

ELIZABETH W. KIEFFER

FEBRUARY 7, 1927.—Committed to the Committee of the Whole House and ordered to be printed

Mr. CARPENTER, from the Committee on Claims, submitted the following

REPORT

[To accompany S. 244]

The Committee on Claims, to whom was referred the bill (S. 244) for the relief of Elizabeth W. Kieffer, having considered the same, report thereon with a recommendation that it do pass with the following amendment:

In line 6 strike out the figures "\$1,508.60" and insert in lieu thereof "\$568.31".

In line 8, after "1922," strike out the semicolon and add a period. Strike out all of the rest of lines 8, 9, and 10.

STATEMENT OF FACTS

It appears from the evidence in this case that on November 14, 1922, a soldier assigned to the post office at Fort Russell, Wyo., finding the safe unlocked, took therefrom Government funds.

The statement of funds stolen is as follows:

Loss of postal funds.....	\$990. 29
Loss of stamp funds.....	582. 31
Loss of postal savings funds.....	36. 00
Total.....	1, 608. 60

There was \$100 recovered from the thief, reducing the amount to \$1,508.60.

The inspector recommends the disallowance of the amount of the postal funds, \$990.29, less \$50 which the postmaster was allowed to keep as a permanent fund. The amount recommended for disallowance by the inspector is \$940.29. Deducting this from \$1,508.60, leaves \$568.31, which your committee recommends be credited the accounts of the claimant.

Attached herewith is the report of the inspector and Senate Report No. 1140, both of which are made a part of this report.

POST OFFICE DEPARTMENT,
OFFICE OF THE SOLICITOR,
Washington.

POSTMASTER'S CLAIM FOR LOSSES BY BURGLARY, FIRE, ETC.

Post office, Fort Russell, Wyo., volume 10, page 79; claimant, E. W. Kieffer; cause of loss, theft; claim filed, January 2, 1923; date of loss, November 14, 1922; disposition, disallowed March 17, 1923.

Case No. 49530-D; report requested, January 2, 1923; report received, January 2, 1923.

	Claimed	Allowed
Postal funds.....	\$990. 29	None.
Postage stamps.....	582. 31	None.
Postal-savings funds.....	36. 00	None.
Total.....	1, 608. 60	None.

OPINION

FEBRUARY 13, 1923.

It appears from the evidence in this case that, on the date mentioned, a soldier assigned to the post office named, finding the safe unlocked, took therefrom Government funds. The amount of loss, as determined by the inspector who made the computation, was \$990.29 postal funds, \$582.31 stamp funds, \$36 postal savings funds, and \$9.31 documentary-stamp funds. It develops that the postmaster failed to make remittances of surplus funds as required under section 1241, Postal Laws and Regulations, and that she failed to afford the property stolen the protection required under section 361, Postal Laws and Regulations. The loss appears to have resulted from fault or negligence on the part of the postmaster, and it is recommended that no credit be allowed for the amounts ascertained to have been lost.

JOHN H. EDWARDS, *Solicitor*.

Elizabeth W. Kieffer, being first duly sworn according to law, deposes and says:

That I am postmaster at Fort Russell, Wyo., and on November 15, 1922, when I arrived at the post office at about 7.55 a. m. I found that the double doors to the safe were not locked. I opened the double doors and noticed that the double inner doors were locked. I manipulated the combination to the inner lock, and on opening the inner doors noticed that the sacks in which I carried my postal and stamp funds were missing. About 6 a. m., November 15, 1922, a Miss Capps, of Cheyenne, Wyo., had called over the telephone, asking about Private James E. McLean, who Miss Capps expected to see the evening previous, but who she states had not been seen all evening. Private McLean's room in the rear of the post office was found to be in a disorganized condition, and suspecting that he had robbed the post office I called up the postmaster at Cheyenne, Wyo., and notified the authorities at the fort. A check of the amount of the losses sustained was made by an employee of the Cheyenne office, which differs somewhat from the audit made by Inspector C. D. Lowe, but I am of the opinion that the audit made by Inspector C. D. Lowe is to the best of my knowledge and belief substantially correct, as his verification of postal losses dates back to October 1, 1922, and I witnessed the count of stamp stock and funds.

