**Memorandum**

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To : SAC, WMFO (58C-NEW) Date 5/19/92

From : SA [redacted] (C-9)

Subject: REPRESENTATIVE DAN ROSTENKOWSKI, CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE;
REPRESENTATIVE JOSEPH P. KOLTER;
REPRESENTATIVE AUSTIN J. MURPHY;
[redacted]
HOUSE OF REPRESENTATIVES POST OFFICE;
UNITED STATES HOUSE OF REPRESENTATIVES;
CORRUPTION OF FEDERAL PUBLIC OFFICIALS-
LEGISLATIVE BRANCH;
(OO:WF)

On 5/18/92, the writer attended a meeting which was convened at the offices of the United States Attorney for the District of Columbia, 555 Fourth Street, N.W., Washington, D.C. Also present at this meeting were Assistant United States Attorneys (AUSA's) [redacted] and [redacted] The purpose of this meeting was to request the assistance of the Washington Metropolitan Field Division of the FBI in the captioned matter.

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[redacted] advised that there is currently an ongoing investigation involving the United States House of Representative's Post Office which includes the captioned individuals. This investigation is being led by the United States Attorneys Office and is being conducted by personnel from the United States Capitol Police and Inspectors of the United States Postal Service. The investigation was initiated upon information received from House staffers who were employed at the House Post Office and subsequently lost their positions due to unauthorized usage of Government monies. Several of these individuals have entered into cooperation agreements with the Government in this matter.

As an important point of information, the House Post Office is not an official branch operation of the United States Postal Service. Rather, it is operated by agreement between that

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1 - ASAC [redacted]
1 - SSA [redacted]
2 - WMFO
DLW:
(4)

SA [redacted]
5-21-92

58C-WF-180673-1

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SERIALIZED ___ FILED ___
MAY 19 1992
FBI—WASH. METRO FIELD OFFICE

Agency and the House of Representitives and uses House staffers as employees. The House Post Office is authorized, however, to perform the common functions of an actual post office.

[redacted] stated that this investigation basically is composed of allegations in two areas. The first centers on allegations that Representatives utilized the House Post Office to obtain cash for themselves from their campaign fund accounts and from their accounts appropriated to them for postal expenses. [redacted] advised that evidence exists which indicates that checks from various Representative's campaign fund accounts were written out to the House Post Office for postage expenses. These checks were then cashed by the House Post Office for the full amount and the money provided to the House staffer who presented the check. [redacted] stated that their information indicates that this money was then given directly to the Representative.

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Additionally, there are allegations that certain representatives misused their appropriated postal expense accounts. This was done by issuing vouchers for postal expenses and then having the House Post Office redeem these vouchers for cash. These funds also were allegedly provided to the Representative. [redacted] advised that these aforementioned misuses of the House Post Office would be false statements and could be in violation of 18 USC, Section 1001.

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The second area of the investigation involves the use of United States Post Office boxes to circumvent campaign fund laws. [redacted] stated that Representatives are allowed to maintain post office boxes, free of charge, to receive U.S. mail. These boxes were initially set up to allow the speedy receipt of mail by the Representative as the mail would not be required to be processed through the House Post Office. It is thought that the majority of these boxes are maintained at the Main Post Office or the Brentwood Station. [redacted] advised that Representatives had campaign fund contribution checks sent to these post office boxes. They would then send staffers to retrieve these checks for them. [redacted] advised that the representatives are doing this to avoid the checks being sent directly to their House office, which could be a violation of 18 USC, Section 607.

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[redacted] stated that the assistance of the FBI was needed as primary jurisdiction for 18 USC, Section 607 lies with the Bureau and, additionally, it is anticipated that there will be a requirement in this matter for FBI laboratory assistance. It is contemplated that the FBI will be the lead investigative Agency with regard to the campaign fraud violations.

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Initially, it will be required of the FBI to attempt to locate the post office boxes maintained by Representatives at these two postal facilities. [redacted] advised that the United

States Attorneys Office was prepared to issue Grand Jury subpoenas to obtain this information if necessary.

It is recommended that this matter be opened and assigned.

Title and Character of Case:

PLATE BLOCK
-

Date Property Acquired: 01/04/1994

Source from which Property Acquired:
U.S. ATTORNEY - D.C

Anticipated Disposition: Acquired By: [redacted] Case Agent: [redacted] b6 b7C

Grand Jury Material - NO (Disseminate only pursuant to Rule 6(e))

Description of Property: Date Entered
1B 33

1B33; PHOTOCOPY OF ROSTENKOWSKI TRUST DOCUMENTS
**********BOX # 1 OF 2**********
Barcode: E1052543 Location: MRA3 02/29/1996

58C-WF-180673 1B33

For valuables and/or narcotics evidence only
Name of Sealing Official: Name of Witnessing Official:

Case Number: 58C-WF-180673

Office of Origin: WASHINGTON FIELD

COPY

SEARCHED ____ INDEXED ____
SERIALIZED ____ FILED ____
FEB 29 1996
FBI — WASH. METRO FIELD OFFICE

Title and Character of Case:

PLATE BLOCK
-

Date Property Acquired: 01/04/1996

Source from which Property Acquired:
U.S. ATTORNEY OFFICE - D.C. / FBI LAB

Anticipated Disposition: Acquired By: [redacted] Case Agent: [redacted] b6 b7C

Grand Jury Material - YES (Disseminate only pursuant to Rule 6(e))

Description of Property: Date Entered
1B 35

1B35; [redacted] IN b3
CUSTODY OF U.S. ATTORNEY OFFICE RE: ROSTENKOWSKI MATTER
**********BOX # 1 OF 3**********
Barcode: E1052545 Location: MRA3 02/29/1996

58C-WF- 180673 1835

For valuables and/or narcotics evidence only
Name of Sealing Official: Name of Witnessing Official:

Case Number: 58C-WF-180673

Office of Origin: WASHINGTON FIELD

COPY

58C-WF- 180673 1835

SEARCHED ____ INDEXED ____
SERIALIZED KSO FILED ____
FEB 29 1996
FBI — WASH. METRO FIELD OFFICE

Title and Character of Case:

PLATE BLOCK
-

Date Property Acquired: 01/04/1994

Source from which Property Acquired:
U.S. ATTORNEY OFFICE - D.C / FBI LAB

Anticipated Disposition: Acquired By: [redacted] Case Agent: [redacted] b6 b7C

Grand Jury Material - YES (Disseminate only pursuant to Rule 6(e))

Description of Property: Date Entered
1B 36

1B36; [redacted] IN b3
CUSTODY OF U.S. ATTORNEY OFFICE RE: ROSTENKOWSKI MATTER
**********BOX # 2 OF 3**********
Barcode: E1052546 Location: MRA3 02/29/1996

58C-WF-180673 1B36

For valuables and/or narcotics evidence only
Name of Sealing Official: Name of Witnessing Official:

Case Number: 58C-WF-180673

Office of Origin: WASHINGTON FIELD

SEARCHED ____ INDEXED ____
SERIALIZED ____ FILED ____
FEB 29 1996
FBI — WASH. METRO FIELD OFFICE

COPY

Title and Character of Case:

PLATE BLOCK
-

Date Property Acquired: Source from which Property Acquired:
U.S. ATTORNEY OFFICE - D.C. / FBI LAB
01/04/1994

Anticipated Disposition: Acquired By: [redacted] Case Agent: [redacted] b6 b7C

Grand Jury Material - YES (Disseminate only pursuant to Rule 6(e))

Description of Property: Date Entered
1B 37

1B37; [redacted] IN
CUSTODY OF U.S. ATTORNEY OFFICE RE: ROSTENKOWSKI MATTER b3
**********BOX # 3 OF 3**********
Barcode: E1052547 Location: MRA3 02/29/1996

58C-WF-180673 1B37

For valuables and/or narcotics evidence only
Name of Sealing Official: Name of Witnessing Official:

Case Number: 58C-WF-180673

Office of Origin: WASHINGTON FIELD

SEARCHED ____ INDEXED ____
SERIALIZED KDD FILED ____
FEB 29 1996
FBI — WASH. METRO FIELD OFFICE

COPY

58C-WF-180673 1B37

Title and Character of Case:

PLATE BLOCK
-

Date Property Acquired: 01/04/1994

Source from which Property Acquired:
U.S. ATTORNEY - D.C

Anticipated Disposition: Acquired By: [redacted] Case Agent: [redacted] b6 b7C

Grand Jury Material - YES (Disseminate only pursuant to Rule 6(e))

Description of Property: Date Entered
1B 34

1B34; [redacted] b3
**********BOX # 2 OF 2**********
Barcode: E1052544 Location: MRA3 02/29/1996

58C-WF-180673 1B33

For valuables and/or narcotics evidence only
Name of Sealing Official: Name of Witnessing Official:

Case Number: 58C-WF-180673

Office of Origin: WASHINGTON FIELD

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SEARCHED ____ INDEXED ____
SERIALIZED E30 FILED ____
FEB 29 1996
FBI — WASH. METRO FIELD OFFICE

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P 032308Z JUN 92

FM FBI WMFO (58C-WF-180673) (P) (C-9)

TO DIRECTOR FBI/PRIORITY/

BT

UNCLAS

SECTION ONE OF TWO SECTIONS

CITE: //3920//

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PASS: SSA [redacted] PUBLIC CORRUPTION UNIT.

SUBJECT: "CHANGED"; REPRESENTATIVE DAN ROSTENKOWSKI, ILLINOIS; REPRESENTATIVE JOSEPH P. KOLTER, PENNSYLVANIA; REPRESENTATIVE AUSTIN J. MURPHY, PENNSYLVANIA; [redacted] UNITED STATES HOUSE OF REPRESENTATIVES POST OFFICE; UNITED STATES HOUSE OF REPRESENTATIVES; CORRUPTION OF FEDERAL PUBLIC OFFICIALS - LEGISLATIVE BRANCH; OO:WMFO.

THE FILE NUMBER IN THIS MATTER HAS BEEN CHANGED FROM A

58C-WF-180673-2

SEARCHED____ INDEXED____
SERIALIZED____ FILED____

56C, ELECTION LAW MATTER TO A 58C, CORRUPTION OF FEDERAL OFFICIALS - LEGISLATIVE BRANCH MATTER. THE CASE NUMBER IN THIS MATTER WAS FORMERLY (56C-WF-180673). THE TITLE HAS BEEN CHANGED TO INCLUDE THIS CORRUPTION VIOLATION.

RE FBIHQ TELCALL FROM SSA [redacted] TO WMFO SSA [redacted] OF 6/3/92, AND WMFO TELETYPE TO FBIHQ DATED 5/29/92.

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FOR THE INFORMATION OF FBIHQ, THIS TELETYPE CONTAINS ADDITIONAL INFORMATION OBTAINED ON 6/2/92 AND 6/3/92 FROM THE OFFICE OF THE UNITED STATES ATTORNEY FOR THE DISTRICT OF COLUMBIA.

THIS MATTER WAS PREDICATED UPON INFORMATION RECEIVED [redacted]

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THE VOUCHERS INVOLVED IN THESE ALLEGATIONS ARE USED TO

OBTAIN OFFICE SUPPLIES, INCLUDING POSTAGE STAMPS FOR OFFICIAL MAILINGS. TO UTILIZE A VOUCHER TO OBTAIN POSTAGE STAMPS, A MEMBER COMPLETES THE VOUCHER SPECIFYING THE QUANTITY AND PRICE OF THE ITEM REQUESTED, AND SUBMITS IT TO THE HOUSE POST OFFICE. THE MEMBER RECEIVES THE STAMPS AND A COPY OF THE VOUCHER. THE ORIGINAL VOUCHER IS KEPT BY THE DIRECTOR OF ACCOUNTABLE PAPERS UNTIL HE FORWARDS IT TO THE HOUSE FINANCE COMMITTEE FOR REIMBURSEMENT. AFTER THE VOUCHER IS PAID, THE MEMBER'S ADMINISTRATIVE EXPENSE ACCOUNT IS DEBITED IN THE AMOUNT OF THE VOUCHER. THE PAID VOUCHER ITSELF IS STORED WITH THE DISBURSING OFFICE OF THE HOUSE CLERK..

ACCORDING TO [redacted] AND [redacted] ADVISED [redacted]

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ON

ACCORDING TO ASSISTANT UNITED STATES ATTORNEY

CONTAINED, AMONG OTHER THINGS,

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[redacted] b7D

AS SET OUT HEREIN AND IN REFERENCED TELETYPE, THERE ARE ALLEGATIONS THAT CERTAIN FEDERAL ELECTION LAWS MAY HAVE BEEN VIOLATED. PER A 6/2/92 DISCUSSION WITH DISTRICT OF COLUMBIA AUSA [redacted] CHIEF OF THE U.S. ATTORNEY'S OFFICE PUBLIC CORRUPTION SECTION, IT WAS AGREED THAT HE WOULD CONTACT DOJ PUBLIC INTEGRITY SECTION ATTORNEY [redacted] TO DISCUSS THESE ALLEGATIONS. AUSA [redacted] ADVISED WMFO PREVIOUSLY THAT THIS SHOULD BE DONE, AND HE HAS NEGLECTED TO FOLLOW THIS THROUGH. HE HAS ASSURED WMFO THAT SUCH A CONTACT WILL BE MADE EXPEDITIOUSLY. WMFO WILL FOLLOW-UP WITH [redacted] TO INSURE THIS IS ACCOMPLISHED. b6 b7C

THE ABOVE INFORMATION IS PROVIDED TO FBIHQ FOR

BT

#0045

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/READ 1938/155
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PP RUCNFB

DE FBIWMFO #0046 1552315

ZNR UUUUU

P 032308Z JUN 92

FM FBI WMFO (58C-WF-180673) (P) (C-9)

TO DIRECTOR FBI/PRIORITY/

BT

UNCLAS

SECTION TWO OF TWO SECTIONS

CITE: //3920//

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PASS: SSA [redacted], PUBLIC CORRUPTION UNIT.

SUBJECT: "CHANGED"; REPRESENTATIVE DAN ROSTENKOWSKI, ILLINOIS; REPRESENTATIVE JOSEPH P. KOLTER, PENNSYLVANIA; REPRESENTATIVE AUSTIN J. MURPHY, PENNSYLVANIA [redacted] UNITED STATES HOUSE OF REPRESENTATIVES POST OFFICE; UNITED STATES HOUSE OF REPRESENTATIVES; CORRUPTION OF FEDERAL PUBLIC OFFICIALS - LEGISLATIVE BRANCH; OO:WMFO.

TEXT CONTINUES:

INFORMATION PURPOSES. WMFO WILL ADVISE FBIHQ OF FURTHER INFORMATION AND DEVELOPMENTS IN THIS MATTER AS IT BECOMES AVAILABLE.

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#0046

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58C-WF-180673-2

SEARCHED
SERIALIZED
JUN 4 1992
FBI—WASH. METRO FIELD OFFICE

C-9

FD-36 (Rev. 8-29-85)

FBI

| TRANSMIT VIA: | PRECEDENCE: | CLASSIFICATION: |
|---|---|---|
| [X] Teletype | [ ] Immediate | [X] TOP SECRET |
| [ ] Facsimile | [X] Priority | [ ] SECRET |
| [ ] AIRTEL | [ ] Routine | [ ] CONFIDENTIAL |
| | | [ ] UNCLAS E F T O |
| | | [X] UNCLAS |

Date 6/3/92

FM FBI WMFO (58C-WF-180673) (P) (C-9)

TO DIRECTOR FBI/PRIORITY/

BT

UNCLAS

CITE: //3920//

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b7C

PASS: SSA [redacted] PUBLIC CORRUPTION UNIT

SUBJECT: "CHANGED"; REPRESENTATIVE DAN ROSTENKOWSKI, ILLINOIS; REPRESENTATIVE JOSEPH P. KOLTER, PENNSYLVANIA; REPRESENTATIVE AUSTIN J. MURPHY, PENNSYLVANIA [redacted] UNITED STATES HOUSE OF REPRESENTATIVES POST OFFICE; UNITED STATES HOUSE OF REPRESENTATIVES; CORRUPTION OF FEDERAL PUBLIC OFFICIALS - LEGISLATIVE BRANCH; OO:WMFO.

THE FILE NUMBER IN THIS MATTER HAS BEEN CHANGED FROM A 56C, ELECTION LAW MATTER TO A 58C, CORRUPTION OF FEDERAL OFFICIALS - LEGISLATIVE BRANCH MATTER. THE CASE NUMBER IN

Approved: RMB/DB Original filename:

Time Received: Telprep filename: LES002S2-155

MRI/JULIAN DATE: 1937 1938 / 155 ISN: 45 46

FOX DATE & TIME OF ACCEPTANCE: 3 JUNE 92 1937 - 2410 7:10 p 1938 2412 7:12 p

THIS MATTER WAS FORMERLY (56C-WF-180673). THE TITLE HAS BEEN CHANGED TO INCLUDE THIS CORRUPTION VIOLATION.

RE FBIHQ TELCALL FROM SSA [redacted] TO WMFO SSA [redacted] OF 6/3/92, AND WMFO TELETYPE TO FBIHQ DATED 5/29/92.

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FOR THE INFORMATION OF FBIHQ, THIS TELETYPE CONTAINS ADDITIONAL INFORMATION OBTAINED ON 6/2/92 AND 6/3/92 FROM THE OFFICE OF THE UNITED STATES ATTORNEY FOR THE DISTRICT OF COLUMBIA.

THIS MATTER WAS PREDICATED UPON INFORMATION RECEIVED [redacted]

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THE VOUCHERS INVOLVED IN THESE ALLEGATIONS ARE USED TO OBTAIN OFFICE SUPPLIES, INCLUDING POSTAGE STAMPS FOR OFFICIAL

MAILINGS. TO UTILIZE A VOUCHER TO OBTAIN POSTAGE STAMPS, A MEMBER COMPLETES THE VOUCHER SPECIFYING THE QUANTITY AND PRICE OF THE ITEM REQUESTED, AND SUBMITS IT TO THE HOUSE POST OFFICE. THE MEMBER RECEIVES THE STAMPS AND A COPY OF THE VOUCHER. THE ORIGINAL VOUCHER IS KEPT BY THE DIRECTOR OF ACCOUNTABLE PAPERS UNTIL HE FORWARDS IT TO THE HOUSE FINANCE COMMITTEE FOR REIMBURSEMENT. AFTER THE VOUCHER IS PAID, THE MEMBER'S ADMINISTRATIVE EXPENSE ACCOUNT IS DEBITED IN THE AMOUNT OF THE VOUCHER. THE PAID VOUCHER ITSELF IS STORED WITH THE DISBURSING OFFICE OF THE HOUSE CLERK..

ACCORDING TO [redacted] AND [redacted] ADVISED [redacted]

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ON

ACCORDING TO ASSISTANT UNITED STATES ATTORNEY

CONTAINED, AMONG OTHER THINGS,

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b7D

[redacted]

AS SET OUT HEREIN AND IN REFERENCED TELETYPE, THERE ARE ALLEGATIONS THAT CERTAIN FEDERAL ELECTION LAWS MAY HAVE BEEN VIOLATED. PER A 6/2/92 DISCUSSION WITH DISTRICT OF COLUMBIA AUSA [redacted] CHIEF OF THE U.S. ATTORNEY'S OFFICE PUBLIC CORRUPTION SECTION, IT WAS AGREED THAT HE WOULD CONTACT DOJ PUBLIC INTEGRITY SECTION ATTORNEY [redacted] TO DISCUSS THESE ALLEGATIONS. AUSA [redacted] ADVISED WMFO PREVIOUSLY THAT THIS SHOULD BE DONE, AND HE HAS NEGLECTED TO FOLLOW THIS THROUGH. HE HAS ASSURED WMFO THAT SUCH A CONTACT WILL BE MADE EXPEDITIOUSLY. WMFO WILL FOLLOW-UP WITH [redacted] TO INSURE THIS IS ACCOMPLISHED.

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THE ABOVE INFORMATION IS PROVIDED TO FBIHQ FOR INFORMATION PURPOSES. WMFO WILL ADVISE FBIHQ OF FURTHER

INFORMATION AND DEVELOPMENTS IN THIS MATTER AS IT BECOMES AVAILABLE.

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FD-36 (Rev. 8-29-85)

FBI

TRANSMIT VIA:
- [X] Teletype
- [ ] Facsimile
- [ ] AIRTEL

PRECEDENCE:
- [ ] Immediate
- [X] Priority
- [ ] Routine

CLASSIFICATION:
- [ ] TOP SECRET
- [ ] SECRET
- [ ] CONFIDENTIAL
- [ ] UNCLAS E F T O
- [X] UNCLAS

Date 5/29/92

FM FBI WMFO (56C-WF-180673) (P) (C-9)

TO DIRECTOR FBI/PRIORITY/

BT

UNCLAS

CITE: //3920//

PASS: SSA [redacted] PUBLIC CORRUPTION UNIT.

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SUBJECT: REPRESENTATIVE DAN ROSTENKOWSKI, ILLINOIS; REPRESENTATIVE JOSEPH P. KOLTER, PENNSYLVANIA; REPRESENTATIVE AUSTIN J. MURPHY, PENNSYLVANIA; [redacted] UNITED STATES HOUSE OF REPRESENTATIVES POST OFFICE; UNITED STATES HOUSE OF REPRESENTATIVES; ELECTION LAW MATTER - FEDERAL; OO:WMFO.

RE WMFO TELCALL TO FBIHQ DATED 5/18/92 AND FBIHQ TELCALL TO WMFO ON 5/28/92 AND 5/29/92.

56C-WF-180673-3
SEARCHED ____ INDEXED ____
SERIALIZED ____ FILED ____

Approved: RMD/DB Original filename: 1eS002W.150

Time Received: ____ Telprep filename: 1eS002S0.150

MRI/JULIAN DATE: 1565/150 ISN: 027

FOX DATE & TIME OF ACCEPTANCE: 5/29/92 4:31

THE PURPOSE OF THIS COMMUNICATION IS TO ADVISE FBIHQ THAT WMFO HAS OPENED AN INVESTIGATION INTO CAPTIONED MATTER AND TO UPDATE THE BUREAU ON INVESTIGATION TO DATE.

THIS MATTER WAS INITIATED UPON CONTACT WITH WMFO BY DISTRICT OF COLUMBIA AUSA [redacted], CHIEF, CRIMINAL DIVISION, AND AUSA [redacted] CHIEF, PUBLIC CORRUPTION SECTION, WHO REQUESTED WMFO'S ASSISTANCE WITH AN ONGOING INVESTIGATION BEING CONDUCTED BY THE U.S. POSTAL SERVICE AND U.S. CAPITAL POLICE. ON 5/18/92, AN SA FROM WMFO MET WITH AUSAS [redacted] AND [redacted] WHO HAVE BEEN INVOLVED WITH THIS INVESTIGATION FROM ITS INCEPTION AND THEY ADVISED AS FOLLOWS:

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[redacted] ADVISED THAT THERE IS CURRENTLY AN ONGOING INVESTIGATION INVOLVING THE UNITED STATES HOUSE OF REPRESENTATIVE'S POST OFFICE WHICH INCLUDES THE CAPTIONED INDIVIDUALS. THIS INVESTIGATION IS BEING LED BY THE UNITED STATES ATTORNEYS OFFICE AND IS BEING CONDUCTED BY PERSONNEL FROM THE UNITED STATES CAPITOL POLICE AND INSPECTORS OF THE UNITED STATES POSTAL SERVICE. THE INVESTIGATION WAS INITIATED UPON INFORMATION RECEIVED FROM HOUSE STAFFERS WHO WERE

EMPLOYED AT THE HOUSE POST OFFICE AND SUBSEQUENTLY LOST THEIR POSITIONS DUE TO UNAUTHORIZED USAGE OF GOVERNMENT MONIES. SEVERAL OF THESE INDIVIDUALS HAVE ENTERED INTO COOPERATION AGREEMENTS WITH THE GOVERNMENT IN THIS MATTER.

AS AN IMPORTANT POINT OF INFORMATION, THE HOUSE POST OFFICE IS NOT AN OFFICIAL BRANCH OPERATION OF THE UNITED STATES POSTAL SERVICE. RATHER, IT IS OPERATED BY AGREEMENT BETWEEN THAT AGENCY AND THE HOUSE OF REPRESENTATIVES AND USES HOUSE STAFFERS AS EMPLOYEES. THE HOUSE POST OFFICE IS AUTHORIZED, HOWEVER, TO PERFORM THE COMMON FUNCTIONS OF AN ACTUAL POST OFFICE.

[redacted] STATED THAT THIS INVESTIGATION BASICALLY IS COMPOSED OF ALLEGATIONS IN TWO AREAS. THE FIRST CENTERS ON ALLEGATIONS THAT REPRESENTATIVES UTILIZED THE HOUSE POST OFFICE TO OBTAIN CASH FOR THEMSELVES FROM THEIR CAMPAIGN FUND ACCOUNTS AND FROM OFFICE ACCOUNTS APPROPRIATED TO THEM FOR POSTAL EXPENSES. [redacted] ADVISED THAT EVIDENCE EXISTS WHICH INDICATES THAT CHECKS FROM VARIOUS REPRESENTATIVE'S CAMPAIGN FUND ACCOUNTS WERE WRITTEN OUT TO THE HOUSE POST OFFICE FOR POSTAGE EXPENSES. THESE CHECKS WERE THEN CASHED BY THE HOUSE

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POST OFFICE FOR THE FULL AMOUNT AND THE MONEY PROVIDED TO THE HOUSE STAFFER WHO PRESENTED THE CHECK. [redacted] STATED THAT THE AFOREMENTIONED INDIVIDUALS COOPERATING WITH THIS INVESTIGATION BELIEVE THAT THIS MONEY WAS THEN GIVEN DIRECTLY TO THE REPRESENTATIVE.

ADDITIONALLY, THERE ARE ALLEGATIONS THAT CERTAIN REPRESENTATIVES MISUSED THEIR APPROPRIATED POSTAL EXPENSE ACCOUNTS. THIS WAS DONE BY ISSUING VOUCHERS FOR POSTAL EXPENSES AND THEN HAVING THE HOUSE POST OFFICE REDEEM THESE VOUCHERS FOR CASH. THESE FUNDS ALSO WERE ALLEGEDLY PROVIDED TO THE REPRESENTATIVE. [redacted] ADVISED THAT THESE AFOREMENTIONED MISUSES OF THE HOUSE POST OFFICE WOULD BE FALSE STATEMENTS AND COULD BE IN VIOLATION OF 18 USC, SECTION 1001.

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THE SECOND AREA OF THE INVESTIGATION INVOLVES ALLEGATIONS THAT SOME MEMBERS USED UNITED STATES POST OFFICE BOXES TO CIRCUMVENT CAMPAIGN FUND LAWS. [redacted] STATED THAT REPRESENTATIVES ARE ALLOWED TO MAINTAIN POST OFFICE BOXES, FREE OF CHARGE, TO RECEIVE U.S. MAIL. THESE BOXES WERE INITIALLY SET UP TO ALLOW THE SPEEDY RECEIPT OF MAIL BY THE REPRESENTATIVE AS THE MAIL WOULD NOT BE REQUIRED TO BE

PROCESSED THROUGH THE HOUSE POST OFFICE. IT IS THOUGHT THAT THE MAJORITY OF THESE BOXES ARE MAINTAINED AT THE MAIN POST OFFICE OR THE BRENTWOOD STATION. [redacted] ADVISED THAT ACCORDING TO INFORMATION AVAILABLE, REPRESENTATIVES HAD CAMPAIGN FUND CONTRIBUTION CHECKS SENT TO THESE POST OFFICE BOXES. THEY WOULD THEN SEND STAFFERS TO RETRIEVE THESE CHECKS FOR THEM. [redacted] BELIEVED THAT THE REPRESENTATIVES WERE DOING THIS TO AVOID THE CHECKS BEING SENT DIRECTLY TO THEIR HOUSE OFFICE, WHICH COULD BE A VIOLATION OF 18 USC, SECTION 607.

