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JOINT SPECIAL LEGISLATIVE INVESTIGATING COMMITTEE

DONALD W. WEBBER

HUBERT RYAN

HOUSE OF REPRESENTATIVES

JUL 22 1940

*accompanied Partial
Report of Committee*

Harvey Pease
CLERK

HIGHWAY DEPARTMENT

Preliminary Examination of Witnesses

State House

Augusta, Maine

V I N C E N T P . L E D E W

PRELIMINARY EXAMINATION

June 17, 1940

Q (By Mr. Webber) Will you state your full name?

A Vincent P.

Q Ledew. How old are you?

A I am 28 years old.

Q Where do you live?

A Hallowell.

Q How long have you lived in Hallowell?

A 28 years.

Q All your life. Are you married?

A No.

Q You are not married. You are a graduate of Bliss College?

A Yes.

Q And of any other schools? Did you graduate from Hallowell High School?

A Yes.

Q Have you had any other training?

A No, no other training.

Q You attended Bliss how many years?

A Two years.

Q What year did you get out of Bliss?

A It was in the year '32 or '33.

Q What was the first job you had after you got out?

A I worked while I was going to Bliss.

Q Where?

A At the Lewiston Buick for a while.

Q The Lewiston Buick. Did you continue to work there after you got through at Bliss?

A No, I got through there when I got through at Bliss.

Q Were you working in the office?

A I had an opportunity to, but I couldn't do it.

Q What was the next job you had?

A At the DeWitt.

Q You worked in the office?

A Clerk in the office.

Q Regular desk clerk. How long did that last?

A I started -- oh, about a year, I guess.

Q Was Atchison there at that time?

A No.

Q Who was?

A Frank Hodgkins.

Q What did you do after that?

A Nothing.

Q You loafed for a while. How did you happen to lose that job?

A Frank went through bankruptcy.

Q That was how you lost your job?

A He suggested I might as well find something else.

Q And your next job was for the State of Maine?

A My next regular job was, yes.

Q What year and month -- if you remember -- did you go to work for the state?

A March 12, 1935.

Q March 12, 1935. And did you start right in, in the State Highway Garage, in the office?

A Um-hum.

Q How did you get your job?

A I don't know; I never did find out. Runnells called me up one day -- I had been trying to get something for quite a while -- and Runnells called me up one day and said that there was a job up there maybe for a couple of weeks.

Q Had you known Mr. Runnells previously?

A Known him all my life.

Q Had you made application with anyone else for a state position?

A Everybody I could think of.

Q You left your name in various state departments, and in Mr.

Runnell's office?

A Um-hum.

Q When you went to work there, the chief administrator, or superintendent, at that time was Mr. Marston? And second under him was Mr. Davis?

A Yes, assistant superintendent.

Q How many years have you known Mr. Davis?

A Just since I have been working there.

Q Only since you have been working there. Mr. Guest was there then?

A He was chief clerk.

Q And he had charge of the bookkeeping under Mr. Runnells?

A Um-hum.

Q What was your first job? Were you second under Mr. Guest, or what would you call it?

A Yes, I was under Mr. Guest.

Q Did you have a title when you started in?

A No.

Q Were you in charge of the stock room, or anything like that?

A No. I have never been in charge of anything.

Q You have never been in charge of anything?

A Not to my knowledge.

Q Did you, from the very beginning, have access to the stock room?

A Do you mean by "have access", did I go into it?

Q I mean, in this connection, was it part of your job to deliver items out of the stock room?

A To requisition from stock, yes. It wasn't, until I got acquainted with it.

Q About how long was that after you had been there?

A You can't say definitely about a thing like that. I didn't assume the responsibility of signing orders; it was Mr. Guest's and Mr. Marston's suggestions that I steer clear of that; they

would take care of it. Anything to be signed by me, I turned over to either one or the other of them, until I found out about things.

Q And until then, you referred everything to Marston and Guest?

A Yes.

Q Now, there was trouble, as far as Mr. Guest was concerned, right from the beginning, right from when you went in, wasn't there?

A As far as the work?

Q Yes.

A Yes. He wasn't there when I went in.

Q What do you mean, "he wasn't there when you went in"?

A He was on a leave of absence.

Q In connection with his habits?

A In connection with his habit of excessive drinking.

Q (By Mr. Ryan) How long a leave of absence did he have?

A (By Mr. Ledew) Oh, I just used that as a figure of speech. He wasn't there for a day or two when I went in.

Q (By Mr. Ryan) You mean, he was out for a day or two, or for a considerable period of time?

A (By Mr. Ledew) It varied.

Q (By Mr. Ryan) How long were some of the longer periods during which he was away?

A (By Mr. Ledew) I guess -- about three months, once, but that time it was combined with illness.

Q (By Mr. Webber) Did your duties and responsibilities gradually increase, as time went by, up to the time Mr. Guest finally was released?

A Well, I was never told they were increased, but you simply can't be in the middle of things without them falling on your shoulders to see that things were carried on the way they should be.

Q (By Mr. Webber) Was there anybody else in there besides you

Mr. Webber: and Mr. Guest who had any care or charge of the
(Continued) bookkeeping and accounting under Mr. Runnells?

Mr. Ledew: Yes. You mean, in the office itself? One or two
summers Mr. Combellack was hired to come in.

Q Mr. Combellack was hired to do what?

A To help me during the summer.

Q What summers was he there?

A Well, let's see if I can remember. It must have been
'37, I think it was, and 1938; either that or '36 and
'37.

Q Mr. Combellack's employment was made necessary by
Mr. Guest's continued lapses from duty?

A I should say so.

Q Where did he live?

A Guest?

Q No. Combellack.