The amount of the various losses were computed as follows, and the amount of the several losses I propose to make claim for:

POSTAL FUNDS

Amount of 572 domestic money orders issued, 52856 to 53435 (8 spoiled).....	\$7, 914. 05
Fees on same.....	48. 74
Amount 4 international money orders issued, 250 to 253.....	31. 90
Fees on same.....	. 60
Box rents Oct. 1 to Dec. 6, 1922.....	31. 15
	<u>8, 026. 44</u>

Salary of postmaster Oct. 1 to Nov. 14, 1922, withdrawn-----	\$211. 67
Commissions on 199 money orders issued in October-----	5. 97
Fees paid on special delivery letters delivered-----	11. 92
Clerk hire paid Oct. 1 to Nov. 30, 1922-----	150. 00
Deposits with postmaster at Cheyenne, Wyo-----	6, 283. 48
Cash on hand Dec. 6, 1922-----	373. 11
Loss of postal funds by robbery Nov. 14, 1922-----	990. 29

Total-----	8, 026. 44
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STAMP FUNDS

Amount of fixed credit-----	3, 500. 00
Stock on hand Dec. 6, 1922-----	2, 809. 48
Cash on hand Dec. 6, 1922-----	108. 21
Loss of stamped paper and funds robbery Nov. 14-----	582. 31
Total-----	3, 500. 00

DOCUMENTARY FUNDS

Amount of fixed credit-----	26. 00
Stamped paper on hand Dec. 6, 1922-----	16. 69
To balance account-----	9. 31
Total-----	26. 00

Also, there was a balance of \$36 postal-savings funds on hand at close of business November 13, 1922, which represents the balance as at time of robbery. This amount was missing at time of making a check of losses immediately after robbery.

None of the amount of the losses mentioned above was in checks or other negotiable paper. I recall that \$100 was in silver and rolled up for deposit in the bank, besides nearly \$100 in loose silver coins, the remaining portion of the loss in funds being in currency.

The above statement of postal funds shows payments made by me on account of salary of postmaster, clerk hire, etc., and represents all the payments made during the current quarter. I further state that except for the expenditures made all funds were intact in the safe when I left the post office at close of business November 14, 1922.

Relative to the loss of \$9.31 documentary funds will state that this amount represents for the most part sales of previous quarters which I should have remitted, and for which credit is not asked, but I shall make claim for credit for the other amounts as follows:

Loss of postal funds-----	\$990. 29
Loss of stamp funds-----	582. 31
Loss of postal-savings funds-----	36. 00
Total-----	1, 608. 60

I hereby certify that the above statement is correct to the best of my knowledge and belief.

E. W. KIEFFER,
Postmaster, Fort Russell, Wyo.

Subscribed and sworn to before me this 7th day of December, 1922.

C. D. LOWE, Post Office Inspector.

POST OFFICE DEPARTMENT,
OFFICE OF INSPECTOR,
Cheyenne, Wyo., December 8, 1922.

Mr. J. C. LINDLAND,
Inspector in Charge, Denver, Colo.

Subject: Fort Russell, Wyo.: Robbery of post office.

MY DEAR SIR: The following special report is submitted with particular reference to the amount of the losses, and responsibility therefor, in the robbery

of the Fort Russell, Wyo., post office on November 14, 1922, supplementing the report of Inspector A. C. Gahwe, under date of November 30, 1922.

The post office is located on the military reservation in a building originally used for living quarters, and the rooms are now situated probably as the building was originally built, the front rooms now being used as a post office and the rear rooms being practically vacated. About three months past Private James E. McLean was assigned living quarters in the rear of the building and more recently he has kept the furnace going, in addition to sweeping and dusting the premises and doing odd chores such as dumping heavy mail sacks and delivery of special delivery articles. The postmaster, Elizabeth W. Kieffer, states McLean did not handle mail as a clerk, but that he had her confidence, as at times she entrusted him with remittances of surplus funds which he took to the post office at Cheyenne or to the banks thereat, a distance of about 4 miles. This being a military post office the hours are from 8.30 a. m. to 4 p. m.

At about 7.55 a. m., November 15, 1922, the postmaster states she arrived at the post office, and on entering she noticed that the outer double doors of the safe were not locked. She opened the doors, tried the double inner doors, which she states were locked. After manipulating the combination the inner doors were opened, when the postmaster noticed that postal, stamp, and postal savings funds were missing. Early the same morning the postmaster received a telephone call from Cheyenne, at which time a Miss Capps, who it appears was engaged to be married to Private McLean, inquired about Private McLean, advising that he was to have dinner with Miss Capps the previous evening, but that he did not keep his appointment and had not called up to advise her why he had not met her. The postmaster states she then went to the rear room, where Private McLean had slept and kept his personal effects, and found it badly disorganized, as if he had made a hurried departure, whereupon she called up the commandant of the post, as well as the postmaster at Cheyenne.