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REPRESENTATIVES OF THE U.S. ATTORNEY'S OFFICE HAVE REQUESTED THE ASSISTANCE OF THE FBI AS PRIMARY JURISDICTION FOR 18 USC, SECTION 607 LIES WITH THE BUREAU AND, ADDITIONALLY, IT IS ANTICIPATED THAT THERE WILL BE A REQUIREMENT IN THIS MATTER FOR FBI LABORATORY ASSISTANCE. IT IS CONTEMPLATED THAT THE FBI WILL BE THE LEAD INVESTIGATIVE AGENCY WITH REGARD TO THE CAMPAIGN FRAUD VIOLATIONS.

IT IS ANTICIPATED THAT, OVER THE NEXT 30 DAYS, WMFO WILL BE REQUESTED TO OBTAIN CAMPAIGN RECORDS SUBMITTED TO THE FEDERAL ELECTION COMMISSION, IDENTIFY CAMPAIGN ORGANIZATIONS UTILIZED BY THE CAPTIONED REPRESENTATIVES, AND SUBMIT VARIOUS

DOCUMENTS TO THE FBI LABORATORY FOR HANDWRITING AND FINGERPRINT ANALYSIS.

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DE FBIWMFO #0027 1502043

ZNR UUUUU

P 292030Z MAY 92

FM FBI WMFO (56C-WF-180673) (P) (C-9)

TO DIRECTOR FBI/PRIORITY/

BT

UNCLAS

CITE: //3920//

PASS: SSA [redacted] PUBLIC CORRUPTION UNIT.

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SUBJECT: REPRESENTATIVE DAN ROSTENKOWSKI, ILLINOIS; REPRESENTATIVE JOSEPH P. KOLTER, PENNSYLVANIA; REPRESENTATIVE AUSTIN J. MURPHY, PENNSYLVANIA; [redacted] UNITED STATES HOUSE OF REPRESENTATIVES POST OFFICE; UNITED STATES HOUSE OF REPRESENTATIVES; ELECTION LAW MATTER - FEDERAL; OO:WMFO.

RE WMFO TELCALL TO FBIHQ DATED 5/18/92 AND FBIHQ TELCALL TO WMFO ON 5/28/92 AND 5/29/92.

56C-WF-180673-3

SEARCHED ____ INDEXED ____
SERIALIZED ____ FILED ____

PAGE TWO DE FBIWMFO 0027 UNCLAS

THE PURPOSE OF THIS COMMUNICATION IS TO ADVISE FBIHQ THAT WMFO HAS OPENED AN INVESTIGATION INTO CAPTIONED MATTER AND TO UPDATE THE BUREAU ON INVESTIGATION TO DATE.

THIS MATTER WAS INITIATED UPON CONTACT WITH WMFO BY DISTRICT OF COLUMBIA AUSA [redacted] CHIEF, CRIMINAL DIVISION, AND AUSA [redacted] CHIEF, PUBLIC CORRUPTION SECTION, WHO REQUESTED WMFO'S ASSISTANCE WITH AN ONGOING INVESTIGATION BEING CONDUCTED BY THE U.S. POSTAL SERVICE AND U.S. CAPITAL POLICE. ON 5/18/92, AN SA FROM WMFO MET WITH AUSAS [redacted] AND [redacted] WHO HAVE BEEN INVOLVED WITH THIS INVESTIGATION FROM ITS INCEPTION AND THEY ADVISED AS FOLLOWS:

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[redacted] ADVISED THAT THERE IS CURRENTLY AN ONGOING INVESTIGATION INVOLVING THE UNITED STATES HOUSE OF REPRESENTATIVE'S POST OFFICE WHICH INCLUDES THE CAPTIONED INDIVIDUALS. THIS INVESTIGATION IS BEING LED BY THE UNITED STATES ATTORNEYS OFFICE AND IS BEING CONDUCTED BY PERSONNEL FROM THE UNITED STATES CAPITOL POLICE AND INSPECTORS OF THE UNITED STATES POSTAL SERVICE. THE INVESTIGATION WAS INITIATED UPON INFORMATION RECEIVED FROM HOUSE STAFFERS WHO WERE EMPLOYED AT THE HOUSE POST OFFICE AND SUBSEQUENTLY LOST THEIR

POSITIONS DUE TO UNAUTHORIZED USAGE OF GOVERNMENT MONIES. SEVERAL OF THESE INDIVIDUALS HAVE ENTERED INTO COOPERATION AGREEMENTS WITH THE GOVERNMENT IN THIS MATTER.

AS AN IMPORTANT POINT OF INFORMATION, THE HOUSE POST OFFICE IS NOT AN OFFICIAL BRANCH OPERATION OF THE UNITED STATES POSTAL SERVICE. RATHER, IT IS OPERATED BY AGREEMENT BETWEEN THAT AGENCY AND THE HOUSE OF REPRESENTATIVES AND USES HOUSE STAFFERS AS EMPLOYEES. THE HOUSE POST OFFICE IS AUTHORIZED, HOWEVER, TO PERFORM THE COMMON FUNCTIONS OF AN ACTUAL POST OFFICE.

[redacted] STATED THAT THIS INVESTIGATION BASICALLY IS COMPOSED OF ALLEGATIONS IN TWO AREAS. THE FIRST CENTERS ON ALLEGATIONS THAT REPRESENTATIVES UTILIZED THE HOUSE POST OFFICE TO OBTAIN CASH FOR THEMSELVES FROM THEIR CAMPAIGN FUND ACCOUNTS AND FROM OFFICE ACCOUNTS APPROPRIATED TO THEM FOR POSTAL EXPENSES. [redacted] ADVISED THAT EVIDENCE EXISTS WHICH INDICATES THAT CHECKS FROM VARIOUS REPRESENTATIVE'S CAMPAIGN FUND ACCOUNTS WERE WRITTEN OUT TO THE HOUSE POST OFFICE FOR POSTAGE EXPENSES. THESE CHECKS WERE THEN CASHED BY THE HOUSE POST OFFICE FOR THE FULL AMOUNT AND THE MONEY PROVIDED TO THE

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AFOREMENTIONED INDIVIDUALS COOPERATING WITH THIS INVESTIGATION BELIEVE THAT THIS MONEY WAS THEN GIVEN DIRECTLY TO THE REPRESENTATIVE.

ADDITIONALLY, THERE ARE ALLEGATIONS THAT CERTAIN REPRESENTATIVES MISUSED THEIR APPROPRIATED POSTAL EXPENSE ACCOUNTS. THIS WAS DONE BY ISSUING VOUCHERS FOR POSTAL EXPENSES AND THEN HAVING THE HOUSE POST OFFICE REDEEM THESE VOUCHERS FOR CASH. THESE FUNDS ALSO WERE ALLEGEDLY PROVIDED TO THE REPRESENTATIVE. [redacted] ADVISED THAT THESE AFOREMENTIONED MISUSES OF THE HOUSE POST OFFICE WOULD BE FALSE STATEMENTS AND COULD BE IN VIOLATION OF 18 USC, SECTION 1001.

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THE SECOND AREA OF THE INVESTIGATION INVOLVES ALLEGATIONS THAT SOME MEMBERS USED UNITED STATES POST OFFICE BOXES TO CIRCUMVENT CAMPAIGN FUND LAWS. [redacted] STATED THAT REPRESENTATIVES ARE ALLOWED TO MAINTAIN POST OFFICE BOXES, FREE OF CHARGE, TO RECEIVE U.S. MAIL. THESE BOXES WERE INITIALLY SET UP TO ALLOW THE SPEEDY RECEIPT OF MAIL BY THE REPRESENTATIVE AS THE MAIL WOULD NOT BE REQUIRED TO BE PROCESSED THROUGH THE HOUSE POST OFFICE. IT IS THOUGHT THAT THE MAJORITY OF THESE BOXES ARE MAINTAINED AT THE MAIN POST

OFFICE OR THE BRENTWOOD STATION. [redacted] ADVISED THAT ACCORDING TO INFORMATION AVAILABLE, REPRESENTATIVES HAD CAMPAIGN FUND CONTRIBUTION CHECKS SENT TO THESE POST OFFICE BOXES. THEY WOULD THEN SEND STAFFERS TO RETRIEVE THESE CHECKS FOR THEM. [redacted] BELIEVED THAT THE REPRESENTATIVES WERE DOING THIS TO AVOID THE CHECKS BEING SENT DIRECTLY TO THEIR HOUSE OFFICE, WHICH COULD BE A VIOLATION OF 18 USC, SECTION 607.

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REPRESENTATIVES OF THE U.S. ATTORNEY'S OFFICE HAVE REQUESTED THE ASSISTANCE OF THE FBI AS PRIMARY JURISDICTION FOR 18 USC, SECTION 607 LIES WITH THE BUREAU AND, ADDITIONALLY, IT IS ANTICIPATED THAT THERE WILL BE A REQUIREMENT IN THIS MATTER FOR FBI LABORATORY ASSISTANCE. IT IS CONTEMPLATED THAT THE FBI WILL BE THE LEAD INVESTIGATIVE AGENCY WITH REGARD TO THE CAMPAIGN FRAUD VIOLATIONS.

IT IS ANTICIPATED THAT, OVER THE NEXT 30 DAYS, WMFO WILL BE REQUESTED TO OBTAIN CAMPAIGN RECORDS SUBMITTED TO THE FEDERAL ELECTION COMMISSION, IDENTIFY CAMPAIGN ORGANIZATIONS UTILIZED BY THE CAPTIONED REPRESENTATIVES, AND SUBMIT VARIOUS DOCUMENTS TO THE FBI LABORATORY FOR HANDWRITING AND FINGERPRINT ANALYSIS.

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JUN 25 1[illegible]
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5/15/92

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Date: ET AL

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4 TIED FOR LPGA LEAD D1 | AUTOWEEKEND Section G | FRIDAY HOME GUIDE Section H

SHOWERS Mid 72 Low Bu 60 Cap

# The Washington Times

FRIDAY, MAY 15, 1992 ** WASHINGTON, D.C. PHONE: (202) 636-3000 SUBSCRIBER SERVICE: (202) 636-3333 25 cents

Graphic by Alex Gonzalez The Washington Times

**Probe widens:** Rep. Dan Rostenkowski and former Sergeant-at-Arms Jack Russ are targets of the investigation.

# 5 subpoenaed in postal probe

By Paul M. Rodriguez
THE WASHINGTON TIMES

House Speaker Thomas S. Foley was forced yesterday to reveal details of a widened federal investigation into the House Post Office, including grand jury subpoenas for records from three congressmen and two top officers in the House.

The speaker, confronted on the House floor by angry House Republicans, acknowledged but defended the fact that he had kept secret subpoenas issued May 6 by U.S. Attorney Jay B. Stephens to:

- Rep. Dan Rostenkowski, Illinois Democrat and chairman of the House Ways and Means Committee.
- Rep. Joe Kolter, Pennsylvania Democrat.
- Rep. Austin J. Murphy, Pennsylvania Democrat.
- Clerk of the House Donnald Anderson.
- Werner Brandt, acting House sergeant-at-arms.

The grand jury has been investigating the post office since last fall, when the U.S. Postal Inspection Service reported widespread mismanagement and criminal activities, allegations of embezzlement, illegal narcotic sales and check kiting, and a conspiracy by current and former House Post Office employees to conceal the criminal activities.

Thus far, five current and former postal clerks have either been indicted or have pleaded guilty to a variety of charges, including sales of cocaine, embezzlement and charges of engaging in a conspiracy to hide the wrongdoing.

Congressional and federal law enforcement officials have told The Washington Times that the grand jury is also looking into allegations of "ghost employees," the sale of stamps for cash and the conversion of campaign checks into cash.

The probe also includes whether any laws were broken by having the House Post Office maintain special post office boxes for a select number of senior House lawmakers, including Mr. Rostenkowski, who had campaign funds and other mail collected by postal employees.

Until yesterday, no members had been directly caught up in the ongoing criminal investigation.

The Washington Times, in a series of articles beginning Jan. 22, first revealed details of the grand jury probe and the contents of a major investigation by the Postal Inspection Service.

see POSTAL, page A9

# POSTAL

From page A1

The subpoenas, which covered the period between Jan. 1, 1986, and April 15, 1992, were for expense vouchers by the members, their offices and the former sergeant-at-arms.

Vouchers, which are paid by the House Finance Office operated by Mr. Anderson, are needed to buy any goods and services that are not purchased from the House supply store.

Of particular interest to the grand jury were voucher records involving the purchases of stamps and other items that could be purchased at the post office, an independent contractor for the U.S. Postal Service.

The subpoenas had to be produced when the House voted 324-3 for a Republican resolution demanding them and an explanation from Mr. Foley on why the chamber had not been immediately informed as provided by House rules.

In an extraordinary move, Mr. Foley apologized from the speaker's chair for not informing his Republican counterparts.

"There was no slight intended in any way," Mr. Foley said. "I take that responsibility on myself in the future" to avoid what was in this case "a failure in staff communications."

Republicans, including House Minority Leader Robert H. Michel of Illinois, seized on the subpoena issue as yet another example of Mr. Foley's inability to work in a bipartisan way and avoid confusion in the House.

"First and foremost, with respect to real critical matters of this nature, we were to be simultaneously informed and brought up to speed on these [types of] matters so we could work with one another in good faith," Mr. Michel said.

"That hasn't taken place . . . [and] I've got to know . . . who's to communicate with me on matters of this kind," Mr. Michel said. "Now if there had been one instance of slippage, you know we can forgive and look for another day. But it's a pattern, so we have no course but to air it publicly as we are today."

Mr. Foley was not defended by Democratic colleagues already plagued by scandals involving their leadership's failure to properly manage the now-closed House bank.

The speaker repeated several times his apology but said he had done nothing improper. "The rules were being observed," he said.

At first, Mr. Foley was willing to release information on only three of the subpoenas. But after persistent Republican questions as to how many more had been issued and discussed with Mr. Stephens, the speaker acknowledged there were five in total, including the one belonging to Mr. Rostenkowski.

Rep. Joe Kolter

Minority Whip Newt Gingrich of Georgia said Republicans would not have found out about the subpoenas if questions about them had not been raised by a reporter. He said that, contrary to Mr. Foley's assertions that Republicans only had to ask, "the fact is that since we did not know, it's a little difficult for us to ask."

A spokesman for Mr. Rostenkowski said the congressman did not reveal he had been subpoenaed because it was "so unspecific" that he did not know what the grand jury was investigating.

"We weren't sure at first whether the subpoena pertained to the House bank issue or whether it had to do with the [House] Post Office," said Patrick Jones, a spokesman for the 16-term chairman of the tax-writing Ways and Means panel.

"I'm not worried. I don't think this is something to worry about," Mr. Jones added. "One thing you can't say about Rostenkowski is that he's corrupt. He's not corrupt."

Mr. Kolter, a Pittsburgh area Democrat who lost his primary bid last month for a sixth term, said in a prepared statement that his political opponents had leaked information about his connection to the federal investigation "which I did not know about . . . until the subpoena was served."

Mr. Kolter ran last in a three-way Democratic primary won by a former TV news anchor, Ron Klink. "I welcome this investigation because I have done nothing wrong," Mr. Kolter said.

Mr. Murphy said that based on the type of information requested, "I do not believe my office is the subject or target of any inquiry."

Robert V. Rota, who resigned as postmaster last month as a result of the scandal, has testified before the grand jury.

• *George Archibald contributed to this report.*

# Text of Stephens subpoena

*This is the text of the subpoena and covering notice delivered to the clerk of the House of Representatives from U.S. Attorney Jay B. Stephens.*

The attached subpoena requires you to produce certain documents and records to a federal grand jury. The grand jury has determined that it needs these documents and records in order to perform its duty to investigate possible violations of federal criminal law.

The materials covered by this subpoena must be collected and preserved without alteration or tampering. Since the documents called for in the subpoena may be submitted for forensic tests, such as fingerprint and handwriting analysis, they must be carefully collected in a manner that minimizes unnecessary handling and preserves their physical integrity.

JAY B. STEPHENS
United States Attorney

ATTACHMENT FOR SUBPOENA

1. For the period Jan. 1, 1986, through April 15, 1992, any and all House of Representatives vouchers, whether originals, carbons or copies, received from or reflecting goods or services charged to the office accounts of The Honorable Dan Rostenkowski, The Honorable Austin J. Murphy, The Honorable Joe Kolter or the Honorable Jack Russ, former Sergeant at Arms, or signed by any of the listed individuals, including but not limited to vouchers for postal stamps.

2. For the period Jan. 1, 1986, through April 15, 1992, any and all documents or records regarding the status of the office voucher accounts of The Honorable Dan Rostenkowski, The Honorable Austin J. Murphy, The Honorable Joe Kolter or the Honorable Jack Russ, former Sergeant at Arms.

3. For the period Jan. 1, 1986, through April 15, 1992, any and all documents or records relating to overdrafts on the office voucher accounts of The Honorable Dan Rostenkowski, The Honorable Austin J. Murphy, The Honorable Joe Kolter or the Honorable Jack Russ, former Sergeant at Arms.

4. All documents including pamphlets, manuals, books, papers or other instructions or guidelines regarding the proper use of stamp allotments for congressional offices applicable during the time period from Jan. 1, 1986, to April 15, 1992.

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115TH YEAR ··· No. 175

# Lawmaker Linked to Violations

## Postal Aide Says He Exchanged Vouchers From Rostenkowski

By Michael York
and Kenneth J. Cooper
Washington Post Staff Writers

A supervisor at the House Post Office has told federal prosecutors that he improperly exchanged postage vouchers from House Ways and Means Committee Chairman Dan Rostenkowski (D-Ill.) for cash, in amounts that varied from several hundred dollars to more than $2,000, according to sources familiar with the grand jury investigation.

The supervisor, James C. Smith, who has been granted immunity from prosecution by U.S. Attorney Jay B. Stephens, alleged that the cash transactions totaled between $18,000 and $20,000 over the last five years, sources said. House records show Rostenkowski has submitted postage vouchers totaling more than $24,000 since 1986.

Vouchers are essentially purchase orders drawn on the office accounts of members of Congress and are used to buy goods and services for official purposes from various congressional facilities, including the House Post Office.

Knowingly converting office funds to personal use could constitute a crime, but sources said yesterday that prosecutors are still seeking to determine whether money obtained through the post office was used for personal expenses. If money was used for official office expenses, sources suggested, it

See POST OFFICE, A9, Col. 1

58C-WF-180673-5

JUN 25 1992
FBI—WASHINGTON FIELD OFFICE

# House Aide Says He Improperly Exchanged Postage Vouchers From Rostenkowski

POST OFFICE, From A1

would be considered more of a technical infraction for which criminal prosecution would be unlikely.

Rostenkowski's spokesman said yesterday that Rostenkowski had not received any cash in return for postage vouchers. He said the congressman's staff has not reconciled the office records to verify that stamps were received for the vouchers, but he said all of the subpoenaed records have been turned over to the grand jury.

Asked last week whether he or an aide had signed the vouchers, Rostenkowski said: "I sign vouchers."

Rostenkowski was among three House members who received subpoenas three weeks ago for office records, including records of stamp purchases. It was the first indication that a grand jury investigating alleged criminal violations at the House Post Office was focusing on House members.

Although House members are allowed to mail letters and packages free simply by using envelopes or address labels with their printed signatures, this franking privilege does not extend to all forms of mail. House members must pay for overseas mail, certified and registered mail. In addition, they must use stamps to return pre-addressed envelopes, such as those that accompany invitations.

Smith, who has worked for the House Post Office more than 20 years, is on leave from his position as supervisor of "accountable paper." Sources said that information provided by Smith led to the issuance of subpoenas on May 6 for office records of Rostenkowski as well as Reps. Austin J. Murphy and Joe Kolter, both Pennsylvania Democrats.

In addition, the grand jury subpoenaed records from House Clerk Donnald K. Anderson and acting Sergeant-at-Arms Werner W. Brandt. Among the records sought was a statement of House police "regarding the proper use of stamp allotments for congressional offices."

*Vouchers are essentially purchase orders drawn on office accounts of members of Congress and used to buy goods and services for official purposes from congressional facilities.*

Those subpoenas were made public during the House session on May 14. Today House Administration Committee Chairman Charlie Rose (D-N.C.) and the committee's ranking minority member, Rep. William M. Thomas (R-Calif.), are scheduled to report on the progress of the House task force investigation of the post office.

Although Smith has worked as a patronage employee sponsored by Rostenkowski, a source close to Rostenkowski said the congressman has seen Smith only about four times.

Smith's lawyer, Kenneth M. Robinson, confirmed that Smith is cooperating with the investigation, but declined to comment further. Sources also have said the grand jury is seeking to determine whether some members converted campaign funds to personal use through cashing checks at the post office, or by purchasing stamps at the post office and then redeeming the stamps for cash.

Rostenkowski has said his office has spent thousands of dollars in postage on overseas mail. He told The Washington Post on May 19, "I mail a lot. I mail a lot."

Congressional Quarterly reported on Monday that Rostenkowski has spent $24,776 on postage since 1986. CQ also found that Rostenkowski's reported expenditures on stamps were considerably higher than that of other members of the House leadership. For example, CQ said, Majority Whip David E. Bonior (D-Mich.) bought $145 in stamps between 1986 and 1991. Rostenkowski's reported expenditures were more than twice as much as any other member of the Illinois House delegation, CQ reported.

A review of Rostenkowski's records by The Post showed that the congressman spent more than $20,000 in 10 postage transactions of between $1,400 and $3,000 between 1986 and 1991.

One of the Rostenkowski vouchers, dated March 17, 1988, was for $3,000 worth of 22-cent stamps, an amount that does not work out evenly. Several of the vouchers simply stated the amounts, but did not itemize the purchases. For instance, purchases of $2,100 on Aug. 7, 1986, and $2,800 on April 8, 1987, were listed as being for "postage stamps."

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# Rostenkowski Calls Allegations Untrue

## *Citing Ongoing House Post Office Probe, Lawmaker Limits Comment*

By Edward Walsh
and Kenneth J. Cooper
Washington Post Staff Writers

House Ways and Means Committee Chairman Dan Rostenkowski (D-Ill.) yesterday described as "totally untrue" allegations by a House Post Office employee that Rostenkowski's office received cash in exchange for official expense vouchers written for postage stamps.

"Since there is an ongoing investigation, I will have nothing to say beyond this statement," Rostenkowski told reporters at his district office in Chicago. He refused to answer questions.

Sources have said that James C. Smith, who is on leave as director of the House Post Office's counter clerks, has told federal prosecutors that cash transactions totaled between $18,000 and $20,000 over the past five years. U.S. Attorney Jay B. Stephens has granted Smith immunity from prosecution.

"First, recent allegations in the press are totally untrue. I am confident that this inquiry will conclude that the rumors are totally without foundation," Rostenkowski said in the statement.

"Second, as I've said before, I'm cooperating fully with the U.S. attorney and have given them all the records they requested. And finally, I hope I am not going to be subjected to continued groundless innuendo and hearsay from anonymous sources in the press," he said.

A federal grand jury has subpoenaed expense vouchers from 1986 to April 1992 for Rostenkowski, Rep. Austin J. Murphy (D-Pa.), Rep. Joe Kolter (D-Pa.) and former House sergeant-at-arms Jack Russ. Russ, who ran the House Bank, had few official expenses during that period, based on a Washington Post review of expense reports compiled by the House Clerk's office.

In Washington, the House was notified of three new subpoenas that apparently are unrelated to the May 6 subpoenas to Rostenkowski, Murphy and Kolter.

Acting Postmaster Michael J. Shinay confirmed that the subpoenas were served to three employees.

A source identified two of the employees as Griff Williams, a passport clerk and son of Rep. Pat Williams (D-Mont.), and Kimberly C. Scrogum, who was a secretary to then-Postmaster Robert Rota late last year. The third employee, whose name could not be learned, was described as a passport clerk.

Williams and the third employee, according to the source, have been drivers whose work involves the pickup and delivery of passports and visas for congressional trips abroad.

The source suggested the latest subpoenas were directed at exploring allegations of ghost employees and the unlawful use of official vehicles at the post office.

Rep. Charlie Rose (D-N.C.), chairman of the House Administration Committee and a leader of a bipartisan task force that is conducting a separate investigation of the post office, said in the panel's preliminary report that it would make its final report next month, after the May 30 deadline. One source of delay has been Stephens's threat to revoke Smith's immunity if he testified to task force investigators earlier this month.

Rose said he had "seen no evidence of ghost employees at the House Post Office," as some news reports have alleged.

*Walsh reported from Chicago, Cooper from Washington.*

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# Hill Aide Says He Carried Campaign Mail

## *Congressman's Son Among 3 Subpoenaed in House Post Office Probe*

Associated Press

Two House employees were ordered to pick up and deliver mailed campaign contributions to offices in the Capitol complex, despite prohibitions against receiving political monies in government offices, one of the couriers said yesterday.

Griff Williams, who worked at the House Post Office as a congressional—not Postal Service—staff member, said he picked up campaign mail, sent to a regular post office outside the Capitol grounds, for five lawmakers for several months. He said he refused to continue because he questioned the propriety of the action.

Both federal law and House rules restrict the receipt of campaign contributions in government offices. In addition, employees are barred from political work as part of their official duties. Government equipment, such as the House postal vehicles used by the couriers, cannot be used for campaign work.

Williams, the son of Rep. Pat Williams (D-Mont.), is one of three people subpoenaed this week by a federal grand jury investigating operations at the House Post Office.

"It was time-consuming in an already busy schedule, it wasn't in my job descriptions and, because I had been around politics all my life, it just felt like there was something a little inappropriate," Williams said in an interview.

Williams, who spent most of his work hours assisting lawmakers and others in obtaining passports and visas, said he was regularly ordered by post office chief of staff Joanna O'Rourke, who is on medical leave and could not be reached for comment, to go to a post office here and pick up mail at boxes rented by campaign organizations for five House members. The pickups were on official work time, Williams said.

tained the postal box because he "never got involved in campaign contributions." When he learned of the courier service, Mavroules said, "I stopped that practice immediately."

Williams said he brought the mail back to the main post office in the Capitol complex, where someone from the lawmaker's office usually would pick it up. Williams said "it was my assumption" that the mail included political donations.

Others subpoenaed this week were James Jenkins, who also worked as a courier, and Kimberly Scrogum, a secretary to former postmaster Robert Rota. Neither Jenkins nor Scrogum could be reached for comment.

He identified the five as Reps. Nicholas Mavroules (D-Mass.), Dennis M. Hertel (D-Mich.), Mary Rose Oakar (D-Ohio), Jim Moody (D-Wis.) and Edward F. Feighan (D-Ohio).

Oakar has said previously that she rented a post office box as an address for campaign contributions but stopped the practice immediately after learning that "a courier on his regular rounds to the post office was picking up mail from this post office box."

