6 JOHN J. SHEERAN

7 was called as a witness by and on behalf of the Government,  
8 and having been first duly sworn was examined and testified  
9 as follows:

## 10 DIRECT EXAMINATION

11 BY MR. KOTELLY:

12 Q Will you please state your full name for the record?

13 A John J. Sheeran.

14 Q Mr. Sheeran, where do you live?

15 A I live in Roseville, Michigan.

16 Q What major city is that located near?

17 A Detroit, Michigan.

18 Q Where are you presently employed?

19 A I'm employed at Booth Broadcasting Company.

20 Q Where are your offices located?

21 A 2600 Poole Building, Detroit, Michigan.

22 Q What type of company is the Booth Broadcasting  
Company?23 A Booth Broadcasting owns and operates Radio Station  
24 WJLB in Detroit.

25 Q What is your position with Booth Broadcasting?

000630

1 A I am the office manager of the central office of the  
2 company, which is the business office in Detroit.

3 Q What are your general duties?

4 A I supervise all accounts receivable, clerks, and  
5 maintain all the accounts receivable and billing records for  
6 WJLB and other Booth stations.

7 Q What type of persons or organizations are considered  
8 as part of your accounts receivable?

9 A All advertisers on WJLB or who have programs.

10 Q How long have you held this position?

11 A I have been with them for 13 years.

12 Q What type of records do you maintain as part of  
13 your accounts receivable?

14 A We maintain cash receipts, journals, copies of  
15 invoices and statements and ledger cards.

16 Q How frequently do you bill for your accounts  
17 receivable?

18 A Usually once per month.

19 Q The records that you have indicated that are  
20 maintained by WJLB, are they maintained based on information  
21 given to them around the time that these items would be  
22 posted on your ledger and cash receipts journals?

23 A I'm not following your question.

24 Q Okay. The information that is placed on your  
25 ledger cards and cash receipts journals, where does that

000631

1 information come from?

2 A That comes from receipts received by the office and  
3 my invoices mailed out from the office.

4 Q And the information that is posted on the ledgers  
5 as well as on the cash receipts journal, is that information  
6 posted around the time that the information is received at  
7 WJLB?

8 A Yes, it is.

9 Q Is WJLB in the business of maintaining and making  
10 records like the cash receipts journals and the ledger cards?

11 A Yes.

12 Q Is that also true of the statements and invoices  
13 that are sent to the customer?

14 A That is correct.

15 MR. KOTELLY: Your Honor, I would ask these new  
16 exhibits be marked Government's 67 for identification, 68 for  
17 identification, 69-A for identification, the whole group,  
18 69-B for identification.

19 THE CLERK: Exhibits 67, 68, 69-A and 69-C and D,  
20 like in dog, marked.

21 (Government Exhibit Nos. 67,68,  
22 69-A, 69-C, and 69-D were marked  
23 for identification.)

24 BY MR. KOTELLY:

25 Q Mr. Sheeran, I first show you Government's Exhibit

000632

67 for identification and ask you if you can identify that?

A Yes, I can.

Q How do you identify it?

A It is the ledger card for Ofield Dukes and  
Associates for the account of Congressman Diggs.

Q What period of time does that ledger card cover?

A It covers the period October through December of  
1975.

Q What, if any, type of records did you maintain  
after the end of 1975?

A We went to a computerized method of keeping ledgers.

Q And you no longer maintained ledger cards after  
that?

A No, we did not.

Q I show you Government's Exhibit 69-A for identifica-  
tion and ask you if you can identify those documents?

A Yes. These are pages from our cash receipts journal  
for WJLB from October, '75 through December, 1976.

Q Are those records regularly kept and made by WJLB?

A Yes, practically on a daily basis.

Q I show you 69-B for identification and ask you if  
you can identify that document?

A Yes. It's a photostatic copy of the cash receipts  
journal for two days concerning January, 1977.

Q Can you identify that as being the cash receipts

000633

1 journal pages from WJLB?

2 A Yes, I can.

3 Q Were those previously furnished to the Government?

4 A Yes, they were.

5 Q Mr. Sheeran, did you bring the original of that  
6 document with you when you came to Washington pursuant to the  
7 subpoena?

8 A No, I did not.

9 Q I also show you Government's Exhibits 69-C and  
10 69-D for identification and ask you if you can identify those  
11 documents?