It later developed that Private McLean had been seen in the post office about 4.15 p. m., November 14, 1922, immediately after the postmaster had left for the day, when the office was closed; that about 30 minutes later he was seen in Cheyenne, where he purchased a white silk knitted muffler, and a few minutes later he appeared at the Union Pacific Railroad station, where he is known to have purchased a railroad ticket for Laramie, Wyo., and left on train second 19, which left Cheyenne at 5:05 p. m. Inspector Gahwe reports that McLean continued on second 19 until he got to Laramie, when he got off the train, purchased another ticket, and continued on the same train to Green River, Wyo., where he purchased a third ticket and continued on train second 19 until he arrived at Salt Lake City, Utah, where he is believed to have remained overnight. The inspector also reports that Conductor Eckert identified McLean as having left the train on his arrival at Los Angeles, Calif., on November 21 at 11.25 a. m., after which no further trace of McLean was had.

When Inspector Gahwe was assigned to duty in Porto Rico this case was assigned to me for further investigation, and on December 6 and 7 I made an inspection of the post office at Fort Russell and made a close inquiry into the manner in which the robbery occurred and the amounts of the losses. Also certain information has been gathered with a view to apprehending McLean, who undoubtedly robbed the post office and after deserting from the Army made a hurried departure from Fort Russell and Cheyenne.

The postmaster states that all funds and the stamped paper, except newspaper wrappers, postal cards, and envelopes, were kept in the safe. The safe, manufactured by the Hall Safe & Lock Co., is quite old, and at one time was broken into, so that the burglar chest can not be opened, and, of course, is not in use. The safe is about 5 feet in height and has both inner and outer double doors, each set of doors being locked with the usual combination lock. The postmaster states that on closing the office she made it a practice to lock both the inner and outer doors, but that on date of robbery she caught her skirt as she was closing the outer doors, and is not at all certain whether she threw the combination on the outer doors or not. It had been my impression that McLean, while employed in the office, might have watched the postmaster open the outer combination and thereby learned the combination, but the postmaster states that she had always made it a practice not to allow him or any other person stand near her while she opened the safe. She also states that the combinations were not written on any record or thing in the building and that they were only known to herself and her daughter, a girl about 18 years of age, who is a sworn clerk in the office. No suspicion whatever is attached to the daughter, as she is a very fine young woman, of good habits, and is engaged to one of the young officers

at the fort. It was also learned that she exhibited no special friendliness for McLean.

As will be noted below in this report, the postmaster has been extremely careless in the handling of her accounts, funds, and other routine operations in the office, and as there is no question but what McLean got access to the inside of the safe on November 14, it is quite apparent that the postmaster did not turn the combination to the inner doors on leaving the office, which in my opinion was her custom, and that she undoubtedly failed to turn the combination on outer doors, resulting in McLean's free access to the inside of safe, as it bears no marks of violence, and McLean, who is a musician only 22 years of age, apparently has had very little experience in offices or in handling of safes.

Prior to Inspector Gahwe's arrival at Fort Russell the postmaster at Cheyenne had Finance Clerk James Wilson go out to Fort Russell with a view to determining the approximate amount of the loss. As soon as Inspector Gahwe arrived he learned of McLean's hurried departure, and after securing a photograph of McLean and certain other information, left Cheyenne in search of him. The amounts of the several losses as reported by Mr. Wilson were as follows:

Fixed credit in postal stock.....	\$3, 500. 00	
Stock and cash on hand Nov. 15.....	2, 930. 62	
Loss by robbery.....		\$569. 36
Postal cash on hand Nov. 13.....	858. 58	
Money orders issued Nov. 14.....	393. 19	
Fees on same.....	2. 14	
Total.....	1, 253. 91	
Cash on hand Nov. 15.....	304. 07	
Loss by robbery.....		949. 84
Total loss by robbery.....		1, 519. 22

The manner in which I arrived at the several losses is noted in the following statements of account:

Postal funds

572 domestic orders issued 52856 to 53435 (8 spoiled orders).....	\$7, 914. 05	
Fees on orders issued.....	48. 74	
4 international orders issued, 250 to 253.....	31. 90	
Fees on orders issued.....	. 60	
Box rents collected for current quarter.....	31. 15	
Total.....	8, 026. 44	
Salary of postmaster, Oct. 1 to Nov. 14, withdrawn.....	211. 67	
Commissions on 199 money orders issued in October, at 3 cents each.....	5. 97	
Fees paid on 149 special-delivery letters.....	11. 92	
Clerk hire Oct. 1 to Nov. 30, inclusive, at \$75 per month.....	150. 00	
Deposits of surplus postal funds at Cheyenne, Wyo.....	6, 283. 48	
Postal funds on hand Dec. 6, 1922.....	373. 11	
Loss by robbery on Nov. 14, 1922.....	990. 29	
Total.....	8, 026. 44	

Stamp funds

Fixed credit.....	3, 500. 00	
Postage-stamp stock on hand Dec. 6.....	2, 809. 48	
Cash remitted for stock and cash on hand.....	108. 21	
Stamp funds lost in robbery on Nov. 14.....	582. 31	
Total.....	3, 500. 00	