Feighan aide Dan Clark said in April, when stories first appeared about the courier service, that the lawmaker used the post office box for campaign contributions. A campaign volunteer would retrieve mail from the box and send it to Feighan's Ohio campaign office, Clark said. Feighan is not seeking reelection.

Moody spokesman Marcus Kunian said when his office learned that House Post Office employees were picking up the mail and bringing it to the lawmaker's congressional office heimmediately ordered it stopped.

Hertel spokeswoman Mary Conklin said, "We never asked for the service."

Mavroules said he was unaware that a former staff aide had ob-

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# Oakar Wins Primary Despite Hill Scandals

## *Other House Contests Test Impact of Rights Act*

By Kenneth J. Cooper
Washington Post Staff Writer

Rep. Mary Rose Oakar (D-Ohio) yesterday defied conventional political wisdom and headed off primary challengers despite widespread anti-Congress sentiment in her Cleveland area district.

Oakar, seeking a ninth term, led a seven-candidate field with less than a majority of votes, according to incomplete returns late last night. Her principal competitor and the apparent runner-up, Cuyahoga County Commissioner Timothy F. Hagan, conceded defeat after 11 p.m.

About six of 10 ballots were going to candidates other than Oakar, but Hagan, an intense intellectual with liberal politics, was hurt by an unexpectedly large vote for minor candidates in the race.

It appeared that Oakar, who had 213 overdrafts at the now-closed House Bank, would become the first of the top 22 "abusers" of checking privileges to survive a primary challenge. Rep. Charles A. Hayes (D-Ill.) and Rep. Bill Alexander (D-Ark.) were defeated in earlier primaries.

Besides her bad checks, which Hagan featured in a television advertisement late in the campaign, Oakar has chaired the House Administration subcommittee that oversees the House Post Office, which has been embroiled in a grand jury investigation.

In southern Ohio, another House member dogged by the House Bank scandal was leading in a primary race between two Republican incumbents. Partial returns showed Rep. Bob McEwen, who had 166 bad checks, defeating Rep. Clarence E. Miller.

In a North Carolina runoff between the top Democratic finishers in the May 5 primary, Eva Clayton, a Warren County commissioner, handily defeated Walter B. Jones Jr., the son of a retiring House member. Clayton, who is black, had been expected to beat Jones, who is white, in the heavily minority district created under the Voting Rights Act.

Clayton will face Republican Ted

REP. MARY ROSE OAKAR ... faced strong challenge in Ohio

### CONGRESSIONAL RACES
UNOFFICIAL RETURNS

Selected primary results for Senate and House seats.

DEMOCRATIC RACES

| Candidate | Votes | % |
|---|---|---|
| **ALABAMA** | | |
| U.S. Senate, 71% of precincts | | |
| Chris McNair | 112,672 | 28 |
| Sen. Richard C. Shelby | 248,008 | 61 |
| House District 2, 74% of precincts | | |
| Faye Baggiano | 22,272 | 34 |
| Larry Lee | 11,762 | 18 |
| George Wallace Jr. | 31,094 | 48 |
| House District 7, 68% of precincts | | |
| Earl F. Hilliard | 29,800 | 33 |
| John Knight | 19,351 | 21 |
| Henry Sanders | 20,803 | 23 |
| **NORTH CAROLINA** | | |
| House District 1, 100% of precincts | | |
| Eva Clayton | 43,174 | 55 |
| Walter B. Jones Jr. | 35,599 | 45 |
| **NEW JERSEY** | | |

58C-WF-180673-8

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she is expected to become the first North Carolina woman elected to a full term in Congress and one of the first black members to represent the state since George Henry White left office in 1901.

Clayton told supporters in Rocky Mount that the election had been "a people's process," but Jones compared the creation of the predominantly minority district to "going back to segregation," the Associated Press reported.

Besides Ohio and California, congressional primaries also were being held in Alabama, Iowa, Montana, New Jersey and New Mexico.

The cluster of congressional elections was likely to provide clues about the changing composition of the House, which many observers expect to get 100 or more new members. It is already certain to have at least 65 newcomers, having lost nine members to primary defeats and 56 others to voluntary retirements, a new high since World War II.

More incumbents, mostly but not all Democrats, are considered vulnerable because they had a number of overdrafts at the House Bank. The expected turnover, coupled with redistricting that generally favors Republican strongholds in the suburbs, South and West, has raised hopes in the GOP minority of breaking 38 years of continuous Democratic control of the House.

Political analysts have predicted that the Voting Rights Act, which has compelled states to draw more districts with large minority populations, is likely to result in a large increase in black and Hispanic members.

During a short campaign in a redrawn district, Oakar emphasized her record of constituent service, bringing federal dollars to the Cleveland area and keeping government jobs there. She exhibited her skills as a campaigner with a personal touch, and loaned her campaign $135,000.

In Alabama, three elected officials were vying in a Democratic field of six candidates to become that state's first black member of Congress since Jeremiah Haralson in 1876. Each of the three had a different geographic base in a district shaped by the Voting Rights Act: state Sen. Earl F. Hilliard of Birmingham, state Sen. Henry Sanders of Selma and Montgomery County Commissioner John Knight.

In the Democratic primary for a Senate seat from Alabama, incumbent Richard C. Shelby defeated Chris McNair, a Jefferson County commissioner whose daughter was among four black girls killed when a Baptist church was bombed in 1963, and two other challengers.

| | | |
|---|---|---|
| Rep. Frank Pallone Jr. | 8,399 | 47 |
| Bob Smith | 8,339 | 45 |
| **House District 13, 88% of precincts** | | |
| Robert Haney | 10,457 | 31 |
| Robert Menendez | 22,911 | 69 |
| **OHIO** | | |
| **House District 10, 82% of precincts** | | |
| Timothy F. Hagan | 25,341 | 30 |
| Rep. Mary Rose Oakar | 33,170 | 39 |
| **House District 19, 87% of precincts** | | |
| Eric Fingerhut | 16,861 | 22 |
| Dennis Kucinich | 14,085 | 18 |
| Tim McCormack | 14,458 | 19 |
| **REPUBLICAN RACES** | | |
| **OHIO** | | |
| **House District 6, 86% of precincts** | | |
| Rep. Bob McEwen | 29,697 | 53 |
| Rep. Clarence E. Miller | 26,484 | 47 |

SOURCE: Associated Press

REP. BOB McEWEN
...faced fellow GOP incumbent Miller

REP. CLARENCE E. MILLER
...spotlighted rival's bank overdrafts

FD-350 (Rev. 5-8-81)

(Indicate page, name of newspaper, city and state.)

(Mount Clipping in Space Below)

Date: 6/10/92
Edition: WASHINGTON POST

Title: DAN ROSTENKOWSKI ET AL
OO: WF

Character:
or
Classification: 58C-WF-180673
Submitting Office:

Indexing:

WASHINGTON POST
6/10/92

# Ex-Postal Clerk In House Guilty

A former clerk at the House Post Office yesterday pleaded guilty to embezzlement and drug charges and promised to cooperate with a grand jury investigation of alleged corruption on Capitol Hill.

Wendell Magruder, 33, was ordered held without bond pending the outcome of a urine test. U.S. District Judge Norma Holloway Johnson said she was concerned about Magruder's admission that he sold crack cocaine, cocaine powder and marijuana to former co-workers in the Post Office.

"I'm concerned about the drugs," Johnson said. "It is an ever-present danger to this community."

Under his agreement with federal prosecutors, Magruder pleaded guilty to embezzling more than $13,000 from his stamp drawer at the House Post Office, concealing a material fact from investigators and conspiring to distribute drugs. In return, prosecutors agreed to drop a fourth charge, distribution of cocaine.

Magruder is the fifth employee of the House Post Office to plead guilty to corruption charges. Johnson scheduled sentencing for Aug. 28.

58C-WF-180673-9

JUN 2 1992
FBI—WASHINGTON FIELD OFFICE

# Memorandum

To : SAC, WMFO (58C-WF-180673) (P) (C-9) Date 6/26/92

From : SA [redacted] b6 b7C

Subject: PLATE BLOCK
OO:WF

On 6/24/92, the writer obtained copies of numerous memoranda of interviews which were conducted by personnel from the U.S. Postal Service and the U.S. Capitol police regarding the captioned matter.

These memoranda are attached for inclusion in the case file.

INDEXING - SEE ATTACHMENTS

2 - WMFO (Attachments)
DLW:

58C-WF-180673-10

SEARCHED ___ INDEXED ___
SERIALIZED ___ FILED ___

JUN 26 1992

FBI — WASH. METRO FIELD OFFICE

58C-WF-180673-11

JUN 29 1992
FBI—WASH. METRO FIELD OFFICE

FD-350 (Rev. 5-8-81)

(Mount Clipping in Space Below)

(Indicate page, name of newspaper, city and state)

Date: 6/26/92
Edition: WASHINGTON TIMES

Title: PLATE BLOCK
00: WF

Character: 58C-WF-180673
or
Classification:
Submitting Office:

Indexing:

P1 Mail Room


# The Washington Times

FRIDAY, JUNE 26, 1992 ★ WASHINGTON, D.C. PHONE: (202) 636-3000 SUBSCRIBER SERVICE: (202) 636-3333 25 cents


# Immunity bid fails for House postal official

## Democrats prevail in vote

By Paul M. Rodriguez
THE WASHINGTON TIMES

House Democrats yesterday blocked Republican efforts to get immunity from prosecution for the House post office's chief of staff, whose testimony could taint some lawmakers and top Democratic officials.

Democrats, concerned over a pending criminal probe, outvoted Republicans on the House Administration Committee 12-4 to reject the immunity request for Joanna O'Rourke.

"Many trails lead back to her," Rep. Pat Roberts, the Kansas Republican who sought the immunity, told his colleagues.

"Her testimony, if willing or full, will either corroborate or not corroborate many of the allegations" of criminal wrongdoing and mismanagement at the post office, he said.

Under the proposal, Mrs. O'Rourke's testimony before a special House task force investigating the post office could not be used against her in a court of law. Congress would have to obtain approval of such immunity from a U.S. District Court judge.

But senior Democratic members of the panel said they were concerned about hampering the ongoing criminal probe being conducted by U.S. Attorney Jay B. Stephens and a federal grand jury.

Rep. Steny Hoyer, Maryland Democrat, referring to the Iran-Contra scandal, cited problems in the past when Congress has sought and obtained court approval for immunity of witnesses under criminal investigation.

"We have had bad experiences," said Mr. Hoyer, who is also the House Democratic Caucus chairman.

"We are not a criminal investigatory committee and the grant of immunity could well undermine the criminal prosecution and investigation that is ongoing," he said.

"I will tell you," Mr. Hoyer said in forceful terms, "if Joanna O'Rourke committed crimes I want to see her prosecuted, indicted, convicted and incarcerated if necessary."

"This has been a blight on the House," Mr. Hoyer said in reference to the ridicule the House has suffered because of the post office scandal and the bad-check debacle at the shuttered House bank.

"I'm for indicting, convicting and incarcerating every person who has undermined the honesty of this institution," he said.

The Administration Committee, chaired by Rep. Charlie Rose, North Carolina Democrat, in February began a bipartisan task force investigation of allegations of cocaine sales, embezzlement and mismanagement at the post office.

Mr. Roberts, task force co-chairman with Mr. Rose, said yesterday that so far, 61 witnesses have provided testimony. But "if the task force cannot conduct a thorough investigation and speak with the post office chief of staff, Congress is unwilling or unable to investigate its own affairs," he said.

In a partisan snipe at Democrats, Mr. Roberts also said that "at no time did any witness make allegations of

see HOUSE, page A8

FBI/DOJ

# HOUSE

*From page A1*

a Republican staffer or a Republican" having committed any wrongdoing at the post office.

"In fact, Republicans at no time had anything to do with [running or managing] the post office," he said.

Since Jan. 22, The Washington Times has published a number of articles on alleged wrongdoing at the post office, as well as allegations that members of Congress converted stamps for cash, used post office employees for non-postal functions, circumvented restrictions on "franked" mail and made use of special post office boxes to collect campaign contributions.

The Times has reported that unnamed House members have converted campaign checks into cash at the post office and also cashed personal checks there when they no longer could do so at the House bank.

Postmaster Robert V. Rota was forced to resign in mid-March as a result of the publicized practices, many of which violate House rules and possibly break criminal and campaign laws.

Mr. Stephens already has secured guilty pleas from five former post office employees, including one supervisor.

Along with those five former employees, James C. Smith, an assistant postmaster for accounts, reportedly is cooperating with Mr. Stephens' investigation.

Based on such cooperation, Mr. Stephens recently issued subpoenas to three Democratic lawmakers for their office accounts going back to 1986, including their records involving purchases of postage stamps. The lawmakers, who are said to be complying with the requests, include Reps. Dan Rostenkowski of Illinois, and Joe Kolter and Austin Murphy, both of Pennsylvania.

Mrs. O'Rourke, who recently invoked her rights against self-incrimination during an appearance before the task force, is reportedly willing to cooperate with either the House task force or Mr. Stephens' office, but only if granted immunity from prosecution.

Rep. Leon Panetta, California Democrat, raised concerns shared by both Democrats and Republicans that "providing immunity to anybody should only be done if we have a very clear indication that [they] will testify."

John Napier, a Democratic lawyer on the panel, said he was not aware of any guarantees that Mrs. O'Rourke would testify fully about her knowledge of alleged wrongdoing at the post office.

He also raised questions — based on the experiences of giving former White House aides Oliver North and John Poindexter immunity from prosecution in the Iran-Contra scandal — that convictions might be difficult to obtain if the committee sought immunity for Mrs. O'Rourke. The convictions of Col. North and Adm. Poindexter, national security advisers to President Reagan, were overturned.

Mr. Roberts acknowledged it was "a tough call" but argued that without Mrs. O'Rourke's immunized testimony, there are "great discrepancies in the testimony of the 61 witnesses. . . .

"We're going to have a report with holes in it . . . and I'm not sure what good that report is going to do as a result," he said.

The six-member task force is scheduled to make a report on its investigation to the House on July 6.

FD-350 (Rev. 5-8-81)

(Mount Clipping in Space Below)

(Indicate page, name of newspaper, city and state)

Date: 6/26/92
Edition: WASHINGTON TIMES

Title: PLATE BLOCK
OO: WF
58C-WF-180673



# As House Post Office Prepares for Historic Change (Bringing in USPS), Doubts Raised

By Karen Foerstel

Five months after reports of embezzlement and drug dealing in the House Post Office hit the headlines, the new Postmaster is preparing his staff for a historic change — shifting major parts of the operation to the US Postal Service.

Also, the Postmaster, Michael Shinay, himself a veteran of the USPS, said his House employees recently passed two surprise audits with flying colors.

The recently reorganized Post Office is also testing a new Saturday work schedule that is expected to save the House more than $37,000 in overtime each year.

The surprise audits came last Tuesday and Wednesday when the USPS dropped in to check the money and stamp drawers of six House postal windows located in the Ford Annex building and the Capitol.

The money count at one station was just $3.25 short. The second station actually came out about $60 over.

"That's more than acceptable considering you're dealing with nickels and dimes," said Shinay, who was named three months ago by Speaker Tom Foley (D-Wash) to head the House Post Office on a temporary basis. "I was real pleased with the audits. I felt great for the employees."

Roll Call first published reports last August of a postal worker who allegedly stole several thousand dollars from the Post Office and fled to the Caribbean. Capitol Police investigators launched a probe into the theft and possible other crimes within the Post Office. The

*Meanwhile, House postal employees*

ninetieth day beginning after the date of adoption of this resolution, the functions and entities specified in subsection (d) shall be transferred to the Director of Non-legislative and Financial Services."

Subsection (d) reads: "The function and entities referred to in subsection (a) are: Inside Mail and Internal Mail Operations (including coordination with postal substations to be operated by the United States Postal Service)."

But Rep. Bill Thomas (R-Calif), a member of the Post Office Task Force, said Thursday that bringing the USPS to the House is not a certainty and is being reviewed by the task force.

But in preparation of a possible USPS takeover of outside mail operations, Shinay said his staff this week is conducting an accounting of all transactions.

Shinay added that a USPS changeover would mean the elimination of 14 current positions. He said he hoped the remaining 134 positions could be absorbed into the reorganized House operation.

Another change that the House Post Office implemented last week was a new compressed Saturday work schedule.

The Post Office has reduced its Saturday hours, cutting from two to one the number of mail pick-ups and deliveries to House offices. Mail will now be delivered and dropped off at 11:30 a.m. every Saturday. In the past, there were two deliveries and drop-offs, at 10 a.m. and 4 p.m.

The Post Office will also trim three hours from its Saturday workday, with the Longworth mail room open from 9 a.m. to 1 p.m.

The new schedule, which will be tested for about five weeks, is expected to save about $3,100 every month in overtime costs, or about $37,225 a year, according to Post Office officials.

To compensate for the reduced hours, Members can drop off franked mail in a box outside the Longworth stamp counter. Members, however, are asked to have their franked mail ready for the 11:30 pick-up.

58C-WF-180673-12

FBI/DOJ

*passed two audits this week with flying colors.*

USPS then took over the investigation along with the US Attorney's Office.

Then, in early February, the Washington Times reported that the probe included allegations of drug sales to Hill employees.

Former House Postmaster Bob Rota resigned in the wake of the scandal in March, and Shinay, who was executive assistant to the US Postmaster General at USPS, took over in April.

In an interview this week, Shinay said he is uncertain how long he will remain with the House and is awaiting a final report by a Congressional bipartisan task force reviewing the Post Office scandal. That report is due on July 6.

The task force, made up of six members of the House Administration Committee, is also reviewing details of the changeover — bringing the USPS to the House to handle outside mail operations. Internal mail delivery would continue to be under House management.

While the changeover appeared to be a fait accompli under a sweeping reform package passed in April, at least one Member says that bringing in the USPS is not definite, and Shinay himself expressed some uncertainty.

Among other things, the reform package called for the elimination of the Postmaster position by July 8 and the use of the USPS for outside mail operations. The bill also established the position of Director of Nonlegislative and Financial Services, who would oversee all financial House operations including internal mail operations.

The exact language of the bill reads: "As soon as practicable, but not later than the

**Indices Search Slip**
FD-160 (Rev. 4-29-87)

**To: Office Services Manager**

Date 5/19/92

Requested by | Squad | Extension | File No.

Subject Dan Rostenkowski

Social Security Account #

Aliases

Address | Birth Date | Birthplace | Race | Sex ☐ Male ☐ Female

☐ Exact Spelling
☐ All References
☐ Main Security Case Files Only
☐ Security References Only
☐ Main Criminal Case Files Only
☐ Criminal References Only
☐ Main Security *(If no Main, list all Security References)*
☐ Main Criminal *(If no Main, list all Criminal References)*
☐ Restrict Locality of

☐ **General Indices:** ☐ NEG ☐ POS
Searched by | Date

☐ **ISIS:** ☐ NEG ☐ POS
Searched by | Date

☐ **Confidential Indices:** ☐ NEG ☐ POS
Searched by | Date

☐ **OCIS:** ☐ NEG ☐ POS
Searched by | Date

☐ **ELSUR Indices:** ☐ NEG ☐ POS
Searched by | Date

☐ **IIS:** ☐ NEG ☐ POS
Searched by | Date

☐ [redacted] OS
5/19/92 Date

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| File & Serial Number | Remarks | File & Serial Number | Remarks |
|---|---|---|---|
| 58A-WF-163158 Sub A-47p4 | | | |
| 9A-5802 | | | |
| 105D-71910 Sub M-7p1 | | | |
| 201A-C-6127-9 | | | |

Consolidated by | Date

Reviewed by | Date

File Review Symbols
I - Identical
NI - Not identical
? - Not identifiable
U - Unavailable reference

58C-WF-180673-14

SEARCHED ___ INDEXED ___
SERIALIZED ___ FILED ___
MAY 21 1992
[redacted] OFFICE

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FBI/DOJ

FD-350 (Rev. 5-8-81)

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(Indicate page, name of newspaper, city and state.)
6/28/92
WASHINGTON TIMES
PLATE BLOCK
Date:
Edition: 00: WF
58C-WF-180673

The Washington Times ★ SUNDAY, JUNE 28, 1992 / PAGE A5

# Rostenkowski's gumshoe seeks alibi at post office

By Paul M. Rodriguez
THE WASHINGTON TIMES

A private investigator working for Rep. Dan Rostenkowski has been calling House post office employees asking for information that might lift a cloud of suspicion dangling over her client.

The investigator, lawyer Barbara Rowen, has been calling postal employees in an attempt to determine whether it was Mr. Rostenkowski or one of his top aides who had the most dealings with the scandal-plagued post office, according to congressional officials who spoke with The Washington Times.

Ms. Rowen's questions seem to suggest that one particular aide to Mr. Rostenkowski may have acted improperly, according to one of the officials who spoke on condition of anonymity.

Ms. Rowen deferred a reporter's call to Washington lawyer Stanley Brand.

Mr. Rostenkowski, Illinois Democrat and chairman of the House Ways and Means Committee, hired Mr. Brand after a federal grand jury earlier this year subpoenaed him to produce six years of office expense records.

The grand jury is investigating allegations of criminal wrongdoing at the House post office.

U.S. Attorney Jay B. Stephens, who is running the grand jury probe, has sought not only Mr. Rostenkowski's records from 1986 to '92, but also those of Pennsylvania Democratic Reps. Austin Murphy and Joe Kolter.

Mr. Stephens also requested the three lawmakers' records on stamp purchases during the six-year period. All three members, who are said to be cooperating, have denied any wrongdoing.

Rep. Dan Rostenkowski

House postal employees, already under intense scrutiny because five former co-workers have pleaded guilty to illegal drug charges and embezzlement, have complained to acting House postmaster Michael Shinnay about Ms. Rowen's calls to their homes and during office hours.

"The postmaster had to tell her to stop making phone calls during the day to the office," one official familiar with the situation told The Times. "He [the postmaster] told her to also not come into the post office and talk to the employees anymore," the official said.

The grand jury is looking into allegations that some current and former lawmakers improperly sold postage stamps for cash, converted campaign checks for cash and cashed personal checks after having lost that privilege at the now-closed House bank.

The Washington Post has reported that James C. Smith, an assistant postmaster for accounts now on leave from the House post office, has told investigators that Mr. Rostenkowski converted about $20,000 in office stamps for cash. The congressman has denied these charges.

Calls to Mr. Shinnay and Mr. Brand were not returned yesterday.

58C-WF-180673
-16
JUL 0 1 1992
WASH. METRO FIELD OFFICE
FBI/DOJ

58C-WF-180673-17

SEARCHED ____ INDEXED ____

SERIALIZED ____ FILED ____

CO 293 (Rev. 8/91) Subpoena to Testify Before Grand Jury

# United States District Court

FOR THE DISTRICT OF COLUMBIA

TO [redacted]

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## SUBPOENA TO TESTIFY BEFORE GRAND JURY

SUBPOENA FOR:

☒ PERSON ☐ DOCUMENT(S) OR OBJECT(S)

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

| PLACE | COURTROOM |
|---|---|
| United States District Court<br>for the District of Columbia<br>United States District Courthouse<br>Third & Constitution Avenue, N.W.<br>Washington, D.C. 20001 | Grand Jury 91-3/Third Floor |
| | DATE AND TIME<br>Thursday, July 16, 1992<br>at 3:30 p.m. |

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):*

** PERSONAL APPEARANCE IS REQUIRED **

☐ *Please see additional information on reverse.*

This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.

| U.S. MAGISTRATE OR CLERK OF COURT | DATE |
|---|---|
| Nancy M. Mayer-Whittington, Clerk<br>(BY) DEPUTY CLERK<br>Margaret B. Spier | June 23, 1992 |
| This subpoena is issued upon application of the United States of America | NAME, ADDRESS AND PHONE NUMBER OF ASSISTANT U.S. ATTORNEY<br>WENDY WYSONG, AUSA (202) 514-9832<br>Public Corruption/Government Fraud Section<br>555 4th Street, N.W., Room 5106<br>Washington, D.C. 20001 |

*If not applicable, enter "none."

FD-36 (Rev. 8-29-85)

FBI

TRANSMIT VIA:
- [ ] Teletype
- [ ] Facsimile
- [x] AIRTEL

PRECEDENCE:
- [ ] Immediate
- [ ] Priority
- [ ] Routine

CLASSIFICATION:
- [ ] TOP SECRET
- [ ] SECRET
- [ ] CONFIDENTIAL
- [ ] UNCLAS E F T O
- [ ] UNCLAS

Date 6/29/92

TO : SAC, COLUMBIA

FROM : SAC, WMFO (58C-WF-180673) (P) (C-9)

SUBJECT : PLATE BLOCK
OO:WF

Re: Telecall 6/29/92 from WMFO SA [redacted] to Myrtle Beach SSRA [redacted]

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Enclosed for Columbia are an original and two copies of a Federal Grand Jury Subpoena to be served on [redacted] in connection with captioned case.

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For the information of the Columbia Field Division, FBI involvement in this matter was predicated upon information received from [redacted]

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The vouchers involved in these allegations are used to obtain various office supplies, including postage stamps

2 - Columbia (Enc.3)
1 - WMFO
DLW:
(3)

58C-WF-180673-18

SEARCHED ___ INDEXED ___
SERIALIZED ___ FILED ___

Approved: _____ Transmitted _____ (Number) (Time) Per _____

for official mailings. To utilize a voucher to obtain postage stamps, a Member completes the voucher specifying the quantity and price of the item requested, and submits it to the House Post Office. The Member receives the stamps and a copy of the voucher. The original voucher is kept by the Director of Accountable Papers until he forwards it to the House Finance Committee for reimbursement. After the voucher is paid, the Member's administrative expense account is debited in the amount of the voucher. The paid voucher itself is stored with the disbursing office of the Clerk of the House.

According to [redacted]

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On

On

In 1980, WMFO conducted an investigation with parallel allegations regarding this "stamps for cash" scheme. This investigation, which was initiated upon a request for a preliminary investigation from the Department of Justice, centered around information that retiring Members from the House of Representatives were leaving office with large amounts of postage stamps obtained from the House Post Office. This matter was eventually closed as prosecution was declined by the Public Integrity Section of the Department of Justice due to lack of criminal intent on the part of the Members involved.

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During this 1980 investigation, [redacted] were interviewed by Trial Attorneys from the Public Integrity Section. During these interviews, which were conducted on [redacted] United States Attorney for the District of Columbia wishes to [redacted] before the Federal Grand Jury [redacted]

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LEAD

Columbia Division

at Myrtle Beach, S.C.

Serve the enclosed Federal Grand Jury subpoena, requiring personal appearance. [redacted]

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58C-WF-180673-19

SCANNED INDEXED
SERIALIZED FILED

JUL 05 1992

FBI — WASH. METRO FIELD OFFICE

FD-36 (Rev. 8-29-86)

[redacted] b6 b7C

C-9

FBI

TRANSMIT VIA:
- [X] Teletype
- [ ] Facsimile
- [ ] AIRTEL

PRECEDENCE:
- [ ] Immediate
- [X] Priority
- [ ] Routine

CLASSIFICATION:
- [ ] TOP SECRET
- [ ] SECRET
- [ ] CONFIDENTIAL
- [ ] UNCLAS E F T O
- [X] UNCLAS

Date 6/26/92

FM FBI WMFO (58C-WF-180673) (P) (C-9)

TO DIRECTOR FBI/PRIORITY/

BT

UNCLAS

CITE: //3920//

PASS: FBIHQ. SSA [redacted] PUBLIC CORRUPTION UNIT. b6 b7C

SUBJECT: "CHANGED"; PLATE BLOCK; OO:WMFO.