12 A Yes. These are photostatic copies of invoices and  
13 statements to Ofield Dukes and Associates.

14 Q How would that relate to the account that you have  
15 the ledger card for?

16 A These items would be the bills to Ofield Dukes.  
17 These would be the receipts journal.

18 Q Would you give us exhibit numbers rather than  
19 "these"?

20 A Exhibits 69-C and 69-D are invoices to Ofield  
21 Dukes and Associates. Exhibits 69-A and 69-B are the cash  
22 receipts journals as we receive payments from these invoices  
23 and Exhibit No. 67 is the ledger concerning the account.

24 Q Mr. Sheeran, the documents that you have before you,  
25 were they brought and given to the Government pursuant to a

000634

1 subpoena in connection with this case?

2 A Yes, they were.

3 Q And the documents that are before you relate to  
4 what?

5 A Relate to Congressman Diggs.

6 MR. KOTELLY: Your Honor, at this time I would move  
7 Exhibit 67, 69-A, B, C and D into evidence.

8 MR. WATKINS: No objection, Your Honor.

9 THE COURT: Be received.

10 THE CLERK: Government's Exhibits 67, 69-A, B, C  
11 and D received in evidence.

12 " (Government Exhibit Nos. 67, 69-A,

13 69-B, 69-C, and 69-D were

14 received in evidence.)

15 BY MR. KOTELLY:

16 Q Mr. Sheeran, were you previously shown by the  
17 Government certain money orders and cashier's checks from the  
18 National Bank of Detroit and the Bank of the Commonwealth in  
19 connection with this case?

20 A Yes, I was.

21 Q What did you do with the various documents that  
22 were shown to you by the Government?

23 A I identified them and initialed and dated them.

24 Q How did you identify them?

25 A I identified them in many cases by the bank it was  
drawn on, the check number and date as it was recorded in our  
000635

1 cash receipts journal and by our endorsement stamps on the  
2 backs of the checks.

3 Q Mr. Sheeran, first I will show you Government's  
4 Exhibit 47-K and 47-L.

5 MR. KOTELLY: I don't know if they have been  
6 previously marked for identification, Your Honor. They have  
7 been premarked.

8 THE COURT: Mr. Patterson, what does your record  
9 reflect?

10 THE CLERK: Your Honor, they have been previously  
11 marked.

12 THE COURT: By you?

13 THE CLERK: Yes, sir.

14 THE COURT: All right.

15 BY MR. KOTELLY:

16 Q These are personal money orders on National Bank of  
17 Detroit and I would ask that you look at those documents and  
18 ask you if you can identify the writing on either of those  
19 documents?

20 A Yes, I can.

21 Q How do you identify them?

22 A It is my writing on the face of them.

23 Q Do you recall the circumstances that you filled in  
24 those two money orders?

25 A Yes. They would have been brought to me by

000636

1 Mr. Matlock in blank and filled out in his presence.

2 Q Do you know Mr. Matlock?

3 A I have met Mr. Matlock on several occasions.

4 Q Under what circumstances have you met Mr. Matlock?

5 A When he came in to our office to pay on the  
6 Congressman Diggs' account.

7 Q Mr. Sheeran, would you be the person who would  
8 normally collect for the moneys on your cash receivables?

9 A It would be a normal course of events for me to  
10 receive such things. Other people in the office could have  
11 done it as well.

12 Q If someone hand-delivers money to WJLB what, if any,  
13 procedure do you have regarding the customer himself to note  
14 that the payment was made?

15 A We always give that customer a receipt whether  
16 they pay in cash, check or whatever.

17 Q What, if anything, occurs regarding money that is  
18 mailed in to you?

19 A Then it's a person's canceled check is their receipt  
20 and that's all.

21 MR. KOTELLY: Your Honor, I would ask that this be  
22 marked the next Government's Exhibit in order, 70 for  
23 identification.

24 THE CLERK: Government's Exhibit No. 70 marked for  
25 identification.

000637

1 (Government Exhibit No. 70 was  
2 marked for identification.)

3 BY MR. KOTELLY:

4 Q Mr. Sheeran, I show you what has been marked  
5 Government's Exhibit 70 for identification and ask you if you  
6 can identify that document?