Postal-savings funds

Postal-savings certificates issued.....	\$684. 00
Draft on postmaster at Cheyenne, Wyo.....	52. 00
Total.....	736. 00
Postal-savings certificates paid.....	437. 00
Funds remitted to Cheyenne, Wyo., for deposit.....	219. 00
Cash on hand December 6, 1922.....	44. 00
Loss by burglary November 14, 1922.....	36. 00
Total.....	736. 00

Documentary funds

Fixed credit.....	26. 00
Stamped paper on hand December 6, 1922.....	16. 69
Amount necessary to balance account.....	9. 31
Total.....	26. 00

The difference in the audit made by Clerk Wilson and my audit is due to the fact that in ascertaining the loss of postal funds Clerk Wilson began with the postmaster's balance as of Novembr 13, 1922, whereas I commenced my account with the balance at commencement of quarter. Also, Clerk Wilson failed to take into account the box rents, \$31.15, and other items of receipt and disbursement. Also, in checking the stamp funds Clerk Wilson counted \$13.40 in 20-cent stamps on hand, whereas the postmaster states she has not carried 20-cent stamps in stock for several months. Clerk Wilson failed to report a loss of \$36 in postal-savings funds and to note a discrepancy of \$9.31 in documentary stamp funds.

This is an office of the third class. The postmaster has had more than 12 years' experience at this office, and is now receiving a salary of \$1,700 per annum. She is also allowed \$75 per month for clerk hire, which sum is received by her daughter. She pays no rental for quarters used and is furnished living quarters without charge at the military post.

The postmaster has repeatedly been warned of her careless conduct of the office and failure to remit surplus funds in accordance with the Postal Laws and Regulations, and that such a large sum of money has been lost is due entirely to her negligence. On file in the post office was found a letter, copy of which is inclosed, from the postmaster at Cheyenne, the central accounting office, under date of March 4, 1922, in which he called attention to certain irregularities in the preparation of remittances of surplus funds, calling particular attention to the receipt of \$255 in currency, which was described on the letter of transmittal as \$155, and adding, "I know of no one thing at your office that is more necessary than the careful preparation of these money-order remittances in strict accordance with the regulations cited to you in this letter. Your failure to observe them will, sooner or later, result in a loss." Furthermore, under date of October 27, 1922, the postmaster at Fort Russell received another letter from the central accounting office from which I quote:

"In checking your remittance of the 25th instant, we find \$1 more in currency than you claim and we are therefore giving you credit for \$878.81 instead of \$877.81.

"From the amount of this deposit, it is evident that you are not complying with the regulations which require prompt remittance of surplus funds. The regulations require that whenever you have \$50 or more on hand you should remit to your central accounting office. However, you probably need a certain amount of cash to pay money orders, but it is not understood why you hold your cash until you receive such a large sum as this."

On questioning the postmaster as to why she had such a large sum of money on hand on date of the robbery, she stated that on Sunday, November 5, there was a heavy storm and the mail messenger did not make his scheduled trip. Also, he failed to make his scheduled trip on the following morning, and that she did not want to take a chance on dispatching funds when he might not get through on his trip to Cheyenne, a distance of about 4 miles. Subsequently she states her clerk was ill and she did not get the opportunity to make up the

remittances. I ascertained from the mail messenger, however, that he only missed his scheduled trip on Sunday, November 5, and the one the following morning, but that all other trips were made this winter. Also, it was ascertained that the clerk made the remittance on November 6, 1922, and that she was absent from the office very little on account of illness.

That the postmaster has been extremely careless in her failure to remit surplus postal funds is indicated in the following statement, which shows the balances of postal funds on hand as taken from the postmaster's cash book in approximately five-day periods during October, 1922, and practically daily during November up to date of the robbery, also, date and amount when remittances were made:

Date	Postal balance	Remittance	Date	Postal balance	Remittance
Oct. 1, 1922	\$595.99	None.	Nov. 2, 1922	\$1,696.60	None.
Oct. 5, 1922	1,485.03	\$942.16	Nov. 3, 1922	796.24	None.
Oct. 10, 1922	1,003.34	None.	Nov. 4, 1922	843.11	None.
Oct. 16, 1922	1,173.35	None.	Nov. 6, 1922	1,048.26	\$591.30
Oct. 20, 1922	1,280.55	None.	Nov. 8, 1922	1,219.58	None.
Oct. 24, 1922	656.97	878.81	Nov. 9, 1922	1,232.54	None.
Oct. 30, 1922	949.30	None.	Nov. 10, 1922	1,424.52	None.
Nov. 1, 1922	1,172.46	1,000.00	Nov. 13, 1922	1,518.88	None.

