

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?

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A No.

Q Or just a portion?

A Just a portion.

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

A 9-D.

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

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

Q And the second check?

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

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

A A portion of it.

Q Are we on D or E now?

A We are on E now.

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

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

Q The second check?

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

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.

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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

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

7 A Yes.

8 Q How do you identify them?

9 A I identify them by my handwriting.

10 Q Does your handwriting appear on each of
11 these?

12 A My handwriting appears on each one.

13 Q Would you state to the jury starting with
14 48-A the payee, the amount and the purpose of each of
15 those documents?

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

19 Q 48-B?

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

22 Q For what?

23 A It would appear that this was for the light
24 bill at either one of the offices, either 4825 Woodward
25 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

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

A Beg your pardon?

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

A To go and pay the oil bill.

Q For later oil bills?

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

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

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

Q During the time that the leasing company was reimbursing?

A Yes.

Q Would you see any of that money?

A I would.

Q Reimbursement money?

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

Q So we won't cause confusion, who would send 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
3 writing does not appear on that?

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

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

6 THE COURT: All right.

7 BY MR. KOTELLY:

8 Q Does your signature then appear on all of the
9 other money orders from this Bank of Commonwealth,
10 50-A through 50-KK, other than 50-II?

11 A Yes.

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

15 A Yes.

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

18 A Yes.

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

23 A Yes.

24 Q Is your handwriting on each of those documents?

25 A Yes.

000507

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

3 A All purchased by me.

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

6 A Yes.

7 Q Were they from monies in your extra salary?

8 A Yes.

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

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

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

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

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

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

23 Q Light bill for whom?

24 A For Congressman Diggs?

25 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

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

6 Q 50-V for identification?

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

9 Q 50-W for identification?

10 A Ruth Rox, \$6.75.

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

12 A Six dollars. This was reimbursement for
13 parking expenses.

14 Q 50-X for identification?

15 A City Election Commission, City Treasurer.

16 Q Amount?

17 A \$12.00.

18 This was for three copies of the Detroit
19 street directory.

20 Q 50-Y for identification?

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

23 Q 50-Z for identification?

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

Q 50-AA?

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 9:30. 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

1 MR. POVICH: Do you think you will finish?

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

5 MR. POVICH: Will you finish tomorrow.

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

8 THE COURT: All right. Very good.

9 (In open court.)

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

12 (Whereupon, at 5:05 o'clock p.m, the above-
13 entitled matter was recessed.)
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IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA,]

v.]

Criminal No. 78-142

CHARLES C. DIGGS, JR.,]

Defendant.]

Washington, D.C.

September 30, 1978

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

HONORABLE OLIVER GASCH
UNITED STATES DISTRICT JUDGE

APPEARANCES:

ON BEHALF OF THE GOVERNMENT:

JOHN KOTELLY, ESQUIRE
ERIC MARCY, ESQUIRE

ON BEHALF OF THE DEFENDANT:

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

-oOo-

REGIS GRIFFEY
Official Court Reporter

000515

P R O C E E D I N G S

MR. POVICH: May we approach the Bench?

THE COURT: Yes.

(At the Bench.)

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

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

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

MR. KOTELLY: Your Honor, I would strenuously 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 You may resume the stand, Mr. Matlock. You are
2 still under oath.

3 DIRECT EXAMINATION

4 BY MR. KOTELLY:

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

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

12 Q And the purpose?

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

15 Q 50-AA for identification.

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

18 Q 50-BB.

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

20 Q Same purpose?

21 A Uh-huh.

22 Q 50-CC?

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

25 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 timing 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'
25 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

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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 oftentime 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.

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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 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

THE WITNESS: May 31st, 1974.

BY MR. MARCY:

Q Is there a Government exhibit on it?

A 12-G.

THE DEPUTY CLERK: Thank you.

BY MR. MARCY:

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

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

Q Yes, would you please.

A 12-K.

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

A Yes. 12-L.

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

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

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

A Yes.

Q How did you receive these Treasury checks?

A Through the mail.