7 A Yes. It's a receipt which I gave concerning a  
8 \$550 payment on the account of Congressman Diggs.

9 Q When would you have made out that receipt?

10 A December 30, 1975, and I would have made it out  
11 because someone came to my office with a payment.

12 Q Do you know who that someone would have been?

13 A Yes. Felix Matlock.

14 Q How do you know that?

15 A Because Mr. Matlock is the only person I ever  
16 received payments from concerning Congressman Diggs.

17 Q The receipt that is dated December -- what was the  
18 date on that again, sir?

19 A December 30.

20 Q How would that relate to the two money orders before  
21 you, Government's Exhibits 47-K and L, I believe the numbers  
22 are?

23 A That's correct.

24 The two money orders total \$550. One is for \$500.  
25 The other is for 50 and this receipt is for \$550.

000638

1 Q As to Government's Exhibits 47-K and L you have  
2 indicated that you can identify them. Have you had a chance  
3 to review those two money orders and compare them with the  
4 cash receipts journal and your ledgers?

5 A Yes. They are recorded in our cash receipts  
6 journal and also posted to the ledger.

7 Q I next show you Government's Exhibit 47-H for  
8 identification and ask you if you previously looked at that  
9 money order from the National Bank of Detroit?

10 A Yes, I have.

11 Q Have you been able to identify it?

12 A Yes. It's a payment for \$277 payable to WJLB.  
13 It's a personal money order.

14 Q Have you had an opportunity to compare that with  
15 your ledgers and your cash receipts journals and your invoices  
16 and statements?

17 A Yes. This was recorded into our cash receipts  
18 journal and posted to the ledger.

19 Q I next show you Government's Exhibit 48-N and ask you  
20 if you have had an opportunity to previously look at that  
21 money order from the National Bank of Detroit?

22 A Yes, I did. It's a money order for \$500 payable to  
23 WJLB.

24 Q Have you had an opportunity to compare that with  
25 your ledgers and the other documents that have been moved into

000639

1 evidence?

2 A Yes. This was traced to our cash receipts journal  
3 and to the ledger.

4 Q Exhibit 48-Q for identification, have you previously  
5 looked at that?

6 A Yes, I have.

7 Q How can you identify that?

8 A I have initialed it, dated it. It's a money order  
9 payable to WJLB.

10 Q Have you had an opportunity to compare that with the  
11 other exhibits?

12 A This again I traced to our cash receipts journal and  
13 the ledger card.

14 Q I show you 50-D, 50-L, 50-M, 50-P, 50-Q, 50-R, 50-FF,  
15 50-GG.

16 I ask you to look at each one of those and ask you  
17 if you have previously looked at those documents before which  
18 are money orders from the Bank of the Commonwealth?

19 A Yes. I examined all these before.

20 Q How do you identify those?

21 A They are money orders payable to WJLB and again, we  
22 traced these to our cash receipts journal and to the ledger.

23 Q Finally I show you 51-D for identification and ask  
24 you if you previously looked at that document?

25 A Yes, I have. It's a money order drawn on the Bank

000640

1 of the Commonwealth for \$500 payable to WJLB.

2 Again we traced this to our cash receipts journal  
3 and to the ledger.

4 Q When you indicate that you have traced each of  
5 those through your cash receipts journal and ledger what exactly  
6 does that mean?

7 A In our cash receipts journal many times we record  
8 the date of the document, such as the date of the money order,  
9 the number of the money order and for future reference.  
10 Then on the ledger card the cash receipts or cash receipts  
11 journal page is then posted to the ledger and the amount that  
12 we received that day.

13 Q The documents that are in front of you, the money  
14 orders and cashiers' checks from the two banks, can you  
15 identify as to whether or not they were received by WJLB?

16 A Oh, yes. Our endorsement stamps are on the backs  
17 of these items.

18 Q Have you been able to identify as to whether they  
19 have been credited to a certain account?

20 A Yes, I can. They have been credited to the account  
21 of Congressman Diggs.

22 Q That is true of all of those exhibits you have  
23 just identified?

24 A Yes, it is.

25 Q I next show you what has been marked Government's

000641

1 Exhibit 68 for identification and ask you if you can identify  
2 this document?

3 A Yes. It's a ledger card for the House of Diggs  
4 account.

5 Q What period of time does that ledger card cover?

6 A This is balance forwarded at April 27, 1975, and  
7 continues on to December 28, 1975.

8 Q And after 1975 was there a procedure regarding that  
9 account?

10 A Yes. We went on a computerized accounts receivable  
11 system.

12 Q Did WJLB consider the House of Diggs account the  
13 same or separate from the Charles Diggs account?

14 A They were separate accounts.

15 Q And Government's Exhibit 68 for identification, is  
16 that a ledger that is made and maintained by WJLB in the  
17 ordinary course of their business?