The same carelessness that prevailed prior to the robbery, as noted in the above statement has prevailed since, for on December 6, when a remittance of \$213 surplus funds was made there remained nearly \$200 in cash on hand. The statement above shows that even when remittances of surplus funds were made that large sums of money were left in the office unremitted.

The fact that large sums of money have been withheld from remittance would make it appear that the postmaster was short in her accounts, but, other than the appearance of her own records, there is nothing to substantiate such a suspicion, and after observing her attitude and actions throughout the investigation, I do not believe that she criminally appropriated any money to her own use, although I have reason to believe that the full amount of her fixed credit in stamped paper and funds were not intact at time of robbery; but that what, if any, shortage existed was due to her further carelessness in accounting for stamped paper and funds on hand rather than to any criminal act on her part.

The fixed credit of \$3,500 in stamped paper, of course, is altogether out of proportion to the needs of an office of this size. The office had more than 37,000 1-cent stamps on hand, which were more than ample for a year's supply. The office also carried nearly \$150 postage-due stamps on hand. I sent to the central accounting office \$1,500 worth of stock, and requested that only \$82.31 in stamped paper be supplied the office on account of emergency settlement of the loss, thus reducing the former fixed credit to \$1,500, exclusive of the emergency credit of \$582.31, covering the amount of the loss. The records at Cheyenne show that on October 13, 1922, that office filled a requisition, covering the entire sales of the Fort Russell office for the quarter ended September 30, 1922, amounting to \$677.45. The amount mentioned, as noted, is only about \$95 more than the amount of the loss, which, of course, should only represent the sales from October 1 to November 14, date of robbery. It was explained, however, that a number of soldiers were away from the post during the quarter ended September 30, and that during the first 45 days of the current quarter quite a number additional men have been assigned to the fort, which facts were verified.

The postmaster's record of daily sales showed that \$477.92 in stamped paper had been sold during the current quarter up to and including November 14, but as Clerk Wilson's check showed a loss in stamped paper and funds of \$569.38 it would appear that some stamped paper had been taken. The sales, as recorded by the postmaster up to December 6, showed sales of \$601.82, which, when deducted from the fixed credit, would have left \$2,898.18 on hand date of my inventory, but by actual count there was only \$2,809.48 in stamped paper on hand, leaving a difference of \$88.70 that would appear a loss in stamped paper. The postmaster, however, states that she has not missed any stamped paper, but, of course, she had so much on hand and, keeping no record of the different kinds, she probably would not have noticed a loss of \$100 or less in stamps. It is not likely that McLean took any stamped paper with him, as it does not appear that he carried any hand baggage, but departed dressed in civilian clothes and wearing a heavy overcoat with patch pockets. The post-

master states he took with him approximately \$100 in silver that was rolled for deposit in the bank and a like amount in loose silver coins, which with the currency taken would have made it quite unlikely that he took with him any stamped paper, and I am of the opinion that the difference of \$88.70 has probably been carried as a shortage in stock since last quarter.

The \$36 postal funds that was lost had been kept in a small sack and was the balance remaining over from a few days previous. The difference of \$9.31 in documentary stamp funds, the postmaster admits represents sales in past quarters, and which should have been remitted months ago. In fact she states she has not sold a documentary stamp for several months, so that had this money been remitted at the close of each quarter, as she should have done, there would have been no loss of documentary funds. In fact, there was none as the money no doubt has been absorbed in other funds months past, as the postmaster did not have any documentary funds on hand—this amount merely representing the amount necessary to balance her fixed credit of \$26. The postmaster expressed a willingness to make up the amount of this shortage. When this is done, she was instructed to remit all her documentary stamps to the central accounting office, except \$1 with a view to reducing this fixed credit.

With the exception of \$9.31 loss in documentary stamp funds the postmaster states she will make application for credit, as follows:

Loss in postal funds.....	\$990. 29
Loss in stamp funds.....	582. 31
Loss in postal savings funds.....	36. 00
Loss exclusive of documentary difference.....	1, 608. 60

Furthermore, the postmaster expressed herself as quite certain that credit in full would be allowed her on account of losses sustained during the robbery. It is apparent, however, that the postmaster left the office on November 14, 1922, without locking both sets of double doors to the safe from which the funds described above were taken, and for this reason it occurs to me that the postmaster was especially neglectful of her duty, and I recommend that credit be disallowed her in the above amounts. If, however, part credit is allowed her on the losses such credits should be allowed on the losses to stamp funds and postal savings funds, as she violated no provisions of the Postal Laws and Regulations in withholding these deposits, but should be held accountable for \$990.29 postal funds, less \$50, which she is allowed to keep as a reserve, as the postmaster has persistently and continuously failed to remit surplus postal funds notwithstanding the fact that her attention has repeatedly been called to her negligence in this particular.