THE TITLE HAS BEEN CHANGED IN THIS MATTER TO THE CAPTIONED CODE NAME. THE TITLE OF THIS CASE WAS PREVIOUSLY CARRIED AS FOLLOWS:

REPRESENTATIVE DAN ROSTENKOWSKI, CHAIRMAN,

HOUSE WAYS AND MEANS COMMITTEE;

REPRESENTATIVE JOSEPH P. KOLTER;

REPRESENTATIVE AUSTIN J. MURPHY;

[redacted]

Approved: RMB/DJ Original filename:

Time Received: 9:25 Telprep filename: SEF007S2.178

MRI/JULIAN DATE: 548/181 549/181 JEN: 007/008

FOK DATE & TIME OF ACCEPTANCE: 29 June 1992 1328/1338

HOUSE OF REPRESENTATIVES POST OFFICE;

UNITED STATES HOUSE OF REPRESENTATIVES;

CORRUPTION OF FEDERAL PUBLIC OFFICIALS-

LEGISLATIVE BRANCH;

(OO:WMFO)

RE WMFO TELETYPE TO FBIHQ DATED 5/29/92 AND TELCAL FROM WMFO SA [redacted] TO SSA [redacted] 6/22/92. b6 b7C

THE PURPOSE OF THIS COMMUNICATION IS TO PROVIDE BACKGROUND INFORMATION TO FBIHQ REGARDING INDIVIDUALS WHO HAVE PLEADED GUILTY TO VARIOUS CHARGES PRIOR TO THE INVOLVEMENT OF WMFO IN THIS MATTER, TO IDENTIFY TO FBIHQ INDIVIDUALS WHO WILL BE CHARGED IN THIS MATTER IN THE NEAR FUTURE AND TO UPDATE FBIHQ ON THE RESULTS OF CURRENT INVESTIGATION.

FOR THE INFORMATION OF FBIHQ, THIS MATTER WAS INITIALLY PREDICATED UPON A COMPLAINT FROM THE STAFF OF THE U.S. HOUSE OF REPRESENTATIVES POST OFFICE (HPO) TO THE U.S. CAPITOL POLICE IN APRIL OF 1991. THE SUBSTANCE OF THIS COMPLAINT WAS THAT THE STAMP AND CURRENCY DRAWER OF AN AWOL HPO STAMP CLERK WAS SHORT APPROXIMATELY $7000.00. THIS INITIAL COMPLAINT AND SUBSEQUENT AUDIT CONDUCTED BY THE CAPITOL POLICE LED TO THE

NOTIFICATION AND INVOLVEMENT OF THE U.S. POSTAL INSPECTION SERVICE (USPIS) IN JULY OF 1991. AUDITS AND OTHER INVESTIGATION CONDUCTED BY THE USPIS FOUND THAT 9 OF THE 12 EMPLOYEES RESPONSIBLE FOR CASH AND STAMPS AT THE HPO WERE SHORT A TOTAL OF APPROXIMATELY $37,000.00 OUT OF A TOTAL CASH AND STAMP ACCOUNTABILITY OF APPROXIMATELY $475,000.00. THE USPIS AND THE CAPITOL POLICE DETERMINED THAT CERTAIN HPO EMPLOYEES WERE INVOLVED IN THE EMBEZZLEMENT OF GOVERNMENT FUNDS AND OTHER ILLEGAL ACTIVITIES SUCH AS DRUG TRAFFICKING, CHECK KITING, FAILURE TO WORK OVERTIME THAT WAS CLAIMED, BACKDATING OF MAIL AND THE USE OF SPECIAL HPO ACCOUNTS TO "EXPRESS MAIL" PERSONAL ITEMS.

A TOTAL OF FIVE INDIVIDUALS HAVE PLEADED GUILTY AS A RESULT OF THIS INITIAL INVESTIGATION CONDUCTED BY THE CAPITOL POLICE AND THE USPIS. THESE INDIVIDUALS AND THE CRIMES THAT THEY HAVE PLEADED TO ARE AS FOLLOWS:

1. [redacted] b6 b7C

[redacted]

2. [redacted]

3. [redacted]

b6
b7C

4. [redacted]

5. [redacted]

PER THEIR PLEA AGREEMENTS, THE ABOVE NAMED INDIVIDUALS ALL AGREED TO COOPERATE FULLY WITH THE GOVERNMENT IN ITS INVESTIGATION OF THE HPO.

THE INTERVIEWS OF THESE INDIVIDUALS AS WELL AS INDEPENDENT INVESTIGATION CONDUCTED BY THE CAPITOL POLICE AND THE USPIS DETERMINED, IN ADDITION TO THESES INDIVIDUALS AND CHARGES, THAT THE MANAGEMENT OF THE HPO AND VARIOUS REPRESENTATIVES WERE INVOLVED IN CERTAIN ILLEGAL ACTIVITIES. THESE ILLEGAL ACTIVITIES INCLUDED THE IMPROPER CONVERSION OF U.S. FUNDS ALLOCATED FOR POSTAL EXPENSES TO CASH FOR THE REPRESENTATIVE'S PERSONAL USE AND THE UTILIZATION OF THE HPO

TO CONVERT CHECKS, DRAWN ON THE REPRESENTATIVE'S CAMPAIGN FUND ACCOUNTS, TO CASH FOR THE REPRESENTATIVE'S PERSONAL USE.

THIS SECOND PHASE OF THIS INVESTIGATION HAS IDENTIFIED OTHER INDIVIDUALS WHO HAVE BEEN INVOLVED IN THIS SCHEME. AS A RESULT, THE INDICTMENT OF THE FOLLOWING HOUSE STAFFERS CAN BE EXPECTED IN THE NEAR FUTURE:

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1. [redacted]
2. [redacted].
3. [redacted]
4 [redacted]
5. [redacted]
6. [redacted] REP. DAN ROSTENKOWSKI.

OF THESE AFOREMENTIONED SIX INDIVIDUALS, THE MOST PROBABLE IMMEDIATE ACTION ON THE PART OF THE U.S. ATTORNEY FOR THE DISTRICT OF COLUMBIA (USA) WILL INVOLVE [redacted] AS THERE EXISTS A MOVEMENT BY THE HOUSE TASK FORCE LOOKING INTO THE HPO AFFAIR TO [redacted] [redacted] ON [redacted] [redacted]

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[redacted]

b6
b7C
b7D

ADDITIONALLY, THE USA INTENDS TO HAVE INTERVIEWS CONDUCTED WITH VARIOUS HOUSE STAFF MEMBERS THAT ARE EMPLOYED IN THE OFFICES OF ROSTENKOWSKI, KOLTER AND MURPHY. THESE INTERVIEWS ARE CURRENTLY ON HOLD DUE TO THE FACT THAT THE USA'S OFFICE DOES NOT WANT THESE INTERVIEWS CONDUCTED IN THE PRESENCE OF THE HOUSE COUNSEL. THESE PROSPECTIVE INTERVIEWEES ARE AS FOLLOWS:

ROSTENKOWSKI'S OFFICE:

1. [redacted]

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2.

3.

MURPHY'S OFFICE:

1.

2.

3.

4.

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b7C

KOLTER'S OFFICE:

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IT IS THE POSITION OF THE USA THAT THESE INDIVIDUALS WILL BE ABLE TO PROVIDE BACKGROUND INFORMATION AS TO OFFICE PROCEDURES INVOLVING THE POSTAL VOUCHERS AND THAT THEY MAY BE ABLE TO PROVIDE ADDITIONAL CORROBORATIVE INFORMATION ON THE MISUSE OF THE VOUCHERS ON THE PART OF THE REPRESENTATIVES.

ON 6/19/92, THE USA'S OFFICE SENT LETTERS TO THE

b3

THESE LETTERS EXTENDED INVITATIONS TO THESE [redacted] TO TESTIFY AS TO THESE MATTERS BEFORE THE 6/25/92 SESSION OF THE FEDERAL GRAND JURY. TO DATE, NO RESPONSE HAS BEEN RECEIVED FROM THESE [redacted] b3

AS INDICATED IN REFERENCED TELETYPE, WMFO INITIATED ITS INVESTIGATION INTO THIS MATTER IN LATE MAY, 1992, BASED ON A REQUEST FOR ASSISTANCE FROM THE UNITED STATES ATTORNEY'S OFFICE. WMFO IS CURRENTLY INVOLVED IN THE DEBRIEFING OF WITNESSES WHO ARE NOW COOPERATING AND HAVE TAKEN AN ACTIVE ROLE IN DEVELOPING INVESTIGATIVE STRATEGIES. THIS INVESTIGATION IS BEING CONDUCTED JOINTLY WITH THE UNITED STATES POSTAL SERVICE, AND THE UNITED STATES CAPITOL POLICE. WMFO HAS DEVELOPED A GOOD WORKING RELATIONSHIP WITH THESE AGENCIES, AND FORESEES NO PROBLEMS IN CONTINUING THE INVESTIGATION IN THIS MANNER. WMFO WILL KEEP FBIHQ APPRISED OF PERTINENT DEVELOPMENTS AS THIS INVESTIGATION MOVES FORWARD.

BT

549/181
0000 MRI 00549

PP RUCNFB

DE FBIWMFO #0008 1811341

ZNR UUUUU

P 291326Z JUN 92

FM FBI WMFO (58C-WF-180673) (P) (C-9)

TO DIRECTOR FBI/PRIORITY/

BT

UNCLAS

SECTION ONE OF TWO SECTIONS

CITE: //3920//

b6
b7C

PASS: FBIHQ. SSA [redacted] PUBLIC CORRUPTION UNIT.

SUBJECT: "CHANGED"; PLATE BLOCK; OO:WMFO.

THE TITLE HAS BEEN CHANGED IN THIS MATTER TO THE CAPTIONED CODE NAME. THE TITLE OF THIS CASE WAS PREVIOUSLY CARRIED AS FOLLOWS:

REPRESENTATIVE DAN ROSTENKOWSKI, CHAIRMAN,

HOUSE WAYS AND MEANS COMMITTEE;

REPRESENTATIVE JOSEPH P. KOLTER;

REPRESENTATIVE AUSTIN J. MURPHY;

-19

58C-WF-180673

[redacted]

HOUSE OF REPRESENTATIVES POST OFFICE;

UNITED STATES HOUSE OF REPRESENTATIVES;

CORRUPTION OF FEDERAL PUBLIC OFFICIALS-

LEGISLATIVE BRANCH;

(OO:WMFO)

RE WMFO TELETYPE TO FBIHQ DATED 5/29/92 AND TELCAL FROM b6 b7C

WMFO SA [redacted] TO SSA [redacted] 6/22/92.

THE PURPOSE OF THIS COMMUNICATION IS TO PROVIDE BACKGROUND INFORMATION TO FBIHQ REGARDING INDIVIDUALS WHO HAVE PLEADED GUILTY TO VARIOUS CHARGES PRIOR TO THE INVOLVEMENT OF WMFO IN THIS MATTER, TO IDENTIFY TO FBIHQ INDIVIDUALS WHO WILL BE CHARGED IN THIS MATTER IN THE NEAR FUTURE AND TO UPDATE FBIHQ ON THE RESULTS OF CURRENT INVESTIGATION.

FOR THE INFORMATION OF FBIHQ, THIS MATTER WAS INITIALLY PREDICATED UPON A COMPLAINT FROM THE STAFF OF THE U.S. HOUSE OF REPRESENTATIVES POST OFFICE (HPO) TO THE U.S. CAPITOL POLICE IN APRIL OF 1991. THE SUBSTANCE OF THIS COMPLAINT WAS THAT THE STAMP AND CURRENCY DRAWER OF AN AWOL HPO STAMP CLERK WAS SHORT APPROXIMATELY $7000.00. THIS INITIAL COMPLAINT AND

SUBSEQUENT AUDIT CONDUCTED BY THE CAPITOL POLICE LED TO THE NOTIFICATION AND INVOLVEMENT OF THE U.S. POSTAL INSPECTION SERVICE (USPIS) IN JULY OF 1991. AUDITS AND OTHER INVESTIGATION CONDUCTED BY THE USPIS FOUND THAT 9 OF THE 12 EMPLOYEES RESPONSIBLE FOR CASH AND STAMPS AT THE HPO WERE SHORT A TOTAL OF APPROXIMATELY $37,000.00 OUT OF A TOTAL CASH AND STAMP ACCOUNTABILITY OF APPROXIMATELY $475,000.00. THE USPIS AND THE CAPITOL POLICE DETERMINED THAT CERTAIN HPO EMPLOYEES WERE INVOLVED IN THE EMBEZZLEMENT OF GOVERNMENT FUNDS AND OTHER ILLEGAL ACTIVITIES SUCH AS DRUG TRAFFICKING, CHECK KITING, FAILURE TO WORK OVERTIME THAT WAS CLAIMED, BACKDATING OF MAIL AND THE USE OF SPECIAL HPO ACCOUNTS TO "EXPRESS MAIL" PERSONAL ITEMS.

A TOTAL OF FIVE INDIVIDUALS HAVE PLEADED GUILTY AS A RESULT OF THIS INITIAL INVESTIGATION CONDUCTED BY THE CAPITOL POLICE AND THE USPIS. THESE INDIVIDUALS AND THE CRIMES THAT THEY HAVE PLEADED TO ARE AS FOLLOWS:

1. [redacted] -

b6
b7C

2. [redacted]

GOVERNMENT PROPERTY, CONSPIRACY TO CONCEAL MATERIAL FACTS, CONSPIRACY TO POSSESS CONTROLLED SUBSTANCES.

3. [redacted]

4. [redacted]. b6 b7C

5. [redacted]

PER THEIR PLEA AGREEMENTS, THE ABOVE NAMED INDIVIDUALS ALL AGREED TO COOPERATE FULLY WITH THE GOVERNMENT IN ITS INVESTIGATION OF THE HPO.

THE INTERVIEWS OF THESE INDIVIDUALS AS WELL AS INDEPENDENT INVESTIGATION CONDUCTED BY THE CAPITOL POLICE AND THE USPIS DETERMINED, IN ADDITION TO THESES INDIVIDUALS AND CHARGES, THAT THE MANAGEMENT OF THE HPO AND VARIOUS REPRESENTATIVES WERE INVOLVED IN CERTAIN ILLEGAL ACTIVITIES. THESE ILLEGAL ACTIVITIES INCLUDED THE IMPROPER CONVERSION OF U.S. FUNDS ALLOCATED FOR POSTAL EXPENSES TO CASH FOR THE REPRESENTATIVE'S PERSONAL USE AND THE UTILIZATION OF THE HPO TO CONVERT CHECKS, DRAWN ON THE REPRESENTATIVE'S CAMPAIGN FUND ACCOUNTS, TO CASH FOR THE REPRESENTATIVE'S PERSONAL USE.

THIS SECOND PHASE OF THIS INVESTIGATION HAS IDENTIFIED OTHER INDIVIDUALS WHO HAVE BEEN INVOLVED IN THIS SCHEME. AS A RESULT, THE INDICTMENT OF THE FOLLOWING HOUSE STAFFERS CAN BE EXPECTED IN THE NEAR FUTURE:

1. [redacted]
2. [redacted]
3. [redacted]
4. [redacted]
5. [redacted]
6. [redacted] REP. DAN ROSTENKOWSKI.

b6
b7C

OF THESE AFOREMENTIONED SIX INDIVIDUALS, THE MOST PROBABLE IMMEDIATE ACTION ON THE PART OF THE U.S. ATTORNEY FOR THE DISTRICT OF COLUMBIA (USA) WILL INVOLVE [redacted] AS THERE EXISTS A MOVEMENT BY THE HOUSE TASK FORCE LOOKING INTO THE HPO AFFAIR TO [redacted] ON [redacted]

b6
b7C
b7D

[redacted]

[redacted]

b6
b7C
b7D

ADDITIONALLY, THE USA INTENDS TO HAVE INTERVIEWS CONDUCTED WITH VARIOUS HOUSE STAFF MEMBERS THAT ARE EMPLOYED IN THE OFFICES OF ROSTENKOWSKI, KOLTER AND MURPHY. THESE INTERVIEWS ARE CURRENTLY ON HOLD DUE TO THE FACT THAT THE USA'S OFFICE DOES NOT WANT THESE INTERVIEWS CONDUCTED IN THE PRESENCE OF THE HOUSE COUNSEL. THESE PROSPECTIVE INTERVIEWEES ARE AS FOLLOWS:

ROSTENKOWSKI'S OFFICE:

b6
b7C

1. [redacted]

BT

#0008

NNNN

/READ 548/181
0000 MRI 00548

PP RUCNFB

DE FBIWMFO #0007 1811343

ZNR UUUUU

P 291326Z JUN 92

FM FBI WMFO (58C-WF-180673) (P) (C-9)

TO DIRECTOR FBI/PRIORITY/

BT

UNCLAS

SECTION TWO OF TWO SECTIONS

CITE: //3920//

PASS: FBIHQ. SSA [redacted], PUBLIC CORRUPTION UNIT. b6 b7C

SUBJECT: "CHANGED"; PLATE BLOCK; OO:WMFO.

TEXT CONTINUES:

2. [redacted]

3.

MURPHY'S OFFICE:

1. [redacted] b6 b7C

2.

3.

4. [redacted]

KOLTER'S OFFICE:

b6
b7C

1. [redacted]
2.
3.
4.
5.

IT IS THE POSITION OF THE USA THAT THESE INDIVIDUALS WILL BE ABLE TO PROVIDE BACKGROUND INFORMATION AS TO OFFICE PROCEDURES INVOLVING THE POSTAL VOUCHERS AND THAT THEY MAY BE ABLE TO PROVIDE ADDITIONAL CORROBORATIVE INFORMATION ON THE MISUSE OF THE VOUCHERS ON THE PART OF THE REPRESENTATIVES.

ON 6/19/92, THE USA'S OFFICE SENT LETTERS TO THE [redacted] THESE LETTERS EXTENDED INVITATIONS TO THESE [redacted] TO TESTIFY AS TO THESE MATTERS BEFORE THE 6/25/92 SESSION OF THE FEDERAL GRAND JURY. TO DATE, NO RESPONSE HAS BEEN RECEIVED FROM THESE [redacted]

b3

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OFFICE. WMFO IS CURRENTLY INVOLVED IN THE DEBRIEFING OF WITNESSES WHO ARE NOW COOPERATING AND HAVE TAKEN AN ACTIVE ROLE IN DEVELOPING INVESTIGATIVE STRATEGIES. THIS INVESTIGATION IS BEING CONDUCTED JOINTLY WITH THE UNITED STATES POSTAL SERVICE, AND THE UNITED STATESS CAPITOL POLICE. WMFO HAS DEVELOPED A GOOD WORKING RELATIONSHIP WITH THESE AGENCIES, AND FORESEES NO PROBLEMS IN CONTINUING THE INVESTIGATION IN THIS MANNER. WMFO WILL KEEP FBIHQ APPRISED OF PERTINENT DEVELOPMENTS AS THIS INVESTIGATION MOVES FORWARD.

BT

#0007

NNNN

FD-350 (Rev. 5-8-81)

(Indicate page, name of newspaper, city and state.)

(Mount Clipping in Space Below)

Date: 7/8/92
Edition: WASHINGTON TIMES

Title: PLATE BLOCK
00:WF

Character: 58C-WF-180673
or
Classification:
Submitting Office:

Indexing:

# House postal probers divided

By Paul M. Rodriguez
THE WASHINGTON TIMES

A House task force failed yesterday to reconcile two vastly different and partisan reports on its three-month probe of alleged mismanagement and criminal activity at the House post office.

The bipartisan panel has grown increasingly partisan in recent weeks as its six members have struggled to draft a final report on its closed-door deliberations by July 6, as required by a House resolution.

Rep. Charles Rose, North Carolina Democrat and chairman of the task force, told reporters yesterday that "we hope to have a report out [today] or Thursday by the latest."

He said the schedule was moved forward because of a delay in sharing draft documents, which he characterized as "an exchange of prisoners at the bridge."

Rep. Pat Roberts, Kansas Republican and vice-chairman of the task force, agreed and warned that if there can be no agreement on a single report, "we will vote to report a majority and minority report."

The House Administration Committee, which Mr. Rose heads and Mr. Roberts belongs to, must approve whatever findings the task force wants to report to the full House.

Congressional officials familiar with the behind-the-scenes deliberations said the two draft reports are completely different in scope, context and conclusions. They are about equal length, roughly 100 pages each, double-spaced.

"The only thing [Democrats and Republicans] seem able to agree on is that the post office was a mess and it needs to be totally reorganized," said one of several officials who spoke on condition of annoymity.

Mr. Rose and Mr. Roberts previously agreed that allegations involving some congressmen and staffers would be referred to the House ethics committee for follow-up investigations of possible wrongdoing.

U.S. Attorney Jay B. Stephens and a federal grand jury are conducting a separate criminal investigation of alleged embezzlement and illegal narcotic sales at the post office.

Four former clerks and one supervisor were indicted and pleaded guilty to a variety of charges and reportedly are cooperating with the ongoing federal probe. At least one current high-level postal official has reportedly linked some lawmakers to illegal activities.

The task force was created to investigate allegations of wrongdoing at the post office after a series of articles in The Washington Times, beginning Jan. 22, detailing allegations of embezzlement, illegal narcotic sales, padded and falsified payrolls, sale of office stamps for cash, and conversion of campaign checks for cash.

-20
58C-WF-180673

JUL 08 1992
FBI— WASHINGTON FIELD OFFICE

FBI/DOJ

# Memorandum

To : SAC, WMFO (58C-WF-180673) (P) Date 7/9/92

From : SA [redacted] (C-9)

b6
b7C

Subject: PLATE BLOCK
OO:WF

On 6/30/92, the writer obtained a copy of a memorandum of interview of [redacted] which was conducted by personnel from the U.S. Postal Service and the U.S. Capitol police regarding the captioned matter.

This memorandum is attached for inclusion in the case file.

see attachment

2 - WMFO (Attachment)
DLW:

58C-WF-180673-21

SEARCHED ____ INDEXED ____
SERIALIZED ____ FILED ____
JUL 16 1992
FBI — WMFO
DB/

# Memorandum

To : SAC, WMFO (58C-WF-180673)
ATTN: SA [redacted] C-9

Date 7/10/92

b6
b7C

From : SA [redacted] CI-2

Subject: PLATE BLOCK
OO:WMFO

On 7-10-92, WMFO received information from a reliable source, who has provided reliable information in the past, who advised that he has received information concerning the House Post Office scandal, specifically, that DAN ROSTENKOWSKI, Chairman of House Ways and Means Committee, is a subject of the investigation and is in a plea-bargaining situation with prosecutors. ROSTENKOWSKI reportedly has discussed submitting his resignation as early as September, in return for not being prosecuted.

This is being provided for informational purposes only.

2 - WMFO

EEB:eb

58C-WF-180673-22

SEARCHED INDEXED
SERIALIZED FILED
JUL 10 1992
FBI — WASH FIELD OFFICE

[redacted]

b6
b7C

# Memorandum

To : SAC, WMFO (58C-WF-180673)
ATTN: SA [redacted], C-9

Date 7/~~10~~14/92

From : SA [redacted], CI-2

Subject: PLATE BLOCK
OO:WMFO

b6
b7C

On 7-14-92, WMFO was unable to recontact source who provided information concerning the House Post Office scandal and specifically concerning DAN ROSTENKOWSKI, Chairman of House Ways and Means Committee. Source will be unavailable until 7/20/92 at the earliest. On that date, efforts will be made to schedule a meeting between case agent [redacted] and the source.

2 - WMFO

EEB:eb

b7D

[redacted]

58C-WF-180673-23

SEARCHED ___ INDEXED ___
SERIALIZED ___ FILED ___
JUL 14 1992
FBI - WASH FIELD OFFICE
[redacted]

b6
b7C

03

CO 293 (Rev. 8/91) Subpoena to Testify Before Grand Jury

# United States District Court

FOR THE DISTRICT OF COLUMBIA

TO [redacted] (P)

b3

## SUBPOENA TO TESTIFY BEFORE GRAND JURY

SUBPOENA FOR:

[X] PERSON [ ] DOCUMENT(S) OR OBJECT(S)

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

| PLACE | COURTROOM |
|---|---|
| United States District Court<br>for the District of Columbia<br>United States District Courthouse<br>Third & Constitution Avenue, N.W.<br>Washington, D.C. 20001 | Grand Jury 91-3/Third Floor<br>DATE AND TIME<br>Thursday, July 16, 1992<br>at 3:30 p.m. |

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):*

** PERSONAL APPEARANCE IS REQUIRED **

58C-WF-180673-24

SEARCHED ____ INDEXED ____
SERIALIZED ____ FILED ____
JUL 17 1992
FBI — WASH. FIELD
DB/JS

☐ *Please see additional information on reverse.*

This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.

| U.S. MAGISTRATE OR CLERK OF COURT | DATE |
|---|---|
| Nancy M. Mayer-Whittington, Clerk<br>(BY) DEPUTY CLERK<br>Margaret P. Napier | June 23, 1992 |

This subpoena is issued upon application of the United States of America

NAME, ADDRESS AND PHONE NUMBER OF ASSISTANT U.S. ATTORNEY

WENDY WYSONG, AUSA (202) 514-9832
Public Corruption/Government Fraud Section
555 4th Street, N.W., Room 5106
Washington, D.C. 20001

*If not applicable, enter "none."

CO 293 (Rev. 8/91) Subpoena to Testify Before Grand Jury

## RETURN OF SERVICE[1]

| | | |
|---|---|---|
| RECEIVED BY SERVER | DATE | PLACE |
| SERVED | DATE | PLACE |

SERVED ON (PRINT NAME)

| | |
|---|---|
| SERVED BY (PRINT NAME) | TITLE |

### STATEMENT OF SERVICE FEES

| TRAVEL | SERVICES | TOTAL |
|---|---|---|
| | | |

### DECLARATION OF SERVER[2]

I declare under penalty of perjury under the laws of the United States of America that the foregoing information contained in the Return of Service and Statement of Service Fees is true and correct.

Executed on _____ _____
*Date* *Signature of Server*

_____
*Address of Server*

ADDITIONAL INFORMATION

(1) As to who may serve a subpoena and the manner of its service see Rule 17(d), Federal Rules of Criminal Procedure, or Rule 45(c), Federal Rules of Civil Procedure.

(2) "Fees and mileage need not be tendered to the witness upon service of a subpoena issued on behalf of the United States or an officer or agency thereof (Rule 45(c), Federal Rules of Civil Procedure; Rule 17(d), Federal Rules of Criminal Procedure) or on behalf of certain indigent parties and criminal defendants who are unable to pay such costs (28 USC 1825, Rule 17(b) Federal Rules of Criminal Procedure)".

FD-36 (Rev. 11-17-88)

FBI

TRANSMIT VIA:
- ☐ Teletype
- ☐ Facsimile
- ☒ AIRTEL

PRECEDENCE:
- ☐ Immediate
- ☐ Priority
- ☐ Routine

CLASSIFICATION:
- ☐ TOP SECRET
- ☐ SECRET
- ☐ CONFIDENTIAL
- ☐ UNCLAS E F T O
- ☐ UNCLAS

Date 7/2/92

TO : SAC, WMFO

FROM : SAC, COLUMBIA (58C-WF-180673)(RUC)

SUBJECT : PLATE BLOCK;
OO: WMFO

Re WMFO airtel to Columbia, 6/29/92.