18 A Yes, it is.

19 MR. KOTELLV: Your Honor, I would move Government's  
20 Exhibit 68 into evidence at this time.

21 THE COURT: Do you gentlemen wish to be heard?

22 MR. WATKINS: No, Your Honor.

23 THE COURT: Received.

24 THE CLERK: Government's 68 received in evidence.

25  
000642

1  
2 (Government Exhibit No. 68 was  
3 received in evidence.)  
4

1  
2  
3 MR. KOTELLY: Government's Exhibit 60 -- I don't know  
4 if that is in evidence yet or not. It is a check from  
5 ofield Dukes.  
6

7 THE CLERK: It is not in evidence.  
8

9 BY MR. KOTELLY:  
10

11 Q Government's 60 for identification, I would ask you  
12 if you have previously looked at that document?  
13

14 A Yes, I have.  
15

16 Q How can you tell whether you have looked at that  
17 document?  
18

19 A I have initialed it and dated it.  
20

21 Q Can you identify as to whether that was a check  
22 received by WJLB?  
23

24 A Yes. It's a check made payable to WJLB Radio and  
25 it has our endorsement stamp on the back.  
26

27 Q Have you been able to identify as to what account  
28 that check was credited?  
29

30 A Yes. It was credited to the House of Diggs on  
31 December 17th, 1975.  
32

33 Q The amount of the credit?  
34

35 A Was \$264 credit although the check is for \$244.40.  
36 There was an agency commission allowed.  
37

38 Q Have you had an opportunity to compare the documents  
39

000643

1 to determine whether, in fact, the check, Government's  
2 Exhibit 60 for identification, was properly credited to the  
3 account of the House of Diggs?

4 A Yes. I traced it to our cash receipts journal and  
5 then to the ledger.

6 Q Thank you.

7 Mr. Sheeran, I again show you Government's Exhibit  
8 67 which is in evidence which is your ledger card as to  
9 Congressman Charles Diggs and ask you if you had an opportunity  
10 to review that document to determine the number of payments  
11 that were made on that account in the year 1975?

12 A Yes. This ledger starts October 1st, 1975 and  
13 ends December 28, 1975, and there were four payments credited  
14 to this account.

15 Q Could you tell from that ledger -- would you tell  
16 the jury the dates and the amounts of those credits?

17 A Yes. On October 1st, 1975, there was a \$110  
18 payment. On November 11 there was a \$273 payment. On  
19 December 5th there was a \$277 payment. On December 30 there  
20 was a \$550 payment.

21 Q I again show you Government's Exhibit 69-A which is  
22 now in evidence which is your cash receipts journal and I'll  
23 ask you if you have had an opportunity to review those  
24 documents to determine as to who paid those four various  
- payments?

000644

1 A Yes, I can identify them. Would you like me to  
2 detail them?

3 Q Yes. The four payments in 1975, would you state  
4 what your records and the cash receipts journal reflect as to  
5 the four payments on Congressman Diggs account?

6 A All right. The first on October 1st, is a check  
7 drawn on the Union Trust for \$110 by Ofield Dukes dated  
8 September 24. His Check No. 3187.

9 The second is a money order. It does not indicate  
10 which bank it was drawn on. It was dated November 11. It  
11 was credited to the Ofield Dukes and Associates, Congressman  
12 Diggs account, in the amount of \$273.

13 Q The third payment?

14 A The third payment on October 5th was a money order  
15 for \$277 dated December 5th, credited to the Ofield Dukes  
16 account for Congressman Diggs.

17 Q Was there any identifying information as to the form  
18 of that payment?

19 A Only that it was a money order.

20 Q And the fourth payment as to Congressman Diggs?

21 A Yes. A check drawn on Union First, \$244.40  
22 allowing \$39.60 agency commission. A credit to the account  
23 of Ofield Dukes for Congressman Diggs, \$264. It was his  
24 check dated December 10th, No. 3347.