The postmaster sustained no loss of either personal funds or property, and so far as known there was no further loss of Government funds, records, or property otherwise. On searching through the clothes left by McLean, the day following the robbery, the following-described C. O. D. tags were found in his clothes, and on inquiry of the addressees it was learned that each had paid McLean the amount specified for the delivery of C. O. D. parcels, all of which were from The A. Nash Co., Cincinnati, Ohio, containing suits of clothes:

C. O. D. No.	Date of mailing	Addressee	Amount	Fee
36293	Oct. 20, 1922	Dosie Jordon, Battery C 76.....	\$22. 25	\$0. 12
33751	Oct. 25, 1922	Thomas Grier, Battery C 76.....	21. 59	. 12
36324	do.....	Andrew Figatz, Battery C 76.....	20. 51	. 12
19247	Sept. 28, 1922	Arthur Bush, Troop F, Thirteenth Cavalry.....	21. 59	. 12
Total.....			85. 94	. 48

The postmaster asked what she should do regarding the loss to the senders of the above-described C. O. D.'s and she was told that there was nothing to do but that she remit the amount due the senders, as they had been mishandled by an unauthorized person in her office.

A good photograph and description of late Private McLean has been secured, and mail for his nearest known relatives and friends is being watched and in due time it is believed he will be located. The investigation will be vigorously conducted with that end in view, and should there be any further developments

of importance obtained you will be advised. A written statement concerning the robbery and losses is submitted herewith by the postmaster.

As the chief inspector has requested a report in this case as soon as same can be obtained, showing any facts or circumstances extenuating in character surrounding the postmaster's failure to make remittances promptly, I am submitting such additional information as was not possibly obtainable during the time Inspector Gahwe was at Fort Russell prior to his leaving in search of McLean.

Very respectfully,

C. D. LOWE, *Inspector.*

OFFICE OF INSPECTOR,
Denver, Colo., April 25, 1923.

Subject: Fort Russell, Wyo.: Burglary of post office.

Mr. J. C. LINLAND,

Inspector in Charge, Denver, Colo.

MY DEAR SIR: Supplementing Forms 567-E and 567-G, relating to the indictment and sentence of Claude E. Davis, alias James E. Davis and James E. McLean, in the above-numbered case, relating to theft of \$1,608.60 in miscellaneous official funds from the post office at Fort Russell, Wyo., the following report is submitted:

Davis confessed to the theft of \$1,608.60 from the post office at Fort Russell, on November 14, 1922; he was arrested at Los Angeles, Calif., on January 6, 1923; indicted on April 4, 1923, at Cheyenne, Wyo., and on April 5, 1923, was sentenced to a term of 15 months in the Federal penitentiary at Leavenworth, Kans.

Besides being a previous deserter from the army, Davis, who is only 23 years of age, deserted from service battery, Seventy-sixth Field Artillery, at Fort Russell, Wyo., immediately after committing the above offense. While at Fort Russell he was detailed to certain duties in the post office, and stated that while so employed he found the safe doors open on at least three separate occasions, and the last time he took from the safe certain funds, which he estimates as being about \$820, although the shortage found immediately after the robbery amounted to \$1,608.60, a part of which was believed to have been due to shortage in the accounts of the postmaster, Elizabeth W. Kieffer.

The postmaster at Cheyenne, Wyo., the central accounting office for the State, has advised me that he has been instructed to charge the postmaster the entire amount of the shortage, \$1,608.60, as in my report under date of December 8, 1922, it was stated the postmaster was primarily responsible for such large sums of money being withheld in the office, and the postmaster had not used due diligence in protecting the official funds. On March 29, 1923, I collected from the defendant \$100, which he had in a savings account at one of the banks in Cheyenne, Wyo., and deposited it with the postmaster at Cheyenne, Wyo., with the request that he hold the amount until advised by the department, as to proper disposition of same, which in my opinion should be credited as postal funds.

Davis is not known to have had any previous criminal record; he is a cook and trap drummer by occupation, and his association with others is not believed to have brought him in contact with any criminal element. He states he has no relatives others than a father, whose present whereabouts are not known; that early in life he was placed in an orphanage; that later he was married, but is now divorced from his wife, and that he now has no dependents upon him. There are no known indictments pending against him.

Descriptions and photographs of the defendant have already been furnished you, and the inclosed files of case which were retained by me should be restored to jacket in the above-numbered case. Also a copy of this report should be furnished the proper bureau of the department with a view to properly accounting for the \$100 collected from Davis, which was left with the postmaster at Cheyenne, Wyo.