Enclosed to WMFO original executed copy and one copy of Federal Grand Jury subpoena served on former [redacted], in connection with captioned matter.

b6
b7C
b3

Captioned subpoena was served on 6/30/92 at Myrtle Beach, S.C., by SA [redacted]

(2) - WMFO (Enc. 2)
1 - Columbia
DRM:pc
(3)

58C-WF-180673-25

SEARCHED ____ INDEXED ____
SERIALIZED ____ FILED ____
JUL 17 1992
FBI — MEMPHIS

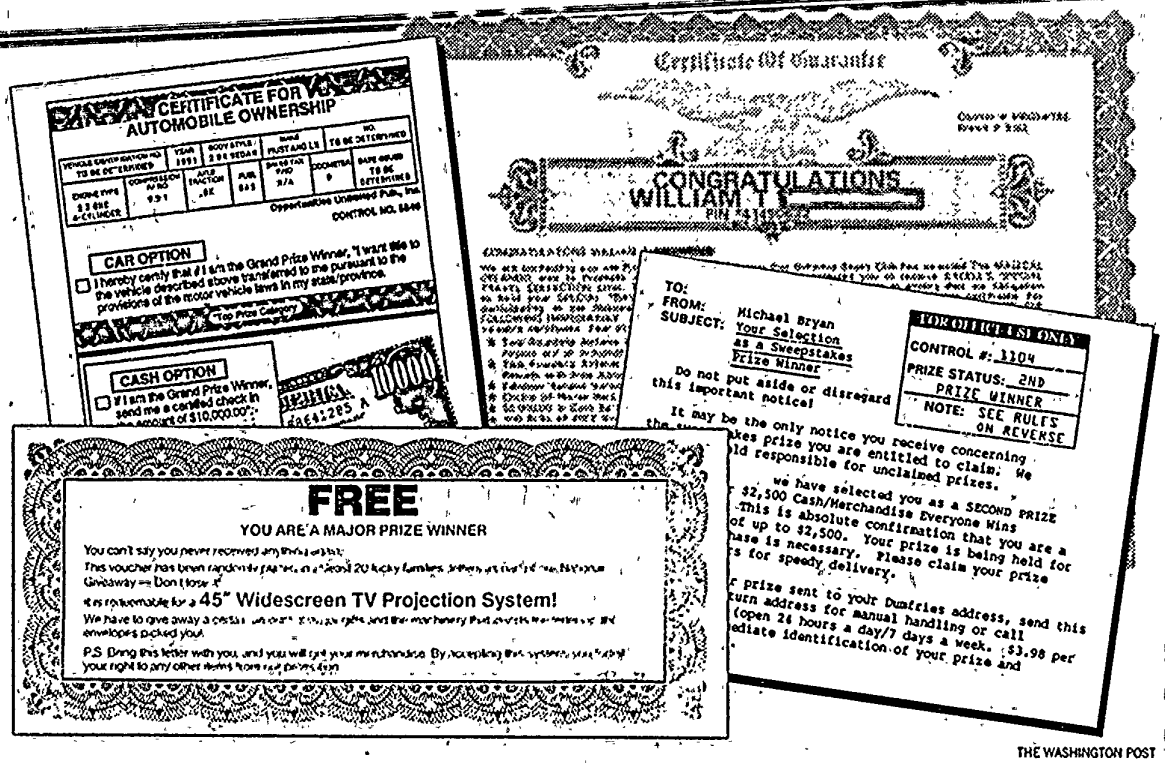
ORIGINAL DOCUMENT(S) ENCLOSED
DO NOT BLOCK STAMP

1*

Approved: _____ Transmitted _____ (Number) (Time) Per _____

58C-WF-180673-25X1

JAN 21 1993




THE WASHINGTON POST

# Poll Finds Phone Fraud Rampant

## *Scam Artists Have Approached 9 Out of 10 People, Survey Indicates*

By Alex Pham
Washington Post Staff Writer

Sonya Louis received a call from a Houston company last month telling her she had won a new car. All she had to do was send $599 to ship it.

Louis, who suffers from the blood disease sickle cell anemia, told the caller she was poor, disabled and could not afford to be swindled. But the caller insisted that the offer was legitimate. Louis had hoped for her own car for so many years that she believed it, according to her mother.

The 29-year-old Californian borrowed the money from her grandmother, who took out a cash advance from her credit card. She even picked out the color of the car, sky blue.

The company stuck around just long enough to take her money.

"She wanted it so badly," said Louis's mother, Zella Elijah, who lives with her daughter in Northridge, Calif. "How could they do that to her?"

As it turns out, telemarketing thieves have approached nine of 10 Americans with such prize schemes, according to the responses to a Louis Harris and Associates survey to be released today. Three out of 10 answering the survey also said they have responded at some time to these offers.

"It's often the people who can least afford to lose money who get caught," said Linda Golodner, president of the National Consumers League, a District-based nonprofit consumer protection agency that sponsored the survey. "They're desperate, and they really believe they're going to win this time."

The survey, part of a campaign against such fraud, was paid for by a group of companies that often has to pick up the tab for phone schemes, including MasterCard International Inc., MCI Communications Corp., Citibank's credit card subsidiary and Visa USA Inc. The campaign is being spon-

See POLL, D3, Col. 4

THE WASHINGTON POST
7/7/92

National Consumer League
202-639-8140

# Survey Indicates Phone Scam Artists Call 9 of 10 Americans

POLL, From D1

sored by the Consumers League and the Reference Point Foundation of Newark.

The league today also is releasing a list of the top five new phone schemes. Topping the list is a scheme that tries to overcome consumer skepticism about postcards or phone calls that promise "you may already have won" a big prize. Consumers swindled once by bogus prize notifications are contacted again by scam artists posing as "recovery service" operations and offering a second chance to win, or simply offering bigger prizes.

Another scam solicits people to call supposedly toll-free numbers; they end up making expensive overseas calls for useless information on topics such as "Dating Etiquette for the '90s," with the scam artists collecting money for the cost of the call.

A third scam promises to help parents recover child support money from deadbeat ex-spouses at a cost of $40, plus $3.95 for every minute spent on the phone with a "consultant" promising to help the parent.

A fourth scheme involves solicitors who sell goods made by "handicapped" workers. These handicaps often turn out to be not physical, but social—specifically, criminal records, according to the league. The fifth type of fraud bilks investors who hope to buy dirt-cheap Florida land, but get only bogus deeds.

Less than 10 percent of those who say they were swindled report the crime, according to the poll. Consumer advocates argue that if more people reported fraud, more could be done to combat it.

"So many people don't complain because they're embarrassed or think that they don't have the time, so they just let it go," said Shirley Rooker, president of Call for Action Inc., a national consumer hot line company based in the District. "What you should be doing is complain loudly and fiercely when you've been ripped off because that's when things" are corrected.

And what should you do to prevent being scammed in the first place?

John Barker, a project adviser with the Consumers League, said the people who are cheated tend to react on impulse. He advised: "Wait. Tell them to send you material. Any legitimate business or charity will send you a form. Then you can think about it."

THE WASHINGTON POST
7/7/92

# Memorandum

To : SAC, WMFO (58C-WF-180673) (P) Date 7/23/92

From : SA [redacted] (C-9) b6 b7C

Subject: PLATE BLOCK
OO:WF

On 7/22/92, a meeting was convened at the offices of the United States Attorney for the District of Columbia regarding the captioned matter. At this meeting, copies of the following documents were obtained:

[redacted] Referral/Direct

These items are attached for inclusion in the case file.

2 - WMFO (Attachments)
DLW:
(2)

58C-WF-180673-26

93

58C-WF-180673-27

SEARCHED ___ INDEXED ___
SERIALIZED ___ FILED ___

JUL 27 1992

FBI — WASHINGTON FIELD OFFICE

FD-350 (Rev. 5-8-81)

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(Indicate page, name of newspaper, city and state.)

7/25/92
WASHINGTON POST
PLATE BLOCK
00:WF
58C-WF-180673

Date:
Edition:



# Rostenkowski, Two Colleagues Refuse to Answer Subpoenas

## *Democrats Call House Post Office Probe a 'Political Witch Hunt'*

By Eric Pianin
Washington Post Staff Writer

Ways and Means Committee Chairman Dan Rostenkowski (D-Ill.) and two other House Democrats who were subpoenaed to appear before a federal grand jury investigating the House Post Office said yesterday they will refuse to testify. They dismissed the probe as a "political witch hunt."

In a letter to the U.S. attorney here, Rostenkowski, Reps. Joe Kolter (D-Pa.) and Austin J. Murphy (D-Pa.) said they had been exonerated by a congressional inquiry of the post office completed this week and that the grand jury's request that they appear next Tuesday was unwarranted.

"We can only conclude that the subpoenas for us are a product of an overall fishing expedition in an election year," the three Democrats said.

Citing their Fifth Amendment constitutional right against self-incrimination, they said, "We decline to lend any credence to an inquiry that lacks credibility and should be promptly closed."

The three pointedly avoided invoking legislative privilege in refusing to respond to the subpoenas, which were issued Wednesday.

The office of U.S. Attorney Jay B. Stephens is investigating allegations that some House members received thousands of dollars through transactions portrayed as stamp purchases. The probe began in February after reports of alleged embezzlement and drug dealing by post office employees had embarrassed the House.

litical favors, such as delivering campaign contributions, and that failed to account for the cost of free mailings for members and lobbyists.

The 64-page Democratic report concluded that interviews with more than 60 witnesses found no House members were "credibly alleged to have committed any wrongdoing, by violating either a specific statutue or rule of the House." However, the 96-page Republican report suggested that 11 members and four former members—all but one Democrats—were connected to questionable practices, although Republicans later apologized for mistakenly including a Democratic member in that list.

Rostenkowski and the two other Democrats subpoenaed based their decision not to testify in part on the Democratic report's findings that James C. Smith, a postal official, said he had no knowledge of any instances when House members engaged in unlawful or questionable practices—such as exchanging expense vouchers for cash or exchanging stamps for cash.

But Daniel J. Swillinger, special Republican counsel to the congressional task force, said yesterday that it was incorrect for Democrats to say that Smith had exonerated Rostenkowski.

"To say that James Smith in his interview somehow vindicated him [Rostenkowski] is just an outrageous misrepresentation of what occurred," Swillinger said.

Smith was interviewed for about two hours by task force lawyers and investigators on March 9, Swillinger said. After the interview, during which Swillinger said Smith was "very evasive," task force members decided they would have to subpoena Smith to testify under oath.

That did not happen, however, because Smith obtained a lawyer and entered into negotiations with federal prosecutors that produced an immunity agreement contingent on his not cooperating with the congressional task force.

The Washington Post and other publications, citing sources, reported that Smith told federal prosecutors that Rostenkowski's office in the past five years received about $20,000 in exchange for expense vouchers written for postage stamps.

A federal grand jury has subpoenaed the expense records from 1986 to April 1992 for Rostenkowski, Kolter and Murphy. Rostenkowski purchased more than $25,000 in postage stamps during that period, while Kolter and Murphy bought smaller amounts.

In the House Bank probe, House leaders were informed that Wilkey had subpoenaed four House employees and one former employee to testify before a grand jury on the bank overdraft investigation, a House official said. Current and former House members wrote about 24,000 overdrafts worth millions of dollars at the bank over a 39-month period.

*Staff writers Mike York and Sharon LaFraniere contributed to this report.*

FBI/DOJ

The response to Stephens by the three Democrats comes at a time when Justice Department special counsel Malcolm R. Wilkey is stepping up his investigation of check kiting by House members at the now-defunct House Bank. That investigation initially was handled by Stephens, but was reassigned to Wilkey by the attorney general to avoid any appearance of being politically inspired.

Some Democrats have said they fear indictments will be returned shortly before the November election to boost Republican prospects.

"It is amazing that the U.S. attorney is continuing this investigation when the [House] task force report so thoroughly resolves any of the issues within the proper scope of the investigation," Rostenkowski, Murphy and Kolter wrote House Speaker Thomas S. Foley (D-Wash.) yesterday. "Moreover, every report of every former employee of the House Post Office has refuted any notion that we engaged in any conduct that the U.S. attorney could legitimately investigate."

In a statement, Stephens said: "Our responsibility is to enforce the laws of the United States. The purpose of the ongoing grand jury investigation is to determine whether any laws have been broken."

The subpoenas, reported yesterday by the Washington Times, were delivered to Rostenkowski, Murphy and Kolter the same day the House task force issued Democratic and Republican reports on the post office's operations.

The two reports offered a portrait of the post office as a mismanged patronage haven that excelled in small but questionable po-

FD-350 (Rev. 5-8-81)

(Mount Clipping in Space Below)

(Indicate page, name of newspaper, city and state)

Date: 7/28/92
Edition: WASHINGTON TIMES

Title: PLATE BLOCK ET AL OOWUF

Character: 58C-WF-180673
or
Classification:
Submitting Office:

Indexing:

# Subpoenaed trio's postage purchases don't add up

## Did taxpayers buy campaign stamps?

By George Archibald
THE WASHINGTON TIMES

Three Democratic congressmen subpoenaed in the House post office probe have apparent discrepancies in campaign postage and printing expenditures and large, unexplained postage purchases with their taxpayer-funded office allowances, according to government records.

In past election cycles going back to 1985, large campaign postage stamp purchases by Reps. Dan Rostenkowski of Illinois and Joe Kolter of Pennsylvania are not matched by comparable campaign disbursements for printing and mailings, according to a study of Federal Election Commission records by The Washington Times.

Rep. Austin Murphy of Pennsylvania purchased large quantities of postage stamps with congressional office funds, but no postage with campaign funds in years when he conducted aggressive political fund-raising efforts involving dozens of receptions and dinners and hundreds of contributors, House records and FEC filings show.

Stamps purchased with taxpayer funds may not be used for campaign purposes, although there is no system in Congress to ensure this. Converting official funds to personal or campaign use and falsification of official transaction documents are felonies punishable by imprisonment and fines.

A federal grand jury probing the House post office is reportedly looking at the stamp purchases by Mr. Rostenkowski, the powerful chairman of the tax-writing House Ways and Means Committee, and Mr. Kolter and Mr. Murphy.

The three congressmen are close friends of former House Postmaster Robert V. Rota, a Pennsylvania native who served in the patronage post for 20 years before his forced resignation earlier this year. Mr. Rota reportedly is cooperating with federal prosecutors.

The re-election committees of the three congressmen purchased at

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# STAMPS

From page A1

least, $162,107 worth of postage stamps with campaign donations from 1985 to March of this year, according to reports filed with the Federal Election Commission.

They bought at least $58,948 worth of postage stamps with official House allowances during the same period, although they have the free-mail congressional "franking privilege," according to House records.

Expenditures since March have not been made public.

House members may use the franking privilege to mail most letters, publications and packages free by using envelopes or labels with their imprinted signature. The frank may not be used for political campaign purposes.

According to House records and federal campaign reports:

• Mr. Rostenkowski spent $29,726 in congressional office funds and $118,325 in campaign funds for stamps from 1985 to March 1992.

He purchased $16,750 worth of postage stamps with campaign funds during the 1989-1990 election cycle — enough to mail 67,000 first-class letters or more than twice as many bulk-mail circulars — even though he had no opponents.

All but $3,500 of the campaign postage was bought at the House post office in Washington rather than in Chicago, where Mr. Rostenkowski's re-election committee is located.

The congressman's campaign printing, stationery and envelope disbursements for the same period totaled less than $2,000.

No one on Mr. Rostenkowski's House or re-election committee staffs would respond to inquiries by The Times.

• Mr. Kolter from 1985 to March 1992 used $18,461 in office money and $38,202 in campaign funds to buy stamps.

Faced by an aggressive Republican challenger in 1990, Mr. Kolter bought $10,777 worth of postage with campaign funds.

But two of the reported postage disbursements for campaign mailings — $2,500 on June 8, 1990, and $4,800 on Oct. 17, 1990 — are not matched by any printing or direct-mail expenditures by the campaign committee for production of such large mailings.

Caught in the House bank scandal, Mr. Kolter was defeated for re-election in this year's Democratic primary. For the contest, he bought $4,502 worth of postage with campaign funds — enough to mail more than 15,000 first-class letters or twice as many bulk-mail circulars to his rural, steel-producing Pennsylvania district.

But Mr. Kolter's campaign committee spent only $1,830 for printing — primarily for invitations and reply cards for political fund-raisers. No expenditures were listed for printing or production of large campaign mailings.

Jerry Weaver, the congressman's principal campaign adviser since 1982 and a Washington lawyer, referred inquiries to Mr. Kolter's campaign treasurer, Anthony B. Cosentino, in Beaver Falls, Pa. Mr. Cosentino did not respond to messages left on his home telephone answering machine.

• From 1985 to March 1992, Mr. Murphy spent $10,761 in office funds and $5,580 in campaign funds on stamps.

While Messrs. Rostenkowski and Kolter's stamp purchases appeared to dwarf their printing outlays, the opposite was the case for Mr. Murphy.

In the 1985-1992 period, Mr. Murphy reported spending about $10,000 for campaign-related printing and more than $60,000 for entertainment and catering involving about 100 re-election fund-raising events or meetings.

He annually spent about $11,000 of official House funds for stationery and other supplies for mailings to voters in his heavily Democratic, steel-producing district.

Congressional sources and Washington political activists who know Mr. Murphy, the chairman of the House Education and Labor subcommittee on labor standards, said he mails invitations for several major, yearly fund-raising events to hundreds of political action committee representatives.

And thank-you letters go to hundreds of contributors who made large donations, the sources said.

Mr Murphy was reprimanded by the House in 1987 for misappropriating government property for his law firm, getting another House member to vote for him in his absence on the House floor and authorizing improper House payments to a "ghost employee."

Mr. Murphy did not respond to messages left with staff aides in his Washington and Charleroi, Pa., offices.

The three congressmen denied wrongdoing earlier this year when the office of U.S. Attorney Jay Stephens subpoenaed their official House expense records related to postage-stamp purchases for the past six years.

*The three congressmen are using their Fifth Amendment protection to reject subpoenas.*

Now they are using their Fifth Amendment protection against self-incrimination to reject subpoenas for personal appearances before the grand jury investigating the House post office.

The congressmen say Mr. Stephens is engaging in a "political witch hunt" and that they have been cleared of wrongdoing by a congressional task force whose reports on the scandal-plagued post office were released last week.

But the task force, in spite of a partisan split in its findings, made no such claim. Rep. Al Swift, Washington Democrat and a member of the task force, said Friday that its probe did not cover possible violations of House ethics rules or criminal statutes.

The Washington Post reported in May that James C. Smith, the former assistant House postmaster, for accounts, said Mr. Rostenkowski had been given cash in place of stamps when submitting official expense vouchers at the post office.

Mr. Smith has since been quoted as saying that the allegation in The Post is untrue.

The House has no controls on the use of postage stamps purchased by congressmen with official funds beyond written rules on the use of official resources. There is no apparent enforcement policy unless abuses are publicized.

Also, there is no apparent limit on the amount of postage stamps that lawmakers can purchase with official funds as long as they have not used all their House allowances, which can be transferred from one purpose to another.

FD-350 (Rev. 5-8-81)

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Date: 7/29/92
Edition: WASHINGTON TIMES

Title: PLATE BLOCK
OO:WF

Character: 58C-WF-180673
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Submitting Office:

Indexing:

Rep. Dan Rostenkowski

# Rostenkowski, 2 colleagues get reprieve in postal probe

## Subpoenas still not withdrawn

By Paul M. Rodriguez
THE WASHINGTON TIMES

U.S. Attorney Jay B. Stephens backed down yesterday from forcing three Democratic congressmen, including Rep. Dan Rostenkowski, to honor subpoenas to testify before a federal grand jury probing wrongdoing at the House post office.

The congressmen, who also include Pennsylvania Reps. Austin Murphy and Joe Kolter, were served with the subpoenas last week. Last Friday, all three lawmakers informed Mr. Stephens they would not appear and would invoke their Fifth Amendment rights against self-incrimination.

Joseph diGenova, an attorney for Mr. Murphy and the lead counsel for all three congressmen, said yesterday that Mr. Stephens' office had agreed to a reprieve but that discussions were still under way.

"We have been discussing the

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FBI/DOJ

# POSTAL

*From page A1*

matter in a cordial atmosphere with the U.S. Attorney's Office," Mr. diGenova told The Washington Times yesterday. "I am satisfied with the disposition of the matter up to this point. Other than that, I just have no further comment."

Mr. Stephens was silent on the day's events despite several calls for comment.

Meanwhile, congressional officials have confirmed that records and transcripts for more than half of the 62 witnesses who testified before a House task force that probed the post office scandal are either nonexistent or incomplete.

The discovery of only 28 complete sets of transcripts and partial notes or audio tapes on the remaining 34 witnesses was made after Republicans began urging colleagues on the House floor last week for public disclosure of all records — not just summary reports of the task force's findings.

Attention yesterday was focused more on the issue of whether Messrs. Rostenkowski, Murphy and Kolter would have to appear before the federal grand jury.

One of several congressional officials and others familiar with the matter said the issue was decided by late morning after Mr. Stephens "blinked" during a standoff with the members, who vowed they would not appear.

Despite the U.S. attorney's decision not to compel their testimony, Mr. Stephens did not let the members off the hook by withdrawing subpoenas, said one of the officials familiar with the matter.

"That's a matter still to be decided," said one of the officials, who asked not to be named. "It is now up to him [Mr. Stephens] to decide if he still wants the members to testify before the grand jury."

In a blistering attack on Mr. Stephens last week, the three congressmen accused the U.S. attorney of conducting a "political witch hunt," and a "fishing expedition."

The members also repeated earlier statements that they had been exonerated by a House task force report on the post office scandal, which ostensibly failed to find any proof that any members were directly involved in allegations of criminal wrongdoing.

The members' statements were correct in part, but only insofar as they relied on one of two reports released by the bipartisan task force. The Democrats' version of the report argued that there was no evidence of criminal wrongdoing by members.

The Republicans' version said there was no conclusive evidence either way — to vindicate or condemn — any member whose name became linked to the scandal during the task force's five-month probe.

Over strong objections by Democrats, the Republicans included the names of 11 members in their report and said they did so to avoid charges of a cover-up or a whitewash.

Democrats blasted the GOP move and took angrily to the House floor to denouce Republicans for naming names for the sake of political gain. All but one member in the GOP version of the report were Democrats.

Despite such partisan squabbles, the task force did uncover widespread mismanagement and abuse of the Democratic patronage system in the post office and the inflation of the mail count by as much as 100 million pieces a year.

The inflated mail counts were used to justify hiring more people to do the work of patronage employees, who were incompetent in many cases, the task force said.

As to some of the more serious allegations of wrongdoing, the task force said it was blocked from getting at the truth because the Justice Department prevented interviews of several key witnesses who might have known about wrongdoing, such as stamps for cash and the conversion of campaign checks into cash — or stamps that later were redeemed for money.

One of these people, James C. Smith, a former assistant postmaster for accounts, reportedly is cooperating with the Justice Department and, according to The Washington Post, has said Mr. Rostenkowski received about $20,000 in cash by improperly converting office-supply and stamp vouchers.

What is contained in such testimony, however, has not been made public by the task force. Instead, all its investigatory files and testimony were turned over to the House ethics committee and the Justice Department for follow-up investigations.

Task force members, mostly Democrats, said release of the records could damage the reputation of House employees because a lot of it was not documented.

Republicans are seeking full release of all task force documents, however, to avoid lingering doubts about what the panel may have unearthed.

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Indexing:

# Five aides subpoenaed in House postal probe

By Paul M. Rodriguez
THE WASHINGTON TIMES

U.S. Attorney Jay B. Stephens, thwarted in his effort to get three Democratic congressmen to testify before a grand jury probing the House post office, has issued subpoenas to five of their aides.

The subpoenas, which were delivered yesterday, require each of the aides to appear before the grand jury sometime in mid-August, according to congressional and federal officials.

The aides work for Rep. Dan Rostenkowski of Illinois and Reps. Austin J. Murphy and Joe Kolter, both of Pennsylvania.

Mr. Stephens also sent a separate letter yesterday to House Speaker Thomas S. Foley protesting plans by Democrats on a House task force to release confidential U.S. Capitol Police files that the panel obtained during its post office probe.

The two-page letter said that "some of those documents contain sensitive and confidential law enforcement information directly relevant to the ongoing criminal investigation."

Any use of them in a public report, the Stephens letter said, "could jeopardize the integrity of the ongoing criminal investigation and unnecessarily undermine the grand jury's consideration of this matter."

A bitter partisan fight has ensued over the release of all investigatory materials and testimony the task force collected, including the police files. That dispute has contributed to a delay in getting the appendix out, officials said.

Democrats want to limit the number of documents made public, while Republilcans want all records released. The six-person bipartisan task force did agree to give all its records to the House Ethics Committee and the Justice Department.

The partisan squabbling already has spilled out into the open as Democrats blasted Republicans for naming 11 lawmakers in a GOP version of the task force report.

The Democrats, including Rep. Charlie Rose of North Carolina, chairman of the task force, have said that releasing the lawmakers' names was unfair since no evidence was uncovered linking the members to criminal or ethical wrongdoing.

Messrs. Rostenkowski, Murphy and Kolter have seized on such statements as well as a Democratic version of the task force's report to contend they have been totally exonerated from allegations of wrongdoing.

Mr. Rostenkowski, chairman of the powerfull Ways and Means Committee, also has cited a section in the Democrats' report that appeared to refute statements attributed to a former post office official. The official told The Washington Post that the Illinois Democrat had improperly cashed office expense vouchers in return for $20,000 in cash.

Last week, Mr. Stephens issued subpoenas to the three congressmen to appear Tuesday before the grand jury. After consulting with Joseph diGenova, Mr. Murphy's attorney and the former U.S. attorney in the District, the members invoked their Fifth Amendment rights against self-incrimination and said they would not appear.

Although Mr. Stephens backed down from a public showdown with the members, he did not withdraw the subpoenas and said their appearances would be rescheduled, said officials familiar with the matter who spoke with The Washington Times on condition of anonymity.

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JUL 31 1992

FBI—WASH. METROPOLITAN FIELD OFFICE

FD-350 (Rev. 5-8-81)

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Date: 7/31/92
Edition: WASHINGTON POST

Title: PLATE BLOCK
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Character: 58C-WF-180673
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Submitting Office:

Indexing:

THE WASHINGTON POST

# Aides Subpoenaed in House Post Office Cas

## *Grand Jury Targets Half Dozen From Staffs of Three Democrats Under Investigation*

By Kenneth J. Cooper
Washington Post Staff Writer

A federal grand jury has subpoeaned about a half-dozen aides who work for three House Democrats under investigation in connection with the House Post Office, House officials said yesterday.

The three Democrats—Rep. Dan Rostenkowski (Ill.), Rep. Joe Kolter (Pa.) and Rep. Austin J. Murphy (Pa.)—refused to appear Tuesday before the grand jury, asserting their rights against self-incrimination. They described the criminal inquiry being directed by U.S. Attorney Jay B. Stephens, a Republican appointee, as politically motivated.

The House officials would not say exactly how many aides received subpoenas this week, and there appeared to be a coordinated effort among Democratic leaders to conceal their names.