Q Were they directed to the address that appears 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

Q Showing you what has been marked as Government's Exhibit 58, is that your memorandum to Jean Stultz?

A It is one of them.

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

A It is very possible, yes.

Q Okay.

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

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

MR. WATKINS: No objection.

THE COURT: Received.

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

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

BY MR. MARCY:

Q Mr. Dukes, would you read that memorandum?

A "I have received through the mail the enclosed bill from WJLB. There must be a mistake. Enclosed bill, I think, is from the Sunday night program, unless there is a change I am to pay for the new Sunday morning 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 Willobee 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

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

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

5 THE COURT: Yes.

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

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

11 BY MR. MARCY:

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

14 A I received the instructions from Mrs. Jean
15 Stultz.

16 Q What were her instructions?

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

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

22 MR. WATKINS: Mr. Marcy --

23 BY MR. MARCY:

24 Q Showing you what has been marked as Government's
25 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

1 Q Let me see if I understand you.

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

4 A That is true.

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

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

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

17 THE COURT: I will permit the question.

18 BY MR. WATKINS:

19 Q Mr. Dukes?

20 A If I may clarify that, Mr. Watkins.

21 THE COURT: I think you have answered his
22 question.

23 BY MR. WATKINS:

24 Q Mr. Dukes, it will be easier for the reporter
25 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.

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

THE COURT: Well, he has expressed his views.

BY MR. WATKINS:

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

A No, not at all.

Q You didn't find it unusual?

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

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

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

A I was hired as a consultant.

Q As a consultant to deal with his media problems?

A No. I was hired as a consultant to deal with program development, media, as I said before. There weren't too many things that I was involved in, there weren't too many things in the Congressman's office that I was not involved in. I just have a memo here dated 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 responsibili-
7 ty 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

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

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

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

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

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

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

21 THE COURT: I think you have answered the
22 question.

23 BY MR. WATKINS:

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

000593

1 evening show?

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

6 MR. KOTELLY: Objection, Your Honor, hearsay.

7 BY MR. WATKINS:

8 Q Mr. Dukes, if you can be brief.

9 A Okay.

10 Would you repeat the question?

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

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

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

20 A There were extensive discussions with the radio
21 stations.

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

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

000594

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

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

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

8 MR. WATKINS: All right.

9 THE COURT: Sustained.

10 BY MR. WATKINS:

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

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

15 Q What did you learn, Mr. Dukes?

16 A Mr. Charles Seneca, the manager --

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

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

22 Q All right. As a result of that -- well, as a
23 result of that conversation or learning that informa-
24 tion, did you take some action?

25 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

1 A That is part of the process of reimbursement.

2 Q You didn't do that, because you thought there
3 was anything wrong with it; did you?

4 A Oh, no, and I still don't.

5 Q Did the Congressman or Mrs. Stultz ever indi-
6 cate to you that there was anything wrong with that
7 arrangement?

8 A I never had any discussions with the
9 Congressman regarding the process for reimbursement.

10 Q Did Mrs. Stultz?

11 A No.

12 Q Did she ever indicate that there was anything
13 wrong with it?

14 A No.

15 MR. WATKINS: Would you indulge me a moment,
16 Your Honor?

17 THE COURT: Yes, sir.

18 THE DEPUTY CLERK: Defendant's Exhibit 33
19 marked for identification.

20 (Whereupon, Defendant's
21 Exhibit No. 33 was marked for
22 identification.)

23 BY MR. WATKINS:

24 Q Mr. Dukes, I hate to go back to this subject
25 again, but I must. I show you what has been marked as

000602

1 Defendant's Exhibit No. 33 for identification. Would
2 you tell me what it is?

3 MR. KOTELLY: Your Honor, we would object.
4 The proper question would be if he can identify it,
5 unless there is some foundation we would object to any
6 other questions.

7 MR. WATKINS: Fine.

8 THE COURT: You may rephrase it.

9 BY MR. WATKINS:

10 Q Can you identify it?

11 A Yes. This is a bill from the House of Diggs.

12 Q All right.

13 A Dated 10-27-75 and sent to the House of Diggs
14 in Detroit.

15 Q All right. Now, you said it was sent to
16 the House of Diggs in Detroit. There is a paste-over
17 label on that, that appears to change the address if you
18 hold it up to the light; is that correct?