Very respectfully,

C. D. LOWE, *Inspector.*

UNITED STATES POST OFFICE,
Cheyenne, Wyo., June 14, 1924.

SOLICITOR FOR THE POST OFFICE DEPARTMENT,
Washington, D. C.

DEAR SIR: Complying with the instructions contained in your letter of June 10, initials ABK-FZ, the \$100 collected from James E. Davis by Insp. C.

D. Lowe, and which was deposited at this office with instructions that it be retained until definite directions had been received concerning its disposal, has to-day been applied as a payment on the amount due this office from Elizabeth W. Kieffer, postmaster at Fort Russell, Wyo., which was \$1,572.60. With the credit allowed by this payment, the balance as shown on the records at this office is now \$1,472.60; no part of this has been paid and this office still holds the claim pending receipt of the postmaster at Fort Russell.

The difference of \$36 between the amount shown on the records at this office and that reported by the inspector, to wit, \$1,572.60 and \$1,608.60, is probably a shortage in the postal-savings account and of which this office would have no record. It is the recollection of the employees at this office that at the time of the robbery at Fort Russell and the subsequent audit of the account by Inspector Lowe, some mention was made of the fact that there was, in addition to the shortage in the postal account, a discrepancy in the postal-savings account. Admitting this \$36 difference, the net balance still due the United States in the accounts of the postmaster at Fort Russell will be \$1,508.60.

Yours very truly,

WM. G. HAAS, *Postmaster.*

[Senate Report No. 1140, Sixty-ninth Congress, first session]

The Committee on Claims, which has had under careful consideration the bill (S. 244) for the relief of Elizabeth W. Kieffer, hereby reports the same to the Senate favorably and recommends that it be passed without amendment.

This bill proposes a credit of \$1,508.60 in the accounts of the postmaster at Fort Russell, Wyo., on account of a loss by theft.

Mrs. Elizabeth W. Kieffer has been postmaster at Fort Russell, a military post near Cheyenne, Wyo., since November 9, 1912. She bears an unblemished reputation and has handled the affairs of her office efficiently, as evidenced by the unusual length of her tenure of office.

On November 14, 1922, she suffered the misfortune of a loss by theft of funds and stamps from her office safe, as follows:

Postal funds.....	\$990.29
Postage stamps.....	582.31
Postal savings funds.....	36.00
Total.....	1,608.60

The robbery was committed by one Claude E. Davis, a private of the United States Army, serving under the alias James E. McLean. He had also used the alias James E. Davis.

Davis was apprehended and arrested in Los Angeles, Calif., on January 26, 1923; he confessed to the theft; was indicted at Cheyenne, Wyo., on April 4, 1923, and on April 5, 1923, was sentenced to a term of 15 months in the Federal penitentiary at Leavenworth, Kans.

Besides being a thief and a previous deserter from the Army, Davis deserted from service battery, Seventy-sixth Field Artillery, at Fort Russell immediately after committing the robbery of the post office.

On March 29, 1923, a post-office inspector collected from Davis \$100, which he had in a savings account in a Cheyenne bank, which amount was deposited as postal funds to the credit of Postmaster Kieffer, thereby reducing the loss to \$1,508.60, the amount named in the pending bill.

The substance of a departmental report made upon a similar bill in the Sixty-eighth Congress, dated June 20, 1924, follows:

Under the provisions of the act of January 21, 1914 (38 Stat. 278), Mrs. Elizabeth W. Kieffer, postmaster at Fort Russell, Wyo., filed in this department a claim for credit on account of public funds and property lost by theft from the post office on November 14, 1922, in the following amounts: Postal funds, \$990.29; postage stamps, \$582.31; postal savings funds, \$36. It appears that these funds and stamps were taken from the safe in the post office after the office had been closed for the day's business by one Claude E. Davis, a soldier assigned to duty at the postoffice. The postmaster apparently regarded Davis as worthy of trust, but he was not a sworn post-office employee, nor under bond. He performed such duties as cleaning up the office, attending to fires, dumping mail sacks, delivering special matter, changing dating stamps, and frequently carrying cash remittances to the Cheyenne post office, a distance of 3 or 4 miles.

The postmaster originally insisted that the safe was securely locked, but later admitted that possibly she failed to lock or throw the combination of the safe when she closed the office on the date in question. There were no indications of force having been used in opening the safe and the postmaster was positive that no one else had the combination and that its numerals were not on paper anywhere. It thus appears that the loss of these funds and stamps resulted from the postmaster's failure to comply with section 361, Postal Laws and Regulations, which reads in part as follows:

"1. Postmasters must exercise all possible care for the protection of the public funds and property in their custody.