25 Q I show you again Government's Exhibit 60 for

000645

1 identification and ask you if that is how that compares with  
2 the cash receipt item?

3 A This is the document we recorded. It is Check No.  
4 3247 dated September 10th from Ofield Dukes.

5 Q Do you know whether that was credited to Congressman  
6 Diggs' account or to the House of Diggs account?

7 A That was credited to Congressman Diggs' account.

8 Q Was there later a change regarding that payment?

9 A No, I don't believe so.

10 Q Would any other document assist you in identifying  
11 that particular check?

12 A Yes, the other ledger.

13 Q I show you Government's Exhibit 68 in evidence.

14 A This is the ledger for the House of Diggs account.  
15 We received this check on December 17, as I just explained  
16 a moment ago, and we have a posting to the ledger of December  
17 17, 1975, a credit of \$264 to the House of Diggs account.

18 Q I was asking, Mr. Sheeran, only about the charges on  
19 Congressman Diggs' account, not the House of Diggs account.  
20 You identified a check from Ofield Dukes for \$224.40. You  
21 indicated it was for Congressman Diggs' account.

22 A But it was for the House of Diggs account.

23 Q All right. You have told us that there were four  
24 credits to the account of Congressman Diggs. You have related  
25 three and then, of course, mentioned Mr. Dukes' check.

000646

2 Could you tell us what the fourth one is from your  
3 cash receipts journal?

4 A Yes. We received two money orders in the amount of  
5 \$550 and they were dated December 30, each of them, and they  
6 were credited to the account of Congressman Diggs.

7 Q Is there any further identification of those money  
8 orders on your cash receipts journal?

9 A No, there isn't.

10 Q Going in inverse order, the latest payment, and  
11 going back to the earliest payments, I show you Government's  
12 Exhibit 47-K and 47-L for identification, which you  
13 previously identified, and ask you whether you can identify  
14 that as having made any of the four payments?

15 A Yes. These two that I identified a few minutes  
16 earlier I filled out for Mr. Matlock and they were recorded  
17 here on December 30 going to the Congressman Diggs account.

18 Q So are those two money orders the fourth payment?

19 A Yes, they are.

20 Q I next show you Government's Exhibit 47-H for  
21 identification which you previously looked at and ask you if  
22 you can identify that one as being any of the four payments  
23 in 1975?

24 A Yes, it is. It is a \$277 money order and I mentioned  
25 that we recorded that on the 5th.

26 Q Which numbered payment would that have been of the

000647

1 four?

2 A That would have been the third payment.

3 MR. KOTELLY: Your Honor, I would ask these to be  
4 marked. I believe we are at Government's Exhibit 71-A and B  
5 for identification.

6 THE CLERK: Government's Exhibit 71-A and 71-B  
7 marked for identification.

8 (Government Exhibit Nos. 71-A and  
9 71-B marked for identification.)

10 BY MR. KOTELLY:

11 Q Mr. Sheeran, I show you first what is marked on  
12 this Exhibit 71-A which is just the top document and ask you  
13 to look at it and ask you if you can identify it?

14 A Yes. This is a receipt that I filled out for the  
15 Congressman Diggs account in the amount of \$273 on November  
16 11, 1975.

17 Q Whose writing appears on the face of that?

18 A That's my writing.

19 Q I ask you to look at the second document, the one  
20 underneath it, 71-B for identification, and ask you first of  
21 all how that compares with your receipt?

22 A It's in the exact same amount. What it is, it's  
23 a purchaser's copy of a money order drawn on National Bank of  
24 Detroit. It's dated November 11, 1975, as is my receipt that  
25 I filled out, and it appears that it is made payable to WJLB

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1 for the account of Congressman Charles Diggs, as is the  
2 receipt that I also filled out.

3 Q Do you know who you would have given the receipt  
4 to for that payment?

5 A Yes. Mr. Matlock.

6 Q Is that reflected on any of the four payments in the  
7 last few months of 1975?

8 A Yes, it is.

9 Q Which payment number would that have been of the  
10 four?

11 A That would have been the second one we referenced  
12 in their cash receipts journal which I have a money order in  
13 the amount of \$273, credited to the Ofield Dukes account,  
14 Congressman Charles Diggs.

15 Q . The amount on your ledger, your cash receipts  
16 ledger, how does that compare with the amount of your receipt  
17 and the amount of the money order?