19 A Yes. I think it is Ofield Dukes was the
20 original addressee.

21 Q Now, I show you Government's 57-A for
22 identification. Will you compare those?

23 A Well, the amount is --

24 Q Would you look at them before you answer,
25 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

1 hours of going over bills such as these with you, ever
2 show you this document?

3 A No.

4 MR. WATKINS: Thank you, Mr. Dukes. No fur-
5 ther questions.

6 MR. KOTELLY: May I have the Court's
7 indulgence, Your Honor?

8 THE COURT: Yes.

9 MR. MARCY: I am looking for an exhibit.

10 REDIRECT EXAMINATION

11 BY MR. MARCY:

12 Q Mr. Dukes, showing you what has been marked
13 as Defendant's Exhibit No. 33, the bill that was sent
14 to the House of Diggs, do you have any personal know-
15 ledge as to whether the House of Diggs paid that bill?

16 A No, I don't.

17 Q Who was employed by Congressman Diggs, was it
18 Ofield Dukes or was it Ofield Dukes & Associates?

19 A Ofield Dukes.

20 Q How many hours did you meet with Mr. Watkins?

21 A About 45.

22 Q 45 hours?

23 A 45 minutes.

24 MR. MARCY: I have no further questions, Your
25 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 anyplace 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-P-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

1 Q Are those the money orders that Congressman
2 Diggs gave you on approximately that day and that you
3 cashed?

4 A To the best of my knowledge, yes.

5 Q Did you return the cash to him?

6 A Yes, I did.

7 Q Do you know what he used the money for?

8 A No, I don't.

9 Q Have you ever cashed a United States Treasury
10 check for Congressman Diggs?

11 A I don't recall it, no.

12 Q Showing you what has previously been marked as
13 Government's 22-F, would you look at that? Could you
14 identify that check?

15 A Yes, I do.

16 Q How do you identify it?

17 A It is made out to the Congressman. My initials
18 and my account number are there on the back.

19 Q It is made out to Congressman Diggs?

20 A Yes, it is.

21 Q And your endorsement appears on the back?

22 A Yes, it does.

23 Q Can you tell where you cashed that check?

24 A I believe I cashed it at my bank and my account

25 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.)

BY MR. KOTELLY:

Q All right. Mrs. Shearer, I first show you Government's Exhibit 53-A, B, and C for identification and ask you if you can identify those three documents?

A Yes, I can.

Q How do you identify them?

A I have initialed them, dated them, and they are the forms that we record the daily collections for the Michigan Chronicle.

Q Can you tell us for each date what 53-A, B 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.

Q Mrs. Shearer, I also show you Government's Exhibit 53-D, which is a two-page document for identification and ask you if you can identify that document?

A Yes. This I have also initialed and this is the display ledger of the advertising of the House of Diggs, of Congressman Diggs.

Q Is there a separate ledger card for the House of Diggs and for Congressman Diggs?

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

1 December 4th of 1975 for \$924.

2 Q And the amount on the check, the amount on
3 your ledger card, how do they correspond?

4 A Identical, \$924, even.

5 Q And the last item for \$924, paid for how many
6 ads?

7 A Two ads. It paid for two ads.

8 MR. KOTELLY: Your Honor, at this time we
9 would move into evidence these ads which are 52-A, B,
10 C and D.

11 THE COURT: Do you wish to be heard?

12 MR. WATKINS: No objection, Your Honor.

13 THE COURT: They will be received.

14 THE DEPUTY CLERK: Government's Exhibits 52-A,
15 B, C and D received in evidence.

16 (Whereupon, Government's
17 Exhibits Nos. 52-A, B, C and
18 D were received into
19 evidence.)

20 MR. KOTELLY: Nothing further.

21 THE COURT: Mr. Watkins?

22 CROSS EXAMINATION

23 BY MR. WATKINS:

24 Q Good morning, Mrs. Shearer.

25 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.)
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21
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25

000629

THE COURT: Bring in the jury.

