

Calendar No. 1110

82D CONGRESS }
2d Session }

SENATE

{ REPORT
{ No. 1178

WANDA R. BARNETT

FEBRUARY 18 (legislative day, JANUARY 10), 1952.—Ordered to be printed

Mr. McCARRAN, from the Committee on the Judiciary, submitted the following

REPORT

[To accompany H. R. 1962]

The Committee on the Judiciary, to which was referred the bill (H. R. 1962) for the relief of Wanda R. Barnett, having considered the same, reports favorably thereon, without amendment, and recommends that the bill do pass.

PURPOSE

The purpose of the proposed legislation is to pay the sum of \$365.19 to Wanda R. Barnett, of Michigantown, Ind., in full settlement of all her claims against the United States for reimbursement of the amount which she was required to pay the United States as the result of the theft of certain funds of the post office at Michigantown, Ind., on May 24, 1949.

STATEMENT

Wanda R. Barnett was postmistress at Michigantown, Ind., on May 24, 1949, when the post office was burglarized on that date with a loss of funds and stamps totaling \$365.19.

The records of the post office disclose that when the post office was burglarized on May 24, 1949, the safe was locked with the "day combination", so that the safe was opened without force. The loss consisted of \$340.69 in postal funds, \$12 in postage stamps, and \$12.50 in fixed credit funds, making a total of \$365.19.

Claimant submitted a claim for credit under the provisions of 39 United States Code 49. The Post Office Department disallowed the claim because it appeared that the loss resulted from negligence, since the postmistress had failed to comply with the provisions of section 7.4, Postal Laws and Regulations of 1948, governing the safeguarding of postal funds. The section cited, in paragraph (c), specifically states

that, "No credit will be allowed for losses from safes fastened only with a 'day lock' or 'day combination'." The investigation further disclosed that the postmaster did not remit surplus funds on the day in question, as required by postal regulations. Surplus funds were remitted by the postmaster to the central accounting postmaster in Indianapolis, Ind., by registered mail on the last dispatch at 4:30 p. m. The investigation indicates that there was sufficient time for claimant to dispatch these funds, as well as those that had accumulated in excess of \$100 at 2 p. m., on the last mail of the day.

The committee believes that reasonable doubt does exist from the facts presented in this case as to whether claimant actually had time to remit the surplus funds before the last dispatch of the day at 4:30 p. m. The evidence indicates that a Max Coapstick purchased three money orders in a total amount of \$247.49 shortly before 4:30 p. m., and to be written up by the postmaster in time to make the last mail. If, as it appears from the facts as set out above, claimant did not have adequate opportunity to remit the surplus funds by registered mail at 4:30 p. m., she had no alternative but to keep the funds in the office overnight, as there was no other banking service available.

It should be observed that claimant states in an affidavit submitted to the committee that her claim for credit had originally been approved by the Post Office Department. However, some 9 months later she was advised that her claim for credit has been disallowed by the Department.

The Post Office Department states that if it should be the determination of Congress that relief should be granted in this matter, no objection will be interposed by the Department to the enactment of this measure.

In view of the circumstances as set out hereinabove, the committee recommends that claimant be reimbursed in the amount set out in H. R. 1962.

Attached to this report and made a part thereof is the report of the Post Office Department and affidavits submitted by claimant in connection with this bill.

OFFICE OF THE POSTMASTER GENERAL,
Washington 25, D. C., April 12, 1951.

HON. EMANUEL CELLER,
Chairman, Committee on the Judiciary,
House of Representatives.

DEAR MR. CHAIRMAN: Reference is made to your communication of March 6, 1951, requesting a report on H. R. 1962, a bill for the relief of Wanda R. Barnett, postmaster at Michigantown, Ind.

The purpose of the measure is to authorize payment of the sum of \$365.19 to Wanda R. Barnett in full settlement of all her claims against the United States for reimbursement of the amount which she was required to pay the Government as a result of the theft of certain funds of the post office at Michigantown, Ind., on May 24, 1949.