A House rule requires public notice within three legislative days of members or employees who have received subpoenas, but not disclosure of the documents, according to Steven R. Ross, counsel to the House clerk.

Likely recipients of the subpoenas would include the three members' administrative assistants and other aides involved in making or accounting for official expenditures.

The House clerk and the members have already turned over supoenaed records of the three members' expense accounts from January 1986 to last April.

During that period, Rostenkowski, chairman of the Ways and Means Committee, has employed one administrative assistant, Virginia C. Fletcher. Murphy also has had one, Frederick P. McLuckie Jr.

Kolter, who was defeated in an Ap primary, has had four administrive assistants since 1986.

Jaes C. Smith, director of accounile paper at the House Post Office as told federal prosecutors that stenkowski's office exchange official expense vouchers written r postage stamps for as much as 20,000 in cash during the last five years, The Washington Post reted in May.

Although Rostenkowski has available three mail privileges as a member of Congress, his office bought $2000 in stamps since 1986, considera more than other House leaders, othe members of the Illinois delegation and other members whose districts heavily populated by descendants Polish immigrants.

Smith, a House Post Offi employee since 1960, has held hi rent position for three years. is now on sick leave.

Rostenkowski confirmed tha comment.

members of his staff received poenas, which were first disc in The Washington Times.

Asked who they were, tenkowski replied, "I don't which ones."

Murphy also said he did not which of his aides were issued poenas, a step he described a neccessary and intimidating.

"I think that's ridiculous," phy said. "If he [Stephens] war interview my staff, they're ava .... All he has to do is cal make an appointment."

"The intimidation aspect of vice of a subpoena is perhap effect he wants to bring ab Murphy said. "The intimidati the thing I resent most."

Murphy said that he, too, w be available to make an uns statement to prosecutors.

Kolter could not be reache

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TO DIRECTOR FBI/PRIORITY/

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CITE: //3920//

PASS: ATTN: PCU, SSA [redacted]

b6
b7C

SUBJECT: PLATE BLOCK; OO:WMFO.

RE WMFO TELCALL TO FBIHQ 7/22/92.

FOR THE INFORMATION OF FBIHQ, ON 7/21/92 [redacted] WERE SERVED SUBPOENAS, THROUGH THEIR RESPECTIVE PERSONAL ATTORNEYS, TO TESTIFY BEFORE THE FEDERAL GRAND JURY ON 7/28/92, REGARDING CAPTIONED MATTER. THESE SUBPOENAS WERE DELIVERED TO THE ATTORNEYS [redacted] BY FACSIMILE ON 7/21/92, WITH THE ORIGINAL SUBPOENAS BEING DELIVERED TO THE ATTORNEYS

b3

58C-WF-180673-32

7/22/92. THE SUBPOENAS CALL FOR THE PERSONAL APPEARANCE BEFORE THE FEDERAL GRAND JURY OF [redacted] AT 2:00 PM, [redacted] AT 3:00 PM AND [redacted] AT 4:00 PM, ALL ON 7/28/92. THE U.S. ATTORNEY FOR THE DISTRICT OF COLUMBIA HAS CONSIDERED THE POSSIBILITY THAT [redacted] REGARDING THESE SUBPOENAS.

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FD-36 (Rev. 8-29-85)

FBI

TRANSMIT VIA:
- [X] Teletype
- [ ] Facsimile
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PRECEDENCE:
- [ ] Immediate
- [X] Priority
- [ ] Routine

CLASSIFICATION:
- [ ] TOP SECRET
- [ ] SECRET
- [ ] CONFIDENTIAL
- [ ] UNCLAS E F T O
- [X] UNCLAS

Date 7/23/92

FM FBI WMFO (58C-WF-180673) (P) (C-9)

TO DIRECTOR, FBI/PRIORITY/

BT

UNCLAS

CITE: //3920//

PASS: ATTN: PCU, SSA [redacted]

b6
b7C

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Time Received: 1/45 Telprep filename: 1es002s0.205

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FOX DATE & TIME OF ACCEPTANCE: 7/23/92 1 46 KLH

BEFORE THE FEDERAL GRAND JURY OF [redacted] AT 2:00 PM, [redacted] AT 3:00 PM AND [redacted] AT 4:00 PM, ALL ON 7/28/92. THE U.S. ATTORNEY FOR THE DISTRICT OF COLUMBIA HAS CONSIDERED THE POSSIBILITY THAT [redacted] REGARDING THESE SUBPOENAS. b3

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C-9

FD-36 (Rev. 8-29-85)

FBI

TRANSMIT VIA:
[X] Teletype
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PRECEDENCE:
[ ] Immediate
[X] Priority
[ ] Routine

CLASSIFICATION:
[ ] TOP SECRET
[ ] SECRET
[ ] CONFIDENTIAL
[ ] UNCLAS E F T O
[X] UNCLAS

Date 7/29/92

FM FBI WMFO (58C-WF-180673) (P)

TO DIRECTOR FBI/PRIORITY/

BT

UNCLAS

CITE: //3920//

PASS: ATTN: SSA [redacted] PUBLIC CORRUPTION UNIT, WCC SECTION.

b6
b7C

SUBJECT: PLATE BLOCK; OO:WMFO.

RE WMFO TELCALL TO FBIHQ ON 7/28/92.

AS DISCUSSED IN REFERENCED TELCALL, WMFO SAS ASSIGNED TO CAPTIONED MATTER, ALONG WITH U.S. POSTAL INSPECTORS AND CAPITOL POLICE PERSONNEL WORKING JOINTLY WITH WMFO, HAVE BEEN REQUESTED BY THE U.S. ATTORNEY'S OFFICE, DISTRICT OF COLUMBIA, TO SERVE SUBPOENAS ON [redacted] SUBPOENAS WILL REQUEST PERSONAL APPEARANCES

b3

Approved: RMB/83 Original filename: les 001W.211

Time Received: 1015 Telprep filename:

MRI/JULIAN DATE: 7/05/211 ISN: 011

FOX DATE & TIME OF ACCEPTANCE: 7/29/92 1017 KLH

OF [redacted] BEFORE THE FEDERAL GRAND JURY TO RESPOND TO [redacted] b3 [redacted] PERSONAL APPEARANCE BY INDIVIDUALS SUBPOENAED WILL BE REQUIRED ON VARIOUS DATES RANGING BETWEEN 8/11/92 AND 8/27/92. [redacted] BEING SUBPOENAED ARE CONSIDERED WITNESSES AT THIS TIME, AND ARE [redacted]

THE FOLLOWING INDIVIDUALS ARE BEING SUBPOENAED FROM [redacted] b3 [redacted] FROM [redacted] THE FOLLOWING ARE BEING SUBPOENAED: [redacted] [redacted] FROM [redacted] THE FOLLOWING ARE BEING SUBPOENAED: [redacted] [redacted]

AVAILABLE INFORMATION INDICATES THAT ALL OF THE ABOVE RESIDE IN THE WASHINGTON D. C. AREA WITH THE EXCEPTION OF [redacted] WHO LIVES IN [redacted] AND [redacted] WHO LIVES IN [redacted] COMMUNICATIONS ARE BEING PREPARED SETTING OUT LEADS TO OFFICES COVERING THESE CITIES AND IT IS ANTICIPATED THAT THESE INDIVIDUALS WILL BE SERVED IN THE NEAR FUTURE. b3

ADDITIONALLY, SUBPOENAS ARE BEING PREPARED WHICH ARE EXPECTED TO BE SERVED DURING THE WEEK OF 8/3/92 ON THE [redacted] b3

IN DISCUSSIONS ON 7/28/92 WITH U.S. ATTORNEY'S OFFICE CHIEF OF THE CRIMINAL DIVISION [redacted] AND CHIEF OF THE PUBLIC CORRUPTION SECTION [redacted] IT WAS REQUESTED THAT THESE SUBPOENAS BE SERVED EXPEDITIOUSLY AS GRAND JURY TIME IS AVAILABLE DURING THE TIME FRAME SET OUT ABOVE. RECENT STATEMENTS HAVE APPEARED IN THE MEDIA WHEREBY SUBJECT CONGRESSMEN HAVE DENIED WRONGDOING AND HAVE TERMED THIS INVESTIGATION "ILLEGITIMATE" AND A "WITCH HUNT." [redacted] HAVE CONTACTED THE b3

U.S. ATTORNEY'S OFFICE, THROUGH THEIR RESPECTIVE ATTORNEYS, AND ALL HAVE REFUSED TO APPEAR BEFORE THE GRAND JURY; [redacted] IN LIGHT OF THIS, IT IS BELIEVED THAT ISSUING SUBPOENAS TO [redacted] b3

ADDITIONALLY, THE BUREAU SHOULD BE AWARE THAT INFORMATION IS NOW DEVELOPING WHICH IDENTIFIES FORMER U.S. CONGRESSMAN FERNAND J. ST. GERMAIN, RHODE ISLAND, AS A MEMBER WHO WAS UTILIZING THE VOUCHER PROCESS TO OBTAIN CASH AT THE POST OFFICE. WMFO IS PURSING THIS INFORMATION AS WELL. ST. GERMAIN WAS DEFEATED IN THE 1990 ELECTION, HOWEVER, ALLEGATIONS HAVE BEEN MADE THAT HE WAS MISUSING THE POST OFFICE DURING THE TIME HE WAS IN OFFICE, WHICH FALLS WITHIN THE STATUTE OF LIMITATIONS.

WMFO INVESTIGATION IS CONTINUING.

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TO DIRECTOR FBI/PRIORITY/

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CITE: //3920//

PASS: ATTN: SSA [redacted] PUBLIC CORRUPTION UNIT, WCC SECTION.

b6
b7C

SUBJECT: PLATE BLOCK; OO:WMFO.

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58C-WF-180673-33

[redacted]

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[redacted] SUBPOENAS WILL REQUEST PERSONAL APPEARANCES OF [redacted] BEFORE THE FEDERAL GRAND JURY TO RESPOND TO [redacted] b3

[redacted] PERSONAL APPEARANCE BY INDIVIDUALS SUBPOENAED WILL BE REQUIRED ON VARIOUS DATES RANGING BETWEEN 8/11/92 AND 8/27/92. [redacted] BEING SUBPOENAED ARE CONSIDERED WITNESSES AT THIS TIME, AND ARE [redacted]

THE FOLLOWING INDIVIDUALS ARE BEING SUBPOENAED FROM [redacted] FROM [redacted] THE FOLLOWING ARE BEING SUBPOENAED: [redacted] b3

[redacted] FROM [redacted] THE FOLLOWING ARE BEING SUBPOENAED: [redacted]

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WMFO INVESTIGATION IS CONTINUING.

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SERIALIZED ____ FILED ____

CO 293 (Rev. 8/91) Subpoena to Testify Before Grand Jury

# United States District Court

for the DISTRICT OF Columbia

b3

TO:

## SUBPOENA TO TESTIFY BEFORE GRAND JURY

SUBPOENA FOR:

☒ PERSON ☒ DOCUMENT(S) OR OBJECT(S)

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

| PLACE | COURTROOM |
|---|---|
| United States District Court<br>for the District of Columbia<br>United States Courthouse<br>Third & Constitution Avenue, N.W.<br>Washington, D.C. 20001 | Grand Jury 91-3<br>Third Floor |
| | DATE AND TIME<br>Thursday, September 17, 1992<br>at 9:00 a.m. |

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):*

"PERSONAL APPEARANCE IS REQUIRED"

PLEASE BRING WITH YOU: SEE ATTACHMENT.

☐ *Please see additional information on reverse.*

This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.

| U.S. MAGISTRATE OR CLERK OF COURT | DATE |
|---|---|
| Nancy M. Mayer-Whittington, Clerk<br>(BY) DEPUTY CLERK<br>Margaret Napier | August 5, 1992 |
| This subpoena is issued upon application of the United States of America | NAME, ADDRESS AND PHONE NUMBER OF ASSISTANT U.S. ATTORNEY<br>THOMAS J. MOTLEY, AUSA (202) 514-8321<br>WENDY L. WYSONG, AUSA (202) 514-9832<br>Public Corruption/Government Fraud Section<br>555 Fourth Street, N.W., Fifth Floor<br>Washington, D.C. 20001 |

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

*If not applicable, enter "none."

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ATTACHMENT TO SUBPOENA

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SEARCHED ___ INDEXED ___

SERIALIZED ___ FILED ___

CO 293 (Rev. 8/91) Subpoena to Testify [redacted] Grand Jury

# United States District Court

for the DISTRICT OF Columbia

b3

TO:

## SUBPOENA TO TESTIFY BEFORE GRAND JURY

SUBPOENA FOR:

[X] PERSON [X] DOCUMENT(S) OR OBJECT(S)

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

| PLACE | COURTROOM |
|---|---|
| United States District Court<br>for the District of Columbia<br>United States Courthouse<br>Third & Constitution Avenue, N.W.<br>Washington, D.C. 20001 | Grand Jury 91-3<br>Third Floor |
| | DATE AND TIME<br>Thursday, September 17, 1992<br>at 9:00 a.m. |

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):*

"PERSONAL APPEARANCE IS REQUIRED"

BRING WITH YOU: SEE ATTACHMENT.

☐ *Please see additional information on reverse.*

This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.

| U.S. MAGISTRATE OR CLERK OF COURT | DATE |
|---|---|
| Nancy M. Mayer-Whittington, Clerk<br>(BY) DEPUTY CLERK<br>Margaret [illegible] Napier | August 5, 1992 |
| This subpoena is issued upon application of the United States of America | NAME, ADDRESS AND PHONE NUMBER OF ASSISTANT U.S. ATTORNEY<br>THOMAS J. MOTLEY, AUSA (202) 514-8321<br>WENDY L. WYSONG, AUSA (202) 514-9832<br>Public Corruption/Government Fraud Section<br>555 Fourth Street, N.W., Fifth Floor<br>Washington, D.C. 20001 |

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

*If not applicable, enter "none."

b3

ATTACHMENT TO SUBPOENA

58C-WF-180673-36

SEARCHED ____ INDEXED ____

SERIALIZED ____ FILED ____

CO 293 (Rev. 8/91) Subpoena to Testify Before Grand Jury

b3

# United States District Court

for the DISTRICT OF Columbia

TO:

## SUBPOENA TO TESTIFY BEFORE GRAND JURY

SUBPOENA FOR:

☒ PERSON ☒ DOCUMENT(S) OR OBJECT(S)

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

| PLACE | COURTROOM |
|---|---|
| United States District Court<br>for the District of Columbia<br>United States Courthouse<br>Third & Constitution Avenue, N.W.<br>Washington, D.C. 20001 | Grand Jury 91-3<br>Third Floor |
| | DATE AND TIME<br>Thursday, September 17, 1992<br>at 9:00 a.m. |

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PLEASE BRING WITH YOU: See Attachment.

☐ *Please see additional information on reverse.*

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| U.S. MAGISTRATE OR CLERK OF COURT | DATE |
|---|---|
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| This subpoena is issued upon application of the United States of America | NAME, ADDRESS AND PHONE NUMBER OF ASSISTANT U.S. ATTORNEY<br>THOMAS J. MOTLEY, AUSA (202) 514-8321 TM<br>WENDY L. WYSONG, AUSA (202) 514-9832 WW<br>Public Corruption/Government Fraud Section<br>555 Fourth Street, N.W., Fifth Floor<br>Washington, D.C. 20001 |

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

*If not applicable, enter "none."

ATTACHMENT TO SUBPOENA

b3

58C-WF-180073-37

SEARCHED ___ INDEXED ___

SERIALIZED ___ FILED ___

CO 293 (Rev. 8/91) Subpoena to Testify Before Grand Jury

# United States District Court

b3

for the DISTRICT OF Columbia

TO:

## SUBPOENA TO TESTIFY BEFORE GRAND JURY

SUBPOENA FOR:

☒ PERSON ☒ DOCUMENT(S) OR OBJECT(S)

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

| PLACE | COURTROOM |
|---|---|
| United States District Court<br>for the District of Columbia<br>United States Courthouse<br>Third & Constitution Avenue, N.W.<br>Washington, D.C. 20001 | Grand Jury 91-3/Third Floor |
| | DATE AND TIME<br>Thursday, September 17, 1992<br>at 9:00 a.m. |

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):*

"PERSONAL APPEARANCE IS REQUIRED"

PLEASE BRING WITH YOU: SEE ATTACHMENT.

☐ *Please see additional information on reverse.*

This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.

| U.S. MAGISTRATE OR CLERK OF COURT | DATE |
|---|---|
| Nancy M. Mayer-Whittington, Clerk<br>(BY) DEPUTY CLERK<br>Margaret Napier | August 5, 1992 |
| This subpoena is issued upon application of the United States of America | NAME, ADDRESS AND PHONE NUMBER OF ASSISTANT U.S. ATTORNEY<br>THOMAS J. MOTLEY, AUSA (202) 514-8321 TM<br>WENDY L. WYSONG, AUSA (202) 514-9832 WW<br>Public Corruption/Government Fraud Section<br>555 Fourth Street, N.W., Fifth Floor<br>Washington, D.C. 20001 |

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

*If not applicable, enter "none."

ATTACHMENT TO SUBPOENA

b3

58C-WF-180673-30

SEARCHED ____ INDEXED ____

SERIALIZED ____ FILED ____

CO 293 (Rev. 8/91) Subpoena to Testify Before Grand Jury

# United States District Court

b3

for the DISTRICT OF Columbia

TO:

## SUBPOENA TO TESTIFY BEFORE GRAND JURY

SUBPOENA FOR:

☒ PERSON ☒ DOCUMENT(S) OR OBJECT(S)

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

| PLACE | COURTROOM |
|---|---|
| United States District Court<br>for the District of Columbia<br>United States Courthouse<br>Third & Constitution Avenue, N.W.<br>Washington, D.C. 20001 | Grand Jury 91-3/Third Floor |
| | DATE AND TIME<br>Thursday, September 10, 1992<br>at 2:00 p.m. |

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):*

"PERSONAL APPEARANCE IS REQUIRED"

PLEASE BRING WITH YOU: SEE ATTACHMENT.

☐ *Please see additional information on reverse.*

This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.

| U.S. MAGISTRATE OR CLERK OF COURT | DATE |
|---|---|
| Nancy M. Mayer-Whittington, Clerk<br>(BY) DEPUTY CLERK: Margaret Napier | August 5, 1992 |
| This subpoena is issued upon application of the United States of America | NAME, ADDRESS AND PHONE NUMBER OF ASSISTANT U.S. ATTORNEY<br>THOMAS J. MOTLEY, AUSA (202) 514-8321 TM<br>WENDY L. WYSONG, AUSA (202) 514-9832 WW<br>Public Corruption/Government Fraud Section<br>555 Fourth Street, N.W., Fifth Floor<br>Washington, D.C. 20001 |

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

*If not applicable, enter "none."

ATTACHMENT TO SUBPOENA

b3

58C-WF-180673-39

SEARCHED ___ INDEXED ___

SERIALIZED ___ FILED ___

CO 293 (Rev. 8/91) Subpoena to Testify Before Grand Jury

# United States District Court

b3

for the DISTRICT OF Columbia

TO:

## SUBPOENA TO TESTIFY BEFORE GRAND JURY

SUBPOENA FOR:

☒ PERSON ☒ DOCUMENT(S) OR OBJECT(S)

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

| PLACE | COURTROOM |
|---|---|
| United States District Court<br>for the District of Columbia<br>United States Courthouse<br>Third & Constitution Avenue, N.W.<br>Washington, D.C. 20001 | Grand Jury 91-3<br>Third Floor<br>DATE AND TIME<br>Thursday, September 10, 1992<br>at 2:00 p.m. |

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):*

"PERSONAL APPEARANCE REQUIRED"

PLEASE BRING WITH YOU: SEE ATTACHMENT.

☐ *Please see additional information on reverse.*

This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.

| U.S. MAGISTRATE OR CLERK OF COURT | DATE |
|---|---|
| Nancy M. Mayer-Whittington, Clerk<br>(BY) DEPUTY CLERK<br>Margaret P. Napier | August 5, 1992 |

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

This subpoena is issued upon application of the United States of America

NAME, ADDRESS AND PHONE NUMBER OF ASSISTANT U.S. ATTORNEY

THOMAS J. MOTLEY, AUSA (202) 514-8321 TM
WENDY L. WYSONG, AUSA (202) 514-9832 WW
Public Corruption/Government Fraud Section
555 Fourth Street, N.W., Fifth Floor
Washington, D.C. 20001

*If not applicable, enter "none."

b3

ATTACHMENT TO SUBPOENA

58C-WF-180673-40
SEARCHED ____ INDEXED ____
SERIALIZED ____ FILED ____

CO 293 (Rev. 8/91) Subpoena to Testify Before Grand Jury

# United States District Court

for the DISTRICT OF Columbia

b3

TO:

## SUBPOENA TO TESTIFY BEFORE GRAND JURY

SUBPOENA FOR:

[XX] PERSON [XX] DOCUMENT(S) OR OBJECT(S)

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

| PLACE | COURTROOM |
|---|---|
| United States District Court<br>for the District of Columbia<br>United States Courthouse<br>Third & Constitution Avenue, N.W.<br>Washington, D.C. 20001 | Grand Jury 91-3/Third Floor |
| | DATE AND TIME<br>Tuesday, September 15, 1992<br>at 9:00 a.m. |

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):*

"PERSONAL APPEARANCE IS REQUIRED"

PLEASE BRING WITH YOU: SEE ATTACHMENT.

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| U.S. MAGISTRATE OR CLERK OF COURT | DATE |
|---|---|
| Nancy M. Mayer-Whittington, Clerk<br>(BY) DEPUTY CLERK<br>Margaret L. Napier | August 5, 1992 |
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UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

*If not applicable, enter "none."

b3

ATTACHMENT TO SUBPOENA

58C-WF-180673-41

SEARCHED____INDEXED_____

SERIALIZED_____FILED_____

CO 293 (Rev. 8/91) Subpoena to Testify Before Grand Jury

# United States District Court

for the DISTRICT OF Columbia

b3

TO:

## SUBPOENA TO TESTIFY BEFORE GRAND JURY

SUBPOENA FOR:

☒ PERSON ☒ DOCUMENT(S) OR OBJECT(S)

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

| PLACE | COURTROOM |
|---|---|
| United States District Court<br>for the District of Columbia<br>United States Courthouse<br>Third & Constitution Avenue, N.W.<br>Washington, D.C. 20001 | Grand Jury 91-3/Third Floor |
| | DATE AND TIME<br>Tuesday, September 15, 1992<br>at 9:00 a.m. |

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☐ *Please see additional information on reverse.*

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| U.S. MAGISTRATE OR CLERK OF COURT | DATE |
|---|---|
| Nancy M. Mayer-Whittington, Clerk<br>(BY) DEPUTY CLERK<br>Margaret Napier | August 5, 1992 |
| This subpoena is issued upon application of the United States of America | NAME, ADDRESS AND PHONE NUMBER OF ASSISTANT U.S. ATTORNEY<br>THOMAS J. MOTLEY, AUSA (202) 514-8321 TM<br>WENDY L. WYSONG, AUSA (202) 514-9832 WN<br>Public Corruption/Government Fraud Section<br>555 Fourth Street, N.W., Fifth Floor<br>Washington, D.C. 20001 |

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

*If not applicable, enter "none."

ATTACHMENT TO SUBPOENA

b3

C9

/READ 1351/220
0000 MRI 01351

PP FBIWMFO

DE RUCNFB #0079 2231701

ZNR UUUUU

P 071929Z AUG 92

FM DIRECTOR FBI

TO FBI WMFO (58C-WF-180673)/PRIORITY/

BT

UNCLAS

CITE: //0622//

SUBJECT: PLATE BLOCK; OO: WMFO.

b6
b7C

RE BUTEL TO WMFO DATED 8/5/92, WMFO TELCAL FROM SPECIAL AGENT [redacted] TO SUPERVISORY SPECIAL AGENT [redacted] [redacted] FBIHQ, 8/5/92 AND BUTELCAL FROM SSA [redacted] TO SA [redacted], 8/6/92.

INSTANT COMMUNICATION WILL CONFIRM BUTELCAL OF 8/6/92.

REFERENCE WMFO TELCAL REQUESTED FBIHQ AUTHORITY TO SERVE FEDERAL GRAND JURY (FGJ) SUBPOENAS FOR PERSONAL APPEARANCE BEFORE A FGJ ON [redacted]

b3

58C-WF-180673-43

[redacted]

b6
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b3

ON 8/6/91, THE ASSISTANT DIRECTOR, CRIMINAL INVESTIGATIVE DIVISION, FBIHQ, GRANTED AUTHORIZATION AS REQUESTED BY WMFO.

WMFO IS REMINDED THAT AUTHORIZATIONS IN THIS MATTER CONTINUE TO BE CONTINGENT UPON THE SERVICE OF ANY FGJ SUBPOENAS AND ATTEMPTS TO INTERVIEW HOUSE STAFFERS BE CONDUCTED DISCREETLY AND NOT DURING STAFFERS NORMAL WORKING HOURS.

BT

#0079

NNNN

58C-WF-180673-94

SEARCHED ____ INDEXED ____
SERIALIZED ____ FILED ____

AUG 10

FBI — WASH. METRO FIELD OFFICE

58C-WF-180675-45

SEARCHED ___ INDEXED ___
SERIALIZED ___ FILED ___

MAR 10 2002

FBI—WASH. METRO FIELD OFFICE

58C-WF-180673-47

SEARCHED

AUG 24 1992

DB/

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 8/11/92

[redacted], telephone number [redacted], white female, DOB [redacted] at [redacted] SSAN [redacted] was interviewed at the offices of the United States Attorney for the District of Columbia, 555 Fourth Street N.W., Washington, D.C. Also present at this interview were Assistant United States Attorneys (AUSA's) [redacted] and [redacted] After being advised of the official identities of the interviewers and the nature of the interview, [redacted] provided the following information:

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b7C

[redacted] advised that subsequent to her graduation from [redacted], she was contacted by [redacted], who was an aid to Congressman JOE KOLTER, regarding employment on KOLTER's Washington, D.C., staff. She accepted an employment offer from KOLTER's office and started work in the Congressmen's administrative office in January of 1989, and continued to be employed there through March of 1989. [redacted] advised that she performed general office duties such as being the office receptionist, answering phones, distributing mail and was in charge of arranging tours of the White House for constituents as guests of the Congressman.

[redacted] recalled that, at that time, [redacted] was KOLTER's [redacted] was the [redacted] was [redacted] and [redacted] was the [redacted] She stated that [redacted] came to work for KOLTER after she left in March of 1989 and that, although she knew the name, she would not know [redacted] if she were to meet her.

b6
b7C

[redacted] advised that, while she was working at this office, she did not believe that KOLTER maintained a Washington residence and that he stayed in his office at night, using the Representatives gym facilities to shower. She recalled that it was one the standing office rules that all of the staff were to vacate the office at 5:00 p.m. each day.

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Investigation on 8/5/92 at Washington, D.C. File # 58C-WF-180673

by SA [redacted] Date dictated 8/11/92

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

b6
b7C

[redacted] stated that while she was employed by KOLTER she was tasked with the assignment of assembling envelopes for a KOLTER fund raising function that was to be held in late February of 1989. She stated that she was given this assignment by [redacted] and was told by him that what she was doing was illegal and that she was to be very discreet in completing the assignment. [redacted] also told her that this practice was widespread on the Hill.