(The jury returned to the courtroom.)

Whereupon,

JOHN J. SHEERAN

was called as a witness by and on behalf of the Government,
and having been first duly sworn was examined and testified
as follows:

DIRECT EXAMINATION

BY MR. KOTELLY:

Q Will you please state your full name for the record?

A John J. Sheeran.

Q Mr. Sheeran, where do you live?

A I live in Roseville, Michigan.

Q What major city is that located near?

A Detroit, Michigan.

Q Where are you presently employed?

A I'm employed at Booth Broadcasting Company.

Q Where are your offices located?

A 2600 Poole Building, Detroit, Michigan.

Q What type of company is the Booth Broadcasting
Company?

A Booth Broadcasting owns and operates Radio Station
WJLB in Detroit.

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 identification 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

(Government Exhibit No. 70 was
marked for identification.)

BY MR. KOTELLY:

Q Mr. Sheeran, I show you what has been marked
Government's Exhibit 70 for identification and ask you if you
can identify that document?

A Yes. It's a receipt which I gave concerning a
\$550 payment on the account of Congressman Diggs.

Q When would you have made out that receipt?

A December 30, 1975, and I would have made it out
because someone came to my office with a payment.

Q Do you know who that someone would have been?

A Yes. Felix Matlock.

Q How do you know that?

A Because Mr. Matlock is the only person I ever
received payments from concerning Congressman Diggs.

Q The receipt that is dated December -- what was the
date on that again, sir?

A December 30.

Q How would that relate to the two money orders before
you, Government's Exhibits 47-K and L, I believe the numbers
are?

A That's correct.

The two money orders total \$550. One is for \$500.
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

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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. KOTELL: 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

(Government Exhibit No. 68 was
received in evidence.)

MR. KOTELLY: Government's Exhibit 60 -- I don't know
if that is in evidence yet or not. It is a check from
Ofield Dukes.

THE CLERK: It is not in evidence.

BY MR. KOTELLY:

Q Government's 60 for identification, I would ask you
if you have previously looked at that document?

A Yes, I have.

Q How can you tell whether you have looked at that
document?

A I have initialed it and dated it.

Q Can you identify as to whether that was a check
received by WJLB?

A Yes. It's a check made payable to WJLB Radio and
it has our endorsement stamp on the back.

Q Have you been able to identify as to what account
that check was credited?

A Yes. It was credited to the House of Diggs on
December 17th, 1975.

Q The amount of the credit?

A Was \$264 credit although the check is for \$244.40.
There was an agency commission allowed.

Q Have you had an opportunity to compare the documents

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
25 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 receipted 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

1 Could you tell us what the fourth one is from your
2 cash receipts journal?

3 A Yes. We received two money orders in the amount of
4 \$550 and they were dated December 30, each of them, and they
5 were credited to the account of Congressman Diggs.

6 Q Is there any further identification of those money
7 orders on your cash receipts journal?

8 A No, there isn't.

9 Q Going in inverse order, the latest payment, and
10 going back to the earliest payments, I show you Government's
11 Exhibit 47-K and 47-L for identification, which you
12 previously identified, and ask you whether you can identify
13 that as having made any of the four payments?

14 A Yes. These two that I identified a few minutes
15 earlier I filled out for Mr. Matlock and they were recorded
16 here on December 30 going to the Congressman Diggs account.

17 Q So are those two money orders the fourth payment?

18 A Yes, they are.

19 Q I next show you Government's Exhibit 47-H for
20 identification which you previously looked at and ask you if
21 you can identify that one as being any of the four payments
22 in 1975?

23 A Yes, it is. It is a \$277 money order and I mentioned
24 that we recorded that on the 5th.

25 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

000648

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
21 reflect? Just recite what the record reflects as to the
22 first payment.

23 A We have an entry in our cash receipts journal
24 indicating the payment.

25 Q By whom?

000649

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?

000650

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?

000651

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?

000652

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.

25
000653