The records of this Department disclose that, when the post office was burglarized on that date, the safe was locked with the "day combination" only, so that the safe was opened without force. The loss consisted of \$340.69 in postal funds, \$12 in postage stamps and \$12.50 in fixed credit funds, a total of \$365.19.

The postmaster submitted a claim for credit under the provision of 39 United States Code 49. It was found necessary to disallow the claim because it appeared that the loss resulted from negligence, since the postmaster had failed to comply with the provisions of section 7.4, Postal Laws and Regulations of 1948, governing the safeguarding of postal funds. The section cited, paragraph (c), specifically states that "No credit will be allowed for losses from safes fastened only with

a 'day lock' or 'day combination.' " The investigation further disclosed that the postmaster did not remit surplus funds as required by postal regulations. The last dispatch was at 4:30 p. m. and the inspector ascertained that at 2 p. m. the sum of \$102.54 was on hand and an additional amount of \$247.49 was collected by 4 p. m. The inspector concluded that the postmaster had sufficient opportunity to remit these funds prior to the closing time of the last dispatch. As a result of the above findings, the claim for credit could not be certified for allowance.

In view of the foregoing, I do not recommend the enactment of H. R. 1962. However, if it should be the determination of Congress that relief should be granted in this matter, no objections would be interposed by this Department to the enactment of the measure.

The records disclose that copies of pertinent papers were submitted with my report of September 5, 1950, to your committee on H. R. 9317 of the Eighty-first Congress.

The Bureau of the Budget has advised that there would be no objection to the presentation of this report to the committee.

Sincerely yours,

J. M. DONALDSON,
Postmaster General.

STATEMENT

The Farmers Bank, Michigantown branch, had been established in Michigantown, but no inspector had ever cleared it for me to send the funds by check without paying the customary fee, so that service was not in use.

Surplus funds were being remitted to the Central Accounting Postmaster in Indianapolis, Ind., by registered mail on last dispatch leaving this office at 4:30 p. m. This meant closing out funds by 4 p. m., and anything coming into the post office in money orders written or stamp sales had to lay overnight in the office.

On May 24, 1949, Max Coapstick, then representative for the Public Service Co. of Indiana and collected light bills, sent money orders for over \$300 to cover his day's receipts. Mr. Coapstick asked for these to be written just in time to get his envelope into the last mail at 4:30 p. m. This point has been substantiated by Inspector Liddil in investigation.

In view of the fact that we aren't supposed to take the money out of the office at night and since this money had been received too late to send by registered mail on the last dispatch leaving this office, I was unable to remit surplus funds for deposit in compliance with 7.16 (d) of the Postal Laws and Regulations. At the time of robbery I did not have banking service (the bank closes at 3 p. m., the last dispatch of mail is 4:30 p. m.) and, as Inspector Liddil investigated, that surplus was turned in after 4:30 p. m., too late to remit.

The thing about this that still puzzles me is why, in the first place did the Department send me an O. K., then wait 10 months to throw the whole thing at me. I was out of the office on my vacation in February and the first 4 days of March 1950, and my parents were unable to locate me by telephone, so by the time of my 17 days' leave and I had returned home, there were three letters demanding the \$365.19. And, of course, they got it, and you can check at the local bank as to the fact that I had to borrow the money to pay it.

WANDA R. BARNETT.

STATE OF INDIANA,

County of Clinton, ss:

Comes now Wanda R. Barnett who being duly sworn upon oath deposes and says that she is and has been since December 7, 1944, postmaster at Michigantown, Ind.

That on May 24, 1949, the said post office was robbed.

That subsequent to the said robbery she was required to pay the sum of \$365.19 to the central accounting office at Indianapolis, Ind.

That on April 24, 1951, she wrote a personal letter to Mr. John V. Beamer, Congress of the United States, and that the statements made therein in regard to the above robbing and payment made by her, are true and that the signature thereon is her signature.