18 A All three tie in.

19 Q Again as to the first payment of the four on  
20 Congressman Diggs account in 1975 what do your records  
reflect? Just recite what the record reflects as to the  
21 first payment.

22 A We have an entry in our cash receipts journal  
23 indicating the payment.

24 Q By whom?

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1 A By money order. Let me just double check.

2 Q Please do.

3 A I'm sorry. It's a Union Trust check for \$110 from  
4 Ofield Dukes.

5 Q Is there a number, identifying number?

6 A Yes, a check number, 3187.

7 MR. KOTELLY: I have no further questions of the  
8 witness, Your Honor.

9 THE COURT: Gentlemen?

10 CROSS-EXAMINATION

11 BY MR. POVICH:

12 Q Mr. Sheeran, just a couple questions. All the  
13 documents you have given the Government today, have they  
14 previously been turned over to the Government?

15 A We made photostatic copies of many of those that  
16 were given to the FBI which eventually wound up with the  
17 United States Attorney.

18 Q But they were all given to the FBI?

19 A Yes, they were.

20 Q How long ago was that?

21 A It was early this year. I don't recall when.  
22 Before the summer, I believe.

23 Q Did all those documents relate to the billings for  
24 WJLB with respect to Congressman Diggs or the House of Diggs;  
25 is that correct?

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1 A That's correct.

2 Q So that the Government had available to them all  
3 this information as of -- since what date?

4 A I really don't recall. It was a few months ago.

5 MR. POVICH: Thank you very much.

6 THE COURT: All right.

7 MR. KOTELLY: Nothing further.

8 THE COURT: May the witness be excused?

9 MR. KOTELLY: Yes, Your Honor.

10 MR. POVICH: Yes.

11 THE COURT: Thank you. You are excused.

12 (Witness excused.)

13 MR. KOTELLY: We call Lorraine Westbrook, if she  
14 is here.

15 MR. MARCY: Your Honor, Lorraine Westbrook is not  
16 here. The Government would call Jeralee Richmond.

17 THE COURT: All right.

18 Whereupon,

19 JERALEE RICHMOND

20 was called as a witness by and on behalf of the Government,  
21 and having been first duly sworn was examined and testified  
22 as follows:

23 DIRECT EXAMINATION

24 BY MR. MARCY:

25 Q Mrs. Richmond, would you please state your full name?

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1 A Jeralee Richmond.

2 Q Where do you live, Mrs. Richmond?

3 A 24071 Jerome Park, Michigan.

4 Q Do you know Charles C. Diggs?

5 A Yes, I do.

6 Q Do you work for him at the present time?

7 A Yes, I do.

8 Q Would you tell us what you do for Congressman Diggs?

9 A Constituency services and run his congressional  
10 offices in Detroit.

11 Q Which congressional office in Detroit?

12 A 8401 Woodward Avenue.

13 Q When did you first meet Charles C. Diggs, Jr.?

14 A 1949.

15 Q What were the circumstances under which you met  
16 Mr. Diggs?

17 A I went to the House of Diggs Funeral Home to apply  
18 for a job.

19 Q Did you interview Mr. Diggs at that time?

20 A Yes, I did.

21 Q Were you hired for a job?

22 A Yes, I was.

23 Q Who were you hired by?

24 A Mr. Diggs.

25 Q To work for whom?

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1 A The House of Diggs Funeral Home.

2 Q What were your responsibilities for the House of  
3 Diggs Funeral Home?

4 A Bookkeeper and general clerical work.

5 Q Were there any other responsibilities that you had  
6 while you worked at the House of Diggs?

7 A We took -- yes, working with the miscellaneous  
8 cases that may have come into the office with any of their  
9 problems.

10 Q Did there come a time that you left the House of  
11 Diggs?

12 A In 1955.

13 Q Where did you go at that time?

14 A I went to Diggs Enterprises.

15 Q What was Diggs Enterprises?

16 A Public stock company with subsidiaries.

17 Q How long were you employed by Diggs Enterprises,  
18 if you remember?

19 A Until 1967.

20 Q From the period you first began with the House of  
21 Diggs in 1949 until 1967 where did you receive your salary  
22 from? Who paid you?

23 A The House of Diggs until '55 and Diggs Enterprises  
24 until '67.

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