* * * * *

"4. Where stamps and funds are kept in iron safes with 'combination locks,' such safes shall be carefully and completely locked at night or when the office is left without occupants. No credit will be allowed for losses from safes fastened only with what is termed a 'day lock' or 'day combination.'"

The evidence also shows that the postmaster had failed to comply with section 368, Postal Laws and Regulations, requiring the remittance of surplus funds for deposit whenever the amount on hand equals or exceeds \$50, notwithstanding the fact that she had been cautioned on this point by her central accounting postmaster.

As the authority to allow credit to postmasters, conferred upon the Postmaster General by the act above cited, is limited to losses not the result of fault or negligence on the part of postmasters, any violation of the regulations being considered as negligence, settlement of the postmaster's claim was made by disallowance under date of March 17, 1923.

As stated in a letter to you dated June 10, 1924, \$100 was recovered from the thief, and inquiry had been made as to the disposition of this amount. Under date of June 14, 1924, the postmaster at Cheyenne, Wyo., reports that this \$100 has been deposited to the credit of the postmaster at Fort Russell, Wyo., thereby reducing the amount due the United States on account of this loss from \$1,608.60 to \$1,508.60. The pending bill should therefore be amended accordingly.

The facts in the case are submitted for such action as Congress may desire to take.

Very truly yours,

JOHN H. BARTLETT,
Acting Postmaster General.

As to the charge that Mrs. Kieffer was not sufficiently careful of the public funds in her custody and that she should have taken the funds to Cheyenne for deposit it may be said in her behalf that her one assistant was very ill at the time and unable to be on duty and Mrs. Kieffer therefore could not leave her office during post office and banking hours although she was aware that she should not have on hand in her office safe such a large sum of money.

As to the charge that she left the safe unlocked: While Davis testified that he had found the safe unlocked and as stated by the honorable First Assistant Postmaster General's letter there were no indications that force was used to open the safe and while the postmaster admitted under close questioning by the post-office inspector who investigated the case that there was a bare possibility that she might have failed to throw the combination of the safe before closing her office on the date in question the fact of the matter must necessarily remain in doubt. There were no witnesses to the closing of the safe and it is therefore impossible to determine beyond a doubt whether the postmaster locked the safe or whether she failed to throw the combination. Upon later and calmer reflection after the excitement of the robbery and trial had subsided somewhat Mrs. Kieffer stated that she was positive that she locked the safe securely and she felt certain that the thief had opened the safe by use of the combination. The safe while not a particularly complicated affair complied with the Postal Laws and Regulations; but the post-office inspector himself stated that it would have been possible for anyone familiar with the operation of safe combinations and the action of the tumblers therein to have opened the safe.

Mrs. Kieffer has submitted her recollection of matters in the following affidavit:

STATE OF WYOMING,
County of Laramie, ss:

Personally appeared before me, Elizabeth W. Kieffer, the undersigned, who states, upon her oath, as follows:

That she is at present postmaster at Fort Russell, Wyo., and held the same official position at that office on November 14, 1922, on which date post-office

funds in the amount of \$1,608.60 were stolen by Claude E. Davis, alias James McLean, an enlisted man in the United States Army at Fort Russell, who was temporarily assigned by the commanding officer to assist with the work in the post office.

That the funds in the amount above mentioned, which represented her indebtedness to the Post Office Department, were placed in the safe in use in the office and it is her positive recollection that the safe was securely locked when she left the office at the close of business on November 14, 1922.

That she recalls quite distinctly, and so stated to the inspector who made the investigation immediately following the robbery, an incident wherein part of her clothing became fast in the safe door when she closed it for the night and this fact impressed on her mind the condition in which the safe door was left when the office was closed.

That she is positive now and was at the time the robbery was discovered that the safe was securely locked, and is therefore of the opinion that Davis, alias McLean, had opened the safe with the use of the combination.

That Inspector Lowe, by whom the investigation was made, stated to her that he thought it was entirely possible for the safe to have been opened after it was locked by anyone familiar with the operation of safe-door combinations.

ELIZABETH W. KIEFFER.

Subscribed and sworn to before me this 6th day of January, A. D. 1926.

[SEAL.]

DANIEL W. GILL,
United States Commissioner.

The question appears to be: Should your committee believe the sworn testimony of an honorable officer of the Government or the word of a confessed thief, a man who has twice deserted from the Army, who has used various aliases, and who has been convicted of a felony by a United States court, and has served a prison sentence?

The committee has decided to give the postmaster the benefit of the doubt as to the charges that she was careless and left her office safe unlocked and to recommend that her accounts be credited as proposed in the pending bill.

There are many precedents for the enactment of such legislation, and many such bills have been enacted during the present Congress; in fact, one of the identical kind and character was approved May 27, 1926 (Private law No. 75, 69th Cong.).

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