[redacted] stated that she was instructed to go into KOLTER's office and to make sure that the door was closed at all times while she was working on this assignment. She stated that she assembled hundreds, possibly as many as one thousand, letters and that she placed a postage stamp on each of the envelopes. She advised that the stamps were provided to her by [redacted] and that she did not know where he got them from. [redacted] advised that she worked on this assignment for about a day and a half.

[redacted] stated that [redacted] helped her with this task and that all of the staffers in KOLTER's office were well aware of this job she was doing as everyone else in the office also received a portion of the job to do. [redacted] was of the opinion that the material for this fund raiser could have come from the U.S. House of Representative's print shop. [redacted] recalled that the fund raiser was to be held at the National Democratic Club of Washington and that she was given this job within the first two weeks of January, 1989. She further advised that she was also given the assignment of mailing the completed envelopes. She stated that [redacted] instructed her to put all of the finished envelopes in brown paper grocery bags and to carry them to and place them in mail boxes that were away from Capitol Hill.

b6
b7C

[redacted] advised that she was sure that KOLTER was aware of this fund raiser mailing because it was his own money and he wanted to maintain strict control over it. Additionally, [redacted] was not the type of person to do anything like this on his own and she was sure he was given this assignment by KOLTER.

[redacted] stated that KOLTER was not well respected by the staffers who worked for him and that he was thought of as a [redacted]. She stated that stories circulated around the office about the incorrect things that he would say at meetings and

hearings and how he stepped into a swimming pool thinking that it was a dance floor when he was at a social function.

[redacted] advised that KOLTER was very good friends with the House [redacted] and that they were together daily. [redacted] stated that on one occasion she was instructed to take a dry cleaning ticket to [redacted] so that he could arrange for the pick up of KOLTER's clothes at the cleaner's. She recalled that she gave this ticket to a black woman at the House Post Office but she did not know her name.

[redacted] stated that she was of the opinion that [redacted] She got this impression from some of the talk that was circulating around the office at the time.

FD-515 (Rev. 7-19-91)
**Accomplishment Report**
(Submit within 30 days from date of accomplishment)

C-9

TO: Director, FBI

FROM: SAC, PITTSBURGH
SUBJECT:

PLATE BLOCK
(OO: WMFO)

| |
|---|
| Bureau File Number |
| 58C-WF-180973 |
| Field Office File Number |
| 4240 |
| Squad or RA Number |
| [redacted] |
| Agent's Social Security No. |

☐ X if a joint operation with: _____ (identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 8/18/92

**Investigative Assistance or Technique Used**

Rate each Investigative Assistance or Technique used in connection with the accomplishment being claimed.

1 = Used, but did not help
2 = Helped, but only minimally
3 = Helped, substantially
4 = Absolutely essential

| | | | |
|---|---|---|---|
| 1. Acctg Tech Assistance — Rating | 8. Eng. Sect. Tape Exams — Rating | 15. Photographic Coverage — Rating | 22. Telephone Toll Recs — Rating |
| 2. Aircraft Assistance | 9. Hypnosis Assistance | 16. Polygraph Assistance | 23. UCO Group I |
| 3. Computer Assistance | 10. Ident Div Assistance | 17. Search Warrants Executed | 24. UCO Group II |
| 4. Consensual Monitoring | 11. Informant Information | 18. Show Money Usage | 25. UCO Other |
| 5. ELSUR FISC | 12. Lab Div Exams | 19. Surveil Sqd (SOG) Asst | 26. NCAVC/ VI-CAP |
| 6. ELSUR Title III | 13. Lab Div Field Support | 20. SWAT Team Action | 27. Visual Invest - Analysis (VIA) |
| 7. Eng Sect. Field Support | 14. Pen Registers | 21. Tech. Agt. or Tech Equip | |

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**A. Preliminary Judicial Process (Number of subjects)**

| Complaints | Informations | Indictments |
|---|---|---|
| | | |

**B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subjects)**

| | Subject Priority* A | B | C |
|---|---|---|---|
| FBI Arrests - | | | |
| FBI Locates - | | | |
| Local Arrests - | | | |

FBI Subj. Resisted_____; Armed_____

Subpoenas Served 3
Criminal Summons_____
Local Crim. Summons_____

**C. Release of Hostages or Children Located: (Number of Hostages or Children Located)**

Hostages Held By Terrorists:_____ All Other Hostage Situations:_____
Missing or Kidnaped Children Located:_____

**D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP)** (Explain valuation in remarks)

| Property Type Code* | Recoveries | Restitutions | PELP Type Code* | Potential Economic Loss Prevented |
|---|---|---|---|---|
| | $ | $ | | $ |
| | $ | $ | | $ |
| | $ | $ | | $ |

**E. Civil Matters**

RICO -Civil Convictions _____ No. of Subj.

| Civil Suits Amount of Suit | Government Defendant | Government Plaintiff |
|---|---|---|
| | $ | $ |
| Settlement of Award | $ | $ Enter AFA Payment Here |

**F. Administrative Sanctions**

Subject 1 Subject Description Code* -
☐ Suspension ☐ Debarment Time Frame - Years: Months: ☐ Permanent

**G. Final Judicial Process:** Judicial District _____ District _____ State _____ Conviction or Pretrial Div. Date _____ Sentence Date _____ No. of Subjects _____ Acquitted _____ Dismissed

Subject 1 Subject Description Code* -

| | Conviction: Title | Section | Counts | Combined Sentence: In-Jail Yrs. | Mos. | Suspended Yrs. | Mos. | Probation Yrs. | Mos. |
|---|---|---|---|---|---|---|---|---|---|
| ☐ Felony | | | | | | | | | |
| ☐ Misdemeanor | | | | | | | | | |
| ☐ Parole Revocation | | | | | | | | | |
| ☐ Probation Revocation | | | | Total Fines $ | | | | | |
| ☐ Plea ☐ Trial | | | | Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs.- 8 yrs susp. = 2 yrs. In-Jail. | | | | | |
| ☐ Pretrial Diversion | | | | | | | | | |

Subject 2 Subject Description Code* -

| | Conviction: Title | Section | Counts | Combined Sentence: In-Jail Yrs. | Mos. | Suspended Yrs. | Mos. | Probation Yrs. | Mos. |
|---|---|---|---|---|---|---|---|---|---|
| ☐ Felony | | | | | | | | | |
| ☐ Misdemeanor | | | | | | | | | |
| ☐ Parole Revocation | | | | | | | | | |
| ☐ Probation Revocation | | | | Total Fines $ | | | | | |
| ☐ Plea ☐ Trial | | | | Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs.- 8 yrs susp. = 2 yrs. In-Jail. | | | | | |
| ☐ Pretrial Diversion | | | | | | | | | |

*Attach additional forms if reporting final judicial process on more than two subjects, and submit a final disposition form (R-84) for each subject.*

**H. Identifying Data:** For every subject reported in Sections A, B, E, F, or G above, provide the following: *Attach additional forms for more than four subjects.*

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b7C

| | | Date of Birth | Race* | Sex | Place of birth (if available) | Social Security Number (if available) |
|---|---|---|---|---|---|---|
| [redacted] | | [redacted] | W | F | N/A | N/A |
| | | | W | F | N/A | N/A |
| | | | | | | |
| | | | | | | |

Explanation of accomplishment claimed:

58C-WF-180973-48

On 8/17/92 [redacted] and [redacted] were served with FGJ Subpoenas commanding their appearance in USDC, District of Columbia, Washington, D.C., at 9:00 a.m. on 8/17/92.

b3

SEARCHED
SERIALIZED
FILED
AUG 24 1992
FBI - PITTSBURGH FIELD OFFICE

1 - WMFO
2 - Bureau
5 - Field Office (2-58C-WF-180973); (1-[redacted] (1-66-4001); (1-[redacted] SUB)
* See codes on reverse side.
MJS/dml
(8)

b6
b7C

## Property Type Codes*

| Code No | Description |
|---|---|
| 1. | Cash (U.S. and foreign currency) |
| 2. | Stock, Bonds or Negotiable instruments (checks, travelers checks, money orders, certificates of deposit, etc) |
| 3. | General Retail Merchandise (clothing, food, liquor, cigarettes, TVs, etc) |
| 4. | Vehicles (autos, trucks, tractors, trailers, campers, motorcycles, etc) |
| 5. | Heavy Machinery & Equipment (heavy equipment, computers, etc) |
| 6. | Aircraft |
| 7. | Jewelry (including unset precious and semiprecious stones) |
| 8. | Vessels |
| 9. | Art, Antiques or Rare Collections |
| 11. | Real Property |
| 20. | All Other Recoveries (not falling in any category above) |

## Potential Economic Loss Prevented (PELP) Type Codes*

| Code No | Description |
|---|---|
| 22 | Counterfeit Stocks, Bonds, Currency or Negotiable Instruments |
| 23 | Counterfeit or Pirated Sound Recordings or Motion Pictures |
| 24 | Bank Theft Scheme Aborted |
| 25 | Ransom, Extortion or Bribe Demand Aborted |
| 26 | Theft from, or Fraud Against, Government Scheme Aborted |
| 27 | Commercial or Industrial Theft Scheme Aborted |
| 30 | All Other Potential Economic Loss Prevented (not falling in any category above) |

*Except for cash, the Remarks section must contain an explanation of the computation of the recovery value or loss prevented. An explanation airtel must accompany this report if the recovery is $1 million or more, or if the PELP is $5 million or more.

## Subject Description Codes*

**- Enter Description Code Only When Reporting a Conviction -**

**Organized Crime Subjects (Include Family Name Or Group):**
- 1A Boss, Underboss or Consigliere
- 1B Capodecina or Soldier
- 1C Possible LCN Member or Associate
- 1D OC Subject Other Than LCN
- 1E Not a Member or Associate of LCN Family or OC Organization

**Known Criminals (Other Than OC Members):**
- 2A Top Ten or I.O. Fugitive
- 2B Top Thief
- 2C Top Con Man

**Foreign Nationals:**
- 3A Legal Alien
- 3B Illegal Alien
- 3C Foreign Official Without Diplomatic Immunity
- 3D U.N. Employee Without Diplomatic Immunity
- 3E Foreign Students
- 3F All Others

**Terrorists:**
- 4A Known Member of a Terrorist Organization
- 4B Possible Terrorist Member or Sympathizer

**Union Members:**
- 5A International or National Officer
- 5B Local Officer
- 5C Union Employee

**Government Officials Or Employees:**

| Federal | State | Local |
|---|---|---|
| 6A Presidential Appointee | 6J Governor | 6R Mayor |
| 6B U.S. Senator | 6K Lt. Governor | |
| 6C U.S. Representative | 6L Legislator | 6S Legislator |
| 6D Judge | 6M Judge | 6T Judge |
| 6E Prosecutor | 6N Prosecutor | 6U Prosecutor |
| 6F Law Enforcement Officer | 6P Law Enforcement Officer | 6V Law Enforcement Officer |
| 6G Fed Empl - GS 13 & above | 6Q All Others - State | 6W All Others - Local |
| 6H Fed Empl - GS 12 & below | | |

**Bank Officers or Employees:**
- 7A Bank Officer
- 7B Bank Employee

**All Others:**
- 8A All Other Subjects (not fitting above categories)
- 8B Company / Corporation

*If a subject can be classified in more than one of the categories, select the most appropriate in the circumstance.

## Instructions

**Subject Priorities for FBI Arrest or Locates:**

A - Subject wanted for crimes of violence (i.e. murder, manslaughter, forcible rape, robbery and aggravated assault) or convicted of such crimes in the past five years.

B - Subjects wanted for crimes involving the loss or destruction of property valued in excess of $25,000 or convicted of such crimes in the past five years.

C - All others

**Claiming Non-Federal Arrests, Summonses, Recoveries or Convictions:**

It is permissible to claim a local arrest, summons, recovery or conviction **if the FBI significantly contributed to the accomplishment.** A succinct narrative setting forth the basis for the claim must accompany this report. When claiming a local recovery, enter the word "LOCAL" to the right of the amount. Enter "LF" in the "In-Jail" block for all life sentences and "CP" for capital punishment sentences.

**Reporting Convictions:**

Convictions should not be reported until the sentence has been issued. There are two exceptions to this rule. The conviction information can be submitted by itself if:

1. The subject becomes a fugitive after conviction but prior to sentencing.
2. The subject dies after conviction but prior to sentencing.

An explanation is required in the Remarks section for either of the above exceptions.

**Rule 20 Situations:**

The field office that obtained the process (normally the office of origin) is the office that should claim the conviction, **not** the office where the subject enters the plea in cases involving Rule 20 of the Federal Rules of Criminal Procedures.

**Investigative Assistance or Techniques (IA/Ts) Used:**

-Since more than one IA/T could have contributed to the accomplishment, each IA/T used must be rated.

-The IA/T used must be rated **each time** an accomplishment is claimed. (For example - if informant information was the basis for a complaint, an arrest, a recovery and a conviction and if separate FD-515s are submitted for each of the aforementioned accomplishments, the "Informant Information" block must be rated on each FD-515 even if it was the same information that contributed to all the accomplishments.)

**Race Codes:**

C = Chinese; I = Indian/American; J = Japanese; B = Black; O = All other; U = Unknown; W = White

*U.S. Government Printing Office: 1991 — 282-066/44227

CO 293 (Rev. 8/91) Subpoena to Testify Before Grand Jury

SBC-WF-180673-48x1

SEARCHED ___ INDEXED ___
SERIALIZED ___ FILED ___

## RETURN OF SERVICE (1)

| | | |
|---|---|---|
| RECEIVED BY SERVER | DATE | PLACE |
| SERVED | DATE | PLACE |

SERVED ON (PRINT NAME)

| | |
|---|---|
| SERVED BY (PRINT NAME) | TITLE |

## STATEMENT OF SERVICE FEES

| TRAVEL | SERVICES | TOTAL |
|---|---|---|
| | | |

## DECLARATION OF SERVER(2)

I declare under penalty of perjury under the laws of the United States of America that the foregoing information contained in the Return of Service and Statement of Service Fees is true and correct.

Executed on _____ _____
*Date* *Signature of Server*

_____
*Address of Server*

ADDITIONAL INFORMATION

(1) As to who may serve a subpoena and the manner of its service see Rule 17(d), Federal Rules of Criminal Procedure, or Rule 45(c), Federal Rules of Civil Procedure.

(2) "Fees and mileage need not be tendered to the witness upon service of a subpoena issued on behalf of the United States or an officer or agency thereof (Rule 45(c), Federal Rules of Civil Procedure; Rule 17(d), Federal Rules of Criminal Procedure) or on behalf of certain indigent parties and criminal defendants who are unable to pay such costs (28 USC 1825, Rule 17(b) Federal Rules of Criminal Procedure)".

CO 293 (Rev. 8/91) Subpoena to Testify Before Grand Jury

# United States District Court

b3

for the DISTRICT OF Columbia

TO:

## SUBPOENA TO TESTIFY BEFORE GRAND JURY

SUBPOENA FOR:

☒ PERSON ☐ DOCUMENT(S) OR OBJECT(S)

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

| PLACE | COURTROOM |
|---|---|
| United States District Court<br>for the District of Columbia<br>United States Courthouse<br>Third & Constitution Avenue, N.W.<br>Washington, D.C. 20001 | Grand Jury 91-3/Third Floor |
| | DATE AND TIME<br>Tuesday, September 15, 1992<br>at 9:00 a.m. |

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):*

"PERSONAL APPEARANCE IS REQUIRED"

PLEASE BRING WITH YOU: SEE ATTACHMENT.

VSH

☐ *Please see additional information on reverse.*

This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.

| U.S. MAGISTRATE OR CLERK OF COURT | DATE |
|---|---|
| Nancy M. Mayer-Whittington, Clerk<br>(BY) DEPUTY CLERK Margaret A. Napier | August 5, 1992 |

This subpoena is issued upon application of the United States of America

NAME, ADDRESS AND PHONE NUMBER OF ASSISTANT U.S. ATTORNEY

THOMAS J. MOTLEY, AUSA (202) 514-8321 TM
WENDY L. WYSONG, AUSA (202) 514-9832 WW
Public Corruption/Government Fraud Section
555 Fourth Street, N.W., Fifth Floor
Washington, D.C. 20001

*If not applicable, enter "none."

8

CO 293 (Rev. 8/91) Subpoena to Testify Before Grand Jury

b6
b7C
b3

58C-WF-180673

SEARCHED
INDEXED
SERIALIZED
FILED

## RETURN OF SERVICE (1)

| | | |
|---|---|---|
| RECEIVED BY SERVER | DATE 8-13-92 | PLACE Chicago, IL. |
| SERVED | DATE 8-17-92 | PLACE Chicago, IL. |

SERVED ON (PRINT NAME) [redacted]

SERVED BY (PRINT NAME) [redacted] TITLE Special Agent, FBI

STATEMENT OF SERVICE FEES

| TRAVEL | SERVICES | TOTAL |
|---|---|---|
| | | |

## DECLARATION OF SERVER(2)

I declare under penalty of perjury under the laws of the United States of America that the foregoing information contained in the Return of Service and Statement of Service Fees is true and correct.

Executed on 8-17-92
Date

Sign[redacted]

Add[redacted]

ADDITIONAL INFORMATION

(1) As to who may serve a subpoena and the manner of its service see Rule 17(d), Federal Rules of Criminal Procedure, or Rule 45(c), Federal Rules of Civil Procedure.

(2) "Fees and mileage need not be tendered to the witness upon service of a subpoena issued on behalf of the United States or an officer or agency thereof (Rule 45(c), Federal Rules of Civil Procedure; Rule 17(d), Federal Rules of Criminal Procedure) or on behalf of certain indigent parties and criminal defendants who are unable to pay such costs (28 USC 1825, Rule 17(b) Federal Rules of Criminal Procedure)".

FD-36 (Rev. 11-17-88)

FBI

TRANSMIT VIA:
- ☐ Teletype
- ☐ Facsimile
- ☒ AIRTEL

PRECEDENCE:
- ☐ Immediate
- ☐ Priority
- ☐ Routine

CLASSIFICATION:
- ☐ TOP SECRET
- ☐ SECRET
- ☐ CONFIDENTIAL
- ☐ UNCLAS E F T O
- ☐ UNCLAS

Date 8/18/92

TO : SAC, WMFO

FROM : SAC, CHICAGO (58C-WF-180973) (RUC)

SUBJECT : PLATE BLOCK;
OO: WF

Enclosed for WMFO are two executed Federal grand jury subpoenas. One was served on [redacted] and the other upon [redacted]

b3

As all requested leads in this case have been completed, Chicago considers this matter to be RUC.

2-Bureau (encs. 2) VSRH
1-Chicago
JOH/ca
(3)

58C-WF-180673 — 48x3

UCFN ☐ Pos ☐ Neg
GENERAL INDICES:
☐ Automated Search ☐ Pos ☐ Neg
WF: ☐ Pos ☐ Neg
☐ Manual Search
AX: ☐ Pos ☐ Neg

SEARCH SERIALIZE
NOV 27 1992

b6
b7C

Approved: Transmitted (Number) (Time)

WMFO

FD-36 (Rev. 11-17-88)

FBI

TRANSMIT VIA:
- ☐ Teletype
- ☐ Facsimile
- ☒ AIRTEL

PRECEDENCE:
- ☐ Immediate
- ☐ Priority
- ☐ Routine

CLASSIFICATION:
- ☐ TOP SECRET
- ☐ SECRET
- ☐ CONFIDENTIAL
- ☐ UNCLAS E F T O
- ☐ UNCLAS

Date 8/20/92

TO : SAC, WMFO (58C-WF-180973) (C-9)

FROM : SAC, TAMPA (58C-WF-180973) (PRA) (RUC)

SUBJECT : PLATE BLOCK;
(OO: WMFO)

Re WMFO airtel to Tampa Division, dated 8/6/92.

Enclosed for WMFO is an unexecuted Subpoena directed to [redacted]

b6
b7C
b3

On 8/18/92, contact was made with [redacted] advised that [redacted] was not in residence at Apartment Number [redacted] and stated further that [redacted] is an infrequent and sporadic visitor to the [redacted] provided a Washington, D.C. address for [redacted] of [redacted] and also advised that [redacted] may be in Rhode Island though he has no address for him in Rhode Island.

Tampa Division will maintain a copy of enclosed subpoena in the event that [redacted] should make one of his infrequent visits to [redacted] prior to his location in either Washington, D.C. or Rhode Island.

2 - WMFO (Enc.1)
2 - Tampa
( 1 - SA [redacted] PRA)
HSH:nja*
(4)

58C-WF-180973-49

1*

Approved: _____ Transmitted _____ (Number) (Time) Per _____

58C-WF-180673-50

SEARCHED ____ INDEXED ____
SERIALIZED ____ FILED ____

AUG 28 1992

FBI — WF

FD-302 (REV. 3-10-82)



FEDERAL BUREAU OF INVESTIGATION

Date of transcription 8/21/92

On August 17, 1992, [redacted], date of birth [redacted] was served with a Federal Grand Jury Subpoena at her place of employment, [redacted] as advised the subpoena commands her appearance and records in the United States District Court, District of Columbia, Washington, D.C., at 9:00 a.m. on September 17, 1992.

b3

Investigation on 8/17/92 at Monongahela, PA File # 58C-WF-180673

by SA [redacted] dml Date dictated 8/19/92

b6
b7C

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

58C-WF-180673-51

SEARCHED_____ INDEXED_____
SERIALIZED_____ FILED_____

AUG 28 1992

FBI — NEW YORK

FD-302 (REV. 3-10-82)



FEDERAL BUREAU OF INVESTIGATION

Date of transcription 8/21/92

On August 17, 1992 [redacted] was served with a Federal Grand Jury Subpoena commanding her appearance and records in United States District Court, District of Columbia, Washington, D.C., at 9:00 a.m. on September 17, 1992.

b3

Investigation on 8/17/92 at Charleroi, PA File # 58C-WF-180673

by SA [redacted] /dml Date dictated 8/19/92

b6
b7C

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

58C-WF-180673-53

SEARCHED ___ INDEXED ___
SERIALIZED ___ FILED ___

AUG 28 1992

FBI — \

DE

FD-302 (REV. 3-10-82)



FEDERAL BUREAU OF INVESTIGATION

Date of transcription 8/21/92

On August 18, 1992 [redacted] date of birth [redacted] was served with a Federal Grand Jury Subpoena at his place of business, [redacted] was advised that the subpoena commands his appearance and records in United States District Court, District of Columbia, Washington, D.C., at 9:00 a.m. on September 17, 1992.

b3

Investigation on 8/18/92 at Charleroi, PA File # 58C-WF-180673

by SA [redacted] /dml Date dictated 8/19/92

b6
b7C

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

FD-36 (Rev. 11-17-88)

FBI

TRANSMIT VIA:
- ☐ Teletype
- ☐ Facsimile
- ☒ AIRTEL

PRECEDENCE:
- ☐ Immediate
- ☐ Priority
- ☐ Routine

CLASSIFICATION:
- ☐ TOP SECRET
- ☐ SECRET
- ☐ CONFIDENTIAL
- ☐ UNCLAS E F T O
- ☐ UNCLAS

Date 8/21/92

C9

TO : SAC, WMFO (C-9)

FROM : ~~SAC~~ WCP, PITTSBURGH (58C-WF-180973) (RUC)

SUBJECT : PLATE BLOCK
(OO: WMFO)

Re WMFO airtel to Chicago, 8/6/92.

Enclosed for WMFO are the following items:

1. 1A envelope containing four executed FGJ subpoenas. The subpoenas for [redacted] were served on 8/17/92, and the enclosed subpoena for [redacted] was served on 8/18/92.

2. Original and two copies of FD-302 documenting the service of aforementioned subpoena on [redacted]

3. Original and two copies of FD-302 documenting the service of aforementioned subpoena on [redacted]

4. Original and two copies of FD-302 documenting the service of aforementioned subpoena on [redacted]

5. Original and two copies of FD-302 documenting the service of aforementioned subpoena on [redacted]

b3

2 - WMFO (Encs. 13)
2 - Pittsburgh
MJS/dml
(4)

58C-WF-180973-54

SEARCHED ___ INDEXED ___
SERIALIZED ___ FILED ___
AUG 26 1992

[redacted]

b6
b7C

Approved: _____ Transmitted _____ (Number) (Time) Per _____

# Memorandum

To : SAC, WMFO (58C-WF-180673) (P) Date 8/26/92

From : SA [redacted] (C-9) b6 b7C

Subject: PLATE BLOCK
OO:WF

The purpose of this memorandum is to request SAC approval for the purchase of a portable computer to be used in conjunction with the captioned matter.

The investigation into the subject case centers around U.S. House of Representative vouchers which can be used by Representatives (Members) for the acquisition of goods for official use. Investigation has revealed that certain Members have abused this official privilege by the utilization of these vouchers to obtain large dollar amounts of U.S. postage stamps from the House Post Office that were converted into cash for the Member's personal use. To date, 299 vouchers totalling $126,743.65 are being examined as submitted by five separate Members that pertain to the postage stamp allegations. Additionally, these vouchers were also used to obtain other materials, essentially large amounts of office supplies, which were then taken for the Member's personal use. This practice has been occurring over a period of many years and it is anticipated that the total number of vouchers involved in this matter will multiply as additional Members are identified as subjects.

Two individual data bases have been created, one by the U.S. Postal Inspection Service and one by the FBI, to organize the vouchers that have been utilized by the subjects in this matter. Also, one other data base has been created and data loaded which will be utilized to examine the question if any Federal Election Commission (FEC) violations were committed by

TYSON'S HAS ALL OF OUR AVAILABLE LAPTOPS. TRM

2 - ASAC [redacted]
1 - SSA [redacted]
1 - ISA [redacted]
2 - (58C-WF-180673)
DLW:
(6)

b6 b7C

-5AX1

58C-WF-180673

the subject Members. These data bases have been used extensively in this matter and it is anticipated that usage will increase. There is also the strong possibility that there will eventually be a link established between the captioned matter and the "Big Bounce" investigation (46A-WF-179870, OO:WF), as it is suspected that certain Member's utilized monies obtained from the House Post Office to cover insufficient fund checks written on their House Bank accounts.

This case is currently being worked by the FBI in conjunction with the U.S. Capitol Police and the U.S. Postal Inspection Service using a "Task Force" approach. Much of this investigation, due to the extreme sensitivity of this matter, is conducted from and under the direction of the United States Attorney for the District of Columbia. There exists the need to have the capacity to query these data bases, and others as they are established, for the purpose of making investigative decisions and assignments. There also exists the real need for this capability to be under the control of the FBI. A portable computer, loaded with the appropriate software and data would facilitate this need.