[SEAL]

WANDA R. BARNETT.

Subscribed and sworn to before a notary public in and for the county and State aforesaid, by Wanda R. Barnett, to me well known, this 3d day of May 1951.

[SEAL]

DAVID M. YOUNG,
Notary Public.

My commission expires April 9, 1952.

NICKEL PLATE ROAD,
THE NEW YORK, CHICAGO & ST. LOUIS RAILROAD CO.,
Michigantown, Ind., May 4, 1951.

Subject: Miss Wanda R. Barnett, postmistress, Michigantown, Ind.

HON. JOHN V. BEAMER,
Representative in Congress,
Washington, D. C.

MY DEAR CONGRESSMAN: I have had the pleasure of knowing Miss Barnett since December 11, 1947 and in my business transactions I have found this woman honest, reliable, and of the highest of character.

This burglary case concerns me deeply since I am local freight agent for the Nickel Plate Railroad and my rules are very similar to the requirements of the Post Office Department as to making remittances, the amount of currency which I am permitted to carry on hand overnight, etc.

Had this unfortunate incident happened in my office I can assure you (circumstances being similar) the railroad would not have required me to make up a loss which was stolen.

In my opinion, and hundreds of others, in this small community the Post Office Department has handled this case unwise, unjust, and without regard to the feelings of this lady; and the least justice can do is see that Miss Barnett is reimbursed.

Respectfully yours,

CHARLES E. LINDHORST,
Freight Agent, Nickel Plate Road.

MICHIGANTOWN, IND., May 8, 1951.

HON. JOHN V. BEAMER, M. C.,
House of Representatives,
Washington, D. C.

DEAR SIR: I have known Miss Wanda R. Barnett, our postmistress, ever since I came to Michigantown 9 years ago, and all the while she has been in some public or semipublic job and has at all times given entire satisfaction.

As to the loss she sustained because of the robbery, I feel that her explanations, because of the postal regulation, should be given full credit, and that she should be reimbursed for the loss sustained.

I feel that this is the attitude of the public generally in this community, where Miss Barnett is well known and well liked.

To make this young woman sustain this loss when the regulations forbade her taking any other precautions to protect the money would be an injustice and do her an uncalled-for injury.

Very truly yours,

IVAN E. CARLYLE, M. D.

STATEMENT OF POSTMASTER IN CONNECTION WITH BURGLARY OF THIRD CLASS
POST OFFICE AT MICHIGANTOWN, IND., MAY 24, 1949

Postmaster: Miss Wanda R. Barnett.

Post office: Michigantown, Ind. (third class).

Date: May 24, 1949.

Loss sustained: \$365.19 (\$12.50 in fixed credit funds; \$12 in postage stamps; \$340.69 in postal funds).

Action taken: Claim for credit on account of above loss filed by postmaster immediately after the burglary.

Postal inspector: Inspector Liddil.

Post Office Department decision: Postmaster first received an O. K. for this loss; then 10 months later, March 1950, was advised that full loss must be sustained by postmaster because: (a) Failed to protect the funds and stamps in accordance with section 7.4 (c) Postal Laws and Regulations; (b) did not remit surplus funds for deposit in compliance with 7.16 (d) of the Regulations. (Letter from Frank J. Delany, Solicitor, Post Office Department, January 10, 1951.)

H. R. 9317, Eighty-first Congress, second session, introduced by Representative John R. Walsh for the relief of Wanda R. Barnett, referred to Committee on the Judiciary. " * * * the sum of \$365.19. The payment of such sum shall be in full settlement of all claims of said Wanda R. Barnett, postmaster of the United States post office at Michigantown, Ind., against the United States for reimbursement of the amount which she was required to pay to the United States as the result of the theft of certain funds from such post office on May 24, 1949."

Not reported out by committee prior to adjournment of Eighty-first Congress.