On 8/25/92 ISA [redacted] was contacted and concurred with this proposal. ISA [redacted] advised that, if this request were approved, he could assist with the specifications for this computer and that he could provide the necessary software that would be required for this task.

b6
b7C

FD-515 (Rev. 7-19-91)
**Accomplishment Report**
(Submit within 30 days from date of accomplishment)

C-9

TO: Director, FBI

FROM: SAC, PITTSBURGH
SUBJECT:
PLATE BLOCK
(OO: WASHINGTON FIELD OFFICE)

Bureau File Number: 58C-WF-180973
Field Office File Number: 4244
Squad or RA Number:
Agent's Social Security No.:

☐ X if a joint operation with: _____ (identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 8/28/92

b6
b7C

**Investigative Assistance or Technique Used**
Rate each Investigative Assistance or Technique used in connection with the accomplishment being claimed.
1 = Used, but did not help; 2 = Helped, but only minimally; 3 = Helped, substantially; 4 = Absolutely essential

| | | | |
|---|---|---|---|
| 1. Acctg Tech Assistance Rating | 8. Eng Sect. Tape Exams Rating | 15 Photographic Coverage Rating | 22. Telephone Toll Recs Rating |
| 2. Aircraft Assistance | 9. Hypnosis Assistance | 16. Polygraph Assistance | 23. UCO Group I |
| 3. Computer Assistance | 10. Ident Div Assistance | 17. Search Warrants Executed | 24. UCO Group II |
| 4. Consensual Monitoring | 11. Informant Information | 18. Show Money Usage | 25. UCO Other |
| 5. ELSUR FISC | 12. Lab Div Exams | 19. Surveil Sqd (SOG) Asst | 26. NCAVC/ VI-CAP |
| 6. ELSUR Title III | 13. Lab Div Field Support | 20. SWAT Team Action | 27. Visual Invest - Analysis (VIA) |
| 7. Eng Sect. Field Support | 14. Pen Registers | 21. Tech. Agt. or Tech Equip | |

**A. Preliminary Judicial Process (Number of subjects)**

| Complaints | Informations | Indictments |
|---|---|---|
| | | |

**B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subjects)**

| | Subject Priority* A | B | C |
|---|---|---|---|
| FBI Arrests - | | | |
| FBI Locates - | | | |
| Local Arrests - | | | |

FBI Subj. Resisted _____ ; Armed _____

Subpoenas Served 2
Criminal Summons _____
Local Crim. Summons _____

**C. Release of Hostages or Children Located: (Number of Hostages or Children Located)**

Hostages Held By Terrorists: _____ All Other Hostage Situations: _____
Missing or Kidnaped Children Located: _____

**D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP)** (Explain valuation in remarks)

| Property Type Code* | Recoveries | Restitutions | PELP Type Code* | Potential Economic Loss Prevented |
|---|---|---|---|---|
| | $ | $ | | $ |
| | $ | $ | | $ |
| | $ | $ | | $ |

**E. Civil Matters**

| RICO -Civil Convictions | Civil Suits Amount of Suit | Government Defendant | Government Plaintiff |
|---|---|---|---|
| | | $ | $ |
| No. of Subj. | Settlement of Award | $ | $ Enter AFA Payment Here |

**F. Administrative Sanctions**
Subject 1 Subject Description Code* -
☐ Suspension ☐ Debarment Time Frame - Years: Months: ☐ Permanent

**G. Final Judicial Process:** Judicial District _____ District State _____ Conviction or Pretrial Div. Date _____ Sentence Date _____ No. of Subjects _____ Acquitted _____ Dismissed _____

Subject 1 Subject Description Code* -

| | Conviction Title | Section | Counts | Combined Sentence In-Jail Yrs. Mos. | Suspended Yrs. Mos. | Probation Yrs. Mos. |
|---|---|---|---|---|---|---|
| ☐ Felony | | | | | | |
| ☐ Misdemeanor | | | | | | |
| ☐ Parole Revocation | | | | | | |
| ☐ Probation Revocation | | | | Total Fines $ | | |
| ☐ Plea ☐ Trial | | | | Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs.- 8 yrs susp. = 2 yrs. In-Jail. | | |
| ☐ Pretrial Diversion | | | | | | |

Subject 2 Subject Description Code* -

| | Conviction Title | Section | Counts | Combined Sentence In-Jail Yrs. Mos. | Suspended Yrs. Mos. | Probation Yrs. Mos. |
|---|---|---|---|---|---|---|
| ☐ Felony | | | | | | |
| ☐ Misdemeanor | | | | | | |
| ☐ Parole Revocation | | | | | | |
| ☐ Probation Revocation | | | | Total Fines $ | | |
| ☐ Plea ☐ Trial | | | | Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs.- 8 yrs susp. = 2 yrs. In-Jail. | | |
| ☐ Pretrial Diversion | | | | | | |

*Attach additional forms if reporting final judicial process on more than two subjects, and submit a final disposition form (R-84) for each subject.*

**H. Identifying Data:** For every subject reported in Sections A, B, E, F, or G above, provide the following: *Attach additional forms for more than four subjects.*

| Name | Date of Birth | Race* | Sex | Place of birth (if available) | Social Security Number (if available) |
|---|---|---|---|---|---|
| | | W | M | | |
| | | | | | |
| | | | | | |
| | | | | | |

Explanation of accomplishment claimed:

58C-WF-180073-55

On 8/26/92, was served a subpoena ordering him to appear before a FGJ, District of Columbia on 9/10/92 at 2:00 PM. A second subpoena was issued for

b3

UCIN
L INDICES:
nated Search
WF: ☐ Pos ☐ Neg AX: ☐ Pos ☐ Neg
Manual Search
WF: ☐ Pos ☐ Neg

SEP 0 9 1992
FBI-WFO

2 - Bureau
2 - Field Office
*See codes on reverse side.
JAK/mvw (8)

(1 - WFO (1 - 58C-WF-180973) (1 - 166E [redacted] 1 [redacted] Sub) (1 - SA [redacted] (1 - Sec'y)

FD-36 (Rev. 11-17-88)

FBI

TRANSMIT VIA:
- ☐ Teletype
- ☐ Facsimile
- ☒ AIRTEL

PRECEDENCE:
- ☐ Immediate
- ☐ Priority
- ☐ Routine

CLASSIFICATION:
- ☐ TOP SECRET
- ☐ SECRET
- ☐ CONFIDENTIAL
- ☐ UNCLAS E F T O
- ☐ UNCLAS

Date 9/1/92

TO : SAC, WMFO

FROM : SAC, PITTSBURGH (58C-WF-180973) (RUC)

SUBJECT : PLATE BLOCK
(OO: WF)

Enclosed for WMFO are two Federal Grand Jury subpoenas that were served on 8/26/92.

b3

On 8/26/92, both Federal Grand Jury subpoenas were served on [redacted] It should be noted that [redacted] is also the [redacted] and therefore was served both Federal Grand Jury subpoenas.

(2) - WMFO (Encs. 2) UNOPENED EC
2 - Pittsburgh
JAK/dk
(4)

1*

58C-WF-180973-55X1

SEARCHED ___ INDEXED ___
SERIALIZED ___ FILED ___
OCT 14 1992
FBI — PITTSBURGH

Approved: _____ Transmitted _____ (Number) _____ (Time) Per _____

C-9

FD-35 (Rev. 8-29-85)

FBI

TRANSMIT VIA:
- [X] Teletype
- [ ] Facsimile
- [ ] AIRTEL

PRECEDENCE:
- [ ] Immediate
- [ ] Priority
- [X] Routine

CLASSIFICATION:
- [ ] TOP SECRET
- [ ] SECRET
- [ ] CONFIDENTIAL
- [ ] UNCLAS E F T O
- [X] UNCLAS

Date 9/3/92

FM FBI WMFO (58C-WF-180673) (P) (C-9)

TO FBI PITTSBURGH/ROUTINE/

BT

UNCLAS

CITE: //3920//

PASS: ATTN: SSA [redacted]

b6
b7C

SUBJECT: PLATE BLOCK; OO:WMFO

RE TELCALL 9/2/92 FROM WMFO SSA [redacted] TO PITTSBURGH SSA [redacted]

THE PURPOSE OF THIS COMMUNICATION IS TO CONFIRM REFERENCED TELEPHONE CALL REQUESTING PITTSBURGH SAC APPROVAL FOR WMFO SAS TO CONDUCT AN INTERVIEW IN PITTSBURGH FIELD DIVISION TERRITORY.

b6
b7C

ON 9/8/92, SAS [redacted] AND [redacted] WILL BE CONDUCTING AN INTERVIEW OF [redacted] THE [redacted]

58C-WF-180673-56

Approved: RMB/DB Original filename: les002w.247

Time Received: 2:00 p Telprep filename: LES002S0.247

MRI/JULIAN DATE: 1222/247 ISN: 029

FOX DATE & TIME OF ACCEPTANCE: 3 SEPT 92 20:25 3:25 p

JOSEPH KOLTER, AT HIS HOME AT [redacted] WHO HAS BEEN CONTACTED PREVIOUSLY BY WMFO, HAS CRITICAL INFORMATION REGARDING CAPTIONED MATTER AND INTERVIEWING SAS WILL BE BRINGING LARGE AMOUNTS OF DOCUMENTS FILED BY KOLTER TO THE FEDERAL ELECTION COMMISSION (FEC) FOR [redacted] TO REVIEW. ADDITIONALLY, [redacted] INTENDS TO PROVIDE INTERVIEWING SAS WITH DOCUMENTATION RETAINED BY HIM PERSONALLY WHICH WILL ASSIST IN INVESTIGATION OF THIS CASE.

b6
b7C

WMFO SAS WILL BE TRAVELLING TO [redacted] BY BUREAU AUTOMOBILE AND IT IS ANTICIPATED THAT NO ASSISTANCE OF PITTSBURGH WILL BE NECESSARY.

BT

/READ 1222/247
0000 MRI 01222

RR FBIPG

DE FBIWMFO #0029 2471944

ZNR UUUUU

R 031921Z SEP 92

FM FBI WMFO (58C-WF-180673) (P) (C-9)

TO FBI PITTSBURGH/ROUTINE/

BT

UNCLAS

CITE: //3920//

PASS: ATTN: SSA [redacted]

SUBJECT: PLATE BLOCK; OO:WMFO.

RE TELCALL 9/2/92 FROM WMFO SSA [redacted] TO PITTSBURGH SSA [redacted]

b6
b7C

THE PURPOSE OF THIS COMMUNICATION IS TO CONFIRM REFERENCED TELEPHONE CALL REQUESTING PITTSBURGH SAC APPROVAL FOR WMFO SAS TO CONDUCT AN INTERVIEW IN PITTSBURGH FIELD DIVISION TERRITORY.

ON 9/8/92, SAS [redacted] AND [redacted] WILL BE CONDUCTING AN INTERVIEW OF [redacted] THE

58C-WF-180673-56

C-9

FD-36 (Rev. 8-29-85)

FBI

TRANSMIT VIA:
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PRECEDENCE:
- [ ] Immediate
- [X] Priority
- [ ] Routine

CLASSIFICATION:
- [ ] TOP SECRET
- [ ] SECRET
- [ ] CONFIDENTIAL
- [ ] UNCLAS E F T O
- [X] UNCLAS

Date 9/4/92

FM FBI WMFO (58C-WF-180673) (P)(C-9)

TO DIRECTOR FBI/PRIORITY/

BT

UNCLAS

CITE: //3920//

PASS: ATTN: [redacted] PUBLIC CORRUPTION UNIT

b6
b7C

SUBJECT: PLATE BLOCK; OO:WMFO

THE PURPOSE OF THIS TELETYPE IS TO UPDATE FBIHQ ON WMFO'S INVESTIGATIVE ACTIVITIES REGARDING CAPTIONED MATTER.

ON 8/21/92, WITH THE ASSISTANCE OF THE U.S. POSTAL INSPECTION SERVICE (USPS), WMFO REVIEWED THE RECORDS PRODUCED BY THE U.S. HOUSE OF REPRESENTATIVES TASK FORCE WHICH CONDUCTED ITS OWN INTERNAL INVESTIGATION OF THE HOUSE POST OFFICE (HPO). ALTHOUGH NO NEW RECORDS WERE DISCOVERED, THE REQUEST WAS MADE TO THE TASK FORCE FOR COPIES OF SEVERAL OF THEIR FILES ON THIS MATTER. IT IS ANTICIPATED THAT THE HOUSE

58C-WF-180673-57

Approved: RMB/DB Original filename: 1es00180.248

Time Received: Telprep filename:

MRI/JULIAN DATE: 067/248 ISN: 026

FOX DATE & TIME OF ACCEPTANCE: 9/4/92 10:30 am

TASK FORCE, WHICH INTENDS TO COOPERATE FULLY WITH THE CRIMINAL INVESTIGATION BEING CONDUCTED BY THE U.S. ATTORNEY (USA) FOR THE DISTRICT OF COLUMBIA AND THE FBI, WILL PROVIDE THESE COPIES IN THE NEAR FUTURE.

THE USA CONTINUES TO CONDUCT FEDERAL GRAND JURY (FGJ) TESTIMONY ON THIS MATTER. [redacted] b3 [redacted] HAVE BEEN PROVIDING TESTIMONY BEFORE THE FGJ. THE TESTIMONY HAS BEEN CORROBORATIVE OF PRIOR INVESTIGATION. TO DATE, THE MOST INFORMATION SUPPORTIVE OF CRIMINAL CULPABILITY ON THE PART OF THE SUBJECTS IN THIS MATTER HAS BEEN OBTAINED ON REPRESENTATIVE JOSEPH KOLTER, AND IT IS ANTICIPATED THAT ANY OFFICIAL CRIMINAL PROCESS WILL INITIATE WITH THIS REPRESENTATIVE.

ADDITIONALLY, FORMER [redacted] TESTIFIED BEFORE THE FGJ THAT [redacted] b3 [redacted] FORMER [redacted] IS SCHEDULED TO TESTIFY BEFORE THE FGJ ON 9/8/82 AT 10:00 AM.

ON 9/8/92, WMFO SAS WILL BE TRAVELLING BY BUREAU AUTOMOBILE TO BEAVER FALLS, PENNSYLVANIA TO CONDUCT AN

INTERVIEW OF [redacted] b6 b7C

[redacted] SAC PITTSBURGH APPROVAL WAS OBTAINED ON 9/2/92 FOR WMFO SAS TO CONDUCT THIS INTERVIEW IN THE TERRITORY OF THE PITTSBURGH FIELD DIVISION.

[redacted] WHO HAS BEEN CONTACTED BY WMFO, IS FULLY COOPERATIVE AND HAS OFFERED TO PROVIDE WHATEVER ASSISTANCE POSSIBLE TO THIS INVESTIGATION. IT IS ANTICIPATED THAT [redacted] WILL BE ABLE TO PROVIDE CRITICAL INFORMATION REGARDING KOLTER'S ACCEPTANCE OF LARGE QUANTITIES OF POSTAGE STAMPS WITH CAMPAIGN FUNDS AND THE ACCEPTANCE OF CASH FROM THE CASHING OF CAMPAIGN CHECKS AT THE HPO WHICH WERE SUPPOSED TO BE FOR POSTAGE EXPENSES.

AS THIS CASE CONTINUES TO DEVELOP ON REPRESENTATIVE KOLTER, IT IS ANTICIPATED THAT WMFO WILL BE ASKED BY THE USA TO COORDINATE INTERVIEWS OF CURRENT AND FORMER STAFF MEMBERS AND CERTAIN CAMPAIGN WORKERS IN THE PITTSBURGH FIELD DIVISION TERRITORY. WMFO WILL KEEP FBIHQ APPRISED OF THIS AND OTHER DEVELOPMENTS AS THEY OCCUR.

REQUEST OF THE BUREAU

ASSISTANT UNITED STATES ATTORNEY [redacted] HAS b6 b7C

REQUESTED THAT FBIHQ PROVIDE WMFO WITH A LIST OF ALL FBIHQ PERSONNEL WHICH ARE TO BE ADDED TO THE 6(E) LIST OF THE FGJ CONDUCTING AN INVESTIGATION INTO CAPTIONED MATTER.

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FM FBI WMFO (58C-WF-180673) (P) (C-9)

TO DIRECTOR FBI/PRIORITY/

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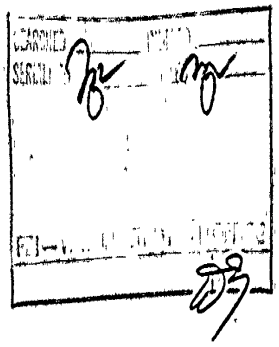

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

Holding a Criminal Term

Grand Jury Sworn in on October 29, 1991

| | | |
|---|---|---|
| UNITED STATES OF AMERICA | : | |
| | : | CRIMINAL NO. |
| | : | |
| | : | VIOLATIONS: 18 U.S.C. |
| | : | Section 371 |
| v. | : | (Conspiracy to Defraud the |
| | : | United States); |
| | : | 18 U.S.C. Section 641 |
| | : | (Embezzlement of Government |
| | : | Property); |
| JOANNA G. O'ROURKE | : | 18 U.S.C. Section 648 |
| | : | (Public Officer Misusing |
| | : | Public Funds); and |
| | : | 18 U.S.C. Section 2 |
| | : | (Aiding and Abetting and Causing |
| | : | an Act to Be Done) |

# I N D I C T M E N T

The Grand Jury charges that:

## COUNT ONE

## CONSPIRACY TO DEFRAUD THE UNITED STATES

1. At all times material to this indictment, the United States House of Representatives Post Office (the House Post Office) was an Agency of the United States House of Representatives and functioned as a contract post office for the United States Postal Service.

2. At all times material to this indictment, the official function of the House Post Office was to provide postal services to members of the United States House of Representatives and others on Capitol Hill. These services included the delivery of United States mail, the sale of United States postage stamps, the sale of United States Postal money orders, and the provision of other

special services relating to the transportation of the United States mail.

3. At all times material to this indictment, the employees of the House Post Office were patronage employees of the United States House of Representatives.

4. At all times material to this indictment, defendant JOANNA G. O'ROURKE was an employee of the House Post Office serving at various times as a secretary to the Postmaster, as Office Manager, as the Executive Assistant to the Postmaster, and as the Chief of Staff of the House Post Office. Her duties as the Executive Assistant and Chief of Staff included the supervision of other House Post Office employees, as directed by the Postmaster.

5. At all times material to this indictment, one House Post Office employee was appointed as the Director of Accountable Papers. The Director of Accountable Papers reported to the defendant JOANNA G. O'ROURKE during the period of time in which she was the Chief of Staff. The Director was charged with the safe-keeping and disbursal of public money related to the postal services of the House Post Office. The Director also supervised 14 stamp clerks.

6. At all times material to this indictment, the Director of Accountable Papers would obtain from the United States Postal Service an allotment of United States postage stamps to be used for the operation of the House Post Office. This allotment was known as the House Post Office "accountability," the amount of which would be increased by the United States Postal Service upon request

of the Director of Accountable Papers. In July of 1991, the "accountability" stood at $442,812.92.

7. At all times material to this indictment, the cash and United States postage stamps used by the Director of Accountable Papers for the operation of the House Post Office were the property of the United States Postal Service.

8. At all times material to this indictment, the Director of Accountable Papers would distribute a portion of his "accountability" to the various stamp clerks at the five post office facilities located at various office buildings on Capitol Hill. As the stamp clerks sold their allotment of United States postage stamps, they would give money in the form of checks, cash, and United States House of Representatives vouchers to the Director of Accountable Papers in order to purchase additional postage stamps from the United States Postal Service.

9. At all times material to this indictment, the Director of Accountable Papers was responsible for depositing the cash and checks from the sale of postage stamps and United States postal money orders with Riggs National Bank, Washington, D.C., on a daily basis.

10. At all times material to this indictment, the P-300 Account was a charge account obtained by the United States House of Representatives for payment of Express Mail overnight delivery of packages relating to the official business of the House Post Office. Defendant JOANNA G. O'ROURKE, while employed as a supervisor at the House Post Office, was responsible for using and

approving charges to the P-300 Account.

11. At all times material to this indictment, the House Post Office Round Dater was a device used to postmark United States mail deposited at the House Post Office. The Round Dater indicated the station where the mail was deposited and the date of cancellation. The date on the Round Dater could be manually changed by certain House Post Office employees.

The Conspiracy

12. From at least in or about January 1983, and continuing through in or about February 1992, the exact dates being unknown to the Grand Jury, within the District of Columbia, the defendant JOANNA G. O'ROURKE willfully and knowingly did combine, conspire, agree, and confederate with other persons, known and unknown to the Grand Jury, to defraud the United States and an agency of the United States, that is:

(A) by defrauding the House Post Office and the citizens of the United States of America of their right to have the House Post Office business and affairs conducted honestly, impartially, and with integrity, free from corruption, conflict of interest, deceit and fraud; and

(B) by defrauding the House Post Office and citizens of the United States of America of their right to the conscientious, loyal, honest, faithful, unbiased, impartial, and disinterested service, actions and performance of official duties of House Post Office officers and employees, necessary for the performance of lawful governmental functions, free from corruption, influence,

conflict of interest, deceit, dishonesty, fraud, partiality, and favoritism.

Goals of the Conspiracy

13. It was a goal of the conspiracy that defendant JOANNA G. O'ROURKE and other co-conspirators would use funds belonging to the United States, and would use United States government employees, to perform personal and campaign services for Members of the United States House of Representatives, thereby diverting those funds and those employees from governmental functions.

14. It was a further goal of the conspiracy that defendant JOANNA G. O'ROURKE and other co-conspirators would enrich themselves and their friends by using government funds, equipment, and employees for personal matters.

Means and Methods Used in Seeking to Achieve the Goals of the Conspiracy

15. In order to further the goals of said conspiracy defendant JOANNA G. O'ROURKE and other co-conspirators would and did use the following means and methods, among others:

16. It was a part of the conspiracy that defendant JOANNA G. O'ROURKE and a co-conspirator would and did allow the Director of Accountable Papers to forego making daily deposits of the money he accumulated during the performance of his duties, in order to have funds available to cash checks and to provide other monetary services outside the official functions of the House Post Office for the personal convenience of the co-conspirators and others, including legislative officials.

17. It was further a part of the conspiracy that defendant

JOANNA G. O'ROURKE would and did direct employees of the House Post Office to cash personal checks for her using the public money intrusted to them as public officers, and to "hold" her checks by not depositing them in the bank for a period of time, until her personal bank account would have sufficient funds to cover the checks.

18. It was further a part of the conspiracy that defendant JOANNA G. O'ROURKE and other co-conspirators would and did charge the P-300 Account for the expense of sending certain personal items by United States Express Mail to the home district of a Member of the United States House of Representatives, which personal items had been delivered to them by the staff of the Member, with the instruction that the items be sent by Express Mail.

19. It was further a part of the conspiracy that defendant JOANNA G. O'ROURKE would and did charge the P-300 Account for the expense of sending her own overtime checks by United States Express Mail to her out-of-state bank.

20. It was further a part of the conspiracy that defendant JOANNA G. O'ROURKE and other co-conspirators would and did cause employees of the House Post Office to use the Round Dater to back-date the postmark on United States mail to give the fraudulent impression that the mail was deposited in the United States government mail on an earlier date than it was, in fact, deposited.

21. It was further a part of the conspiracy that defendant JOANNA G. O'ROURKE would and did obtain and renew post office boxes at the Main Post Office, Brentwood Station, for selected Members of

the United States House of Representatives for the receipt of solicited campaign contributions and other mail.

22. It was further a part of the conspiracy that defendant JOANNA G. O'ROURKE and others would and did divert House Post Office employees from their regular postal duties and require them to collect campaign contributions mailed to the Brentwood Station and to deliver them directly to the offices of Members of the United States House of Representatives.

Overt Acts

23. In furtherance of the above-described conspiracy and to accomplish its purposes, objectives, and goals, defendant JOANNA G. O'ROURKE and other co-conspirators together committed the following overt acts, among others, within the District of Columbia:

a) Between on or about December 1, 1990, and December 31, 1990, the exact date being unknown to the Grand Jury, defendant JOANNA G. O'ROURKE charged the P-300 Account for the expense of sending certain personal items by United States Express Mail to the home district of a Member of the United States House of Representatives, which personal items had been delivered to her by a staff member of the Representative, with the instruction that the items be sent by Express Mail.

b) On or about April 3, 1990, defendant JOANNA G. O'ROURKE charged the P-300 Account for the expense of sending her own overtime check by United States Express Mail to her out-of-state bank.

c) On or about April 16, 1985, the exact date being

unknown to the Grand Jury, defendant JOANNA G. O'ROURKE caused an employee of the House Post Office to back-date a postmark on a mailing to the Internal Revenue Service relating to a Federal Income Tax Return.

d) Between in or about January 1990 and January 1992, the exact dates being unknown to the Grand Jury, defendant JOANNA G. O'ROURKE directed employees of the House Post Office to pick up campaign-related mail at the Brentwood Station and deliver it to the offices of Members of the United States House of Representatives.

e) On or about June 3, 1991, defendant JOANNA G. O'ROURKE requested that an employee of the House Post Office under her supervision cash a $1,500.00 personal check for her, using the public money intrusted to the employee, and that the employee "hold" the check without depositing it until O'ROURKE'S bank account had sufficient funds to cover the check.

(In Violation of Title 18, United States Code, Sections 371 and 2.)

## COUNT TWO

## EMBEZZLEMENT OF GOVERNMENT PROPERTY

1. The Grand Jury incorporates by reference Paragraph 10 of Count One.

2. From in or about December 1990, and continuing to on or about April 3, 1990, the exact dates being unknown to the Grand Jury, within the District of Columbia, defendant JOANNA G. O'ROURKE willfully and knowingly did embezzle and convert to her own use and

the use of others, without authority, a thing of value, that is, funds of the United States Government, by improperly and unlawfully charging to the P-300 Account the expense of sending personal items by United States Express Mail, such items consisting of O'ROURKE's own overtime checks, as well as personal property that staff members of a Congressman had instructed her to send by Express Mail.

(In Violation of Title 18, United States Code, Sections 641 and 2.)

COUNT THREE

PUBLIC OFFICER MISUSING PUBLIC FUNDS

From on or about August 25, 1989, and continuing to on or about June 3, 1991, the exact dates being unknown to the Grand Jury, in the District of Columbia, the defendant JOANNA G. O'ROURKE did cause employees of the House Post Office, being public officers charged with the safe-keeping of public monies, to willfully and knowingly embezzle public money by giving her interest-free loans out of public monies that had been intrusted to the employees to be used for official purposes, and not for personal loans.

(In Violation of Title 18, United States Code, Sections 648 and 2.)

A TRUE BILL:

FOREPERSON.

ATTORNEY OF THE UNITED STATES IN
AND FOR THE DISTRICT OF COLUMBIA

DATE: September 10, 1992

LIST OF INDICTMENT RETURN
GRAND JURY SWORN IN ON OCTOBER 29, 1991
GRAND JURY 91-3



| DOJ NUMBER | CCR NO. | PDID NO. | U.S. MAG. NO. | CRIMINAL CASE NO. | NAME AND ADDRESS OF DEFENDANT/DOB | VIOLATION & CODE SECTION | DATE OF ARREST | JUDGE ASSIGNED |
|---|---|---|---|---|---|---|---|---|
| 910369 | GJO | | | | Joanna G. O'Rourke<br>9622 Sherburne Farm Road<br>Marshall, Virginia 22115<br><br>DOB: February 6, 1940 | 18 U.S.C. § 641<br>(Embezzlement of Government Property);<br>18 U.S.C. §371<br>(Conspiracy)<br>18 U.S.C. §2<br>(Aiding and Abetting and Causing an Act to be Done)<br>18 U.S.C. §648<br>(Public Officer Misusing Public Funds) | | |
| | | | | | Defense Counsel:<br><br>Steven Leckar, Esquire<br>G. Allen Dale, Esquire<br>1055 Thomas Jefferson St. N.W.<br>Suite 504<br>Washington, D.C. 20027<br>(202) 342-2550 | | | |
| | | | | | AUSA Thomas J. Motley<br>AUSA Wendy Wysong<br>555 4th Street, N.W.<br>Room 5120<br>Washington, D.C. 20001<br>(202) 514-8321 | | | |

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