A He lived with his grandfather, Mr. Marston.

Q What is his first name?

A Earl.

Mr. Ryan: Do you know where he is now?

Mr. Ledew: I think he is graduating this week or next week from
Northeastern.

Mr. Webber: He was simply a young student?

Mr. Ledew: Yes, and when he got out of school, when he graduated
from Cony, he went to Northeastern. But he was in
helping me both summers.

Mr. Ryan: Do you know what his pay was?

Mr. Ledew: I think it was 35 -- 35¢ an hour for 54 hours.

Mr. Webber: Well, now, will you give us an idea, Mr. Ledew, tak-
ing the period after you began to sort of get into
the harness and get set, get placed, up to the time
Mr. Guest was released, give us an idea of about what
you did, what your duties were, perhaps a sample day.

Mr. Ledew: That is hard to do because it is hard to appreciate the number of different things which transpired. The first thing as a general routine was to try to get out the rental payrolls. I have been more or less responsible for that -- done it ever since I have been there, except the periods Mr. Combellack did them.

Mr. Webber: How was that handled?

Mr. Ledew: The men are working on an hourly basis. We have a Motor Transport account, a big one, covering all the work done on equipment owned by Motor Transport, which is charged through the Motor Transport payroll. Then we do work on other accounts, which is charged to the different departments, like Maintenance, Bridge Construction. Then we have a lot of little things to attend to. After you finish the rental payrolls, then the mail comes in, you get the orders ready, and telephone calls! We have got three lines, they are ringing all the time, either interdepartmental calls, or equipment that is out on the road, broke down, somewhere, about movement. You are signing requisitions brought in by the men, and people are coming in all the time. I want to give you the idea of continual interruptions. You have work to do, and you have all your time taken up with all these interruptions.

Mr. Webber: When Mr. Guest was finally released, when was that?

Mr. Ledew: The only way I can figure is, sometime soon after Mr. Marston died, about the first week in June, in '39.

Mr. Webber: And it wasn't long after that.

Mr. Ledew: Within a month, I think.

Q That Mr. Guest was let go. Was that because Mr. Marston had been keeping Mr. Guest along, sort of helping him hold his job?

A I wouldn't know whose influence it was that kept him there.

Mr. Webber: Was there any particular episode that occurred in connection with Mr. Guest's being released, anything that happened any different from any other time?

Mr. Ledew: Not to my knowledge. It was just -- continuous.

Mr. Ryan: Did Mr. Guest ever tell you why he was fired? Did he say who fired him?

Mr. Ledew: Why, the Commission.

Mr. Ryan: You understand the Commission fired him?

Mr. Ledew: Oh, pardon me, but didn't he serve a jail sentence at about that time? That's a supposition on my part. I know he did serve one, but whether it was at that time-- Is that what you want?

Mr. Webber: That's just what we are trying to get at.

Mr. Ledew: Either he had served one, or there was one pending.

Mr. Ryan: Do you know what it arose out of?

Mr. Ledew: Drunken driving, I guess it was.

Mr. Webber: As you saw him, knew him, worked with him, you don't have any question about his honesty?

Mr. Ledew: Nothing I ever questioned, no.

Mr. Webber: You would say the whole trouble with him was this liquor business?

Mr. Ledew: Yes.

Q You feel that, based upon Mr. Guest's apparent attitude, toward you while he was there, that for some reason he had conceived a dislike for you?

A Yes.

Q That evinced itself in his unwillingness to give you information and instructions, and left you somewhat on your own, to find out things for yourself? Right?

A No. I always thought -- it was more the idea, "You are here for a little while, and I don't want you to

Mr. Ledew:
(Continued) know anything, anyway, so I am not going to tell you anything." And I would probably never have known anything if it hadn't been for his continual absences which made it necessary that I should know.

Mr. Webber: Was there anything he might have had in mind -- had he anything to conceal, anything he didn't want you to find out about?

Mr. Ledew: No.

Mr. Webber: It was rather -- sort of a matter of jealousy on his part, of somebody coming up under him?

Mr. Ledew: That is the only angle I give any credit to. There is nothing to hide; as far as the office work is concerned, there is nothing to hide. When you are working in an office, there is plenty of opportunity to bring anything to light that is there.

Mr. Ryan: Do you know whether Mr. Guest was ever told that he should change his habits, and if he did not, that he might lose his job?

Mr. Ledew: I thought he was continually being warned.

Mr. Ryan: It was a matter of you being the one under him, you were the one to step into his shoes?

Mr. Ledew: I was the logical contender.

Mr. Webber: Did he seem to be friendly with Mr. Runnells?

Mr. Ledew: He seemed to be very friendly with Mr. Runnells.

Mr. Ryan: Did he drive for him?

Mr. Ledew: Yes.

Mr. Ryan: Quite a lot?

Mr. Ledew: I should say so.

Mr. Ryan: How about the other members of Mr. Runnells' family?

Mr. Ledew: I wouldn't know about that.

Mr. Ryan: Did you mean he chauffeured for Mr. Runnells while he was an employe of the Garage?

Mr. Ledew: Yes.

Mr. Ryan: During working hours?

Mr. Ledew: Yes.

Q Did he ever go off on trips with Mr. Runnells?

A Did he!

Q Out of town?

A Surely.

Mr. Webber: Was there any reason, as far as you know, why Mr. Runnells couldn't have driven his own car?

Mr. Ledew: None I know of.

Q Any idea why Runnells wanted him to drive him?

A Probably for his company, at least that was my presumption at the time.

Q Was Mr. Guest very friendly with Mr. Davis?

A Why, I think he had known him for years.

Q Did they do things together socially?

A I imagine so; they could have. They never took me out with them, so I don't know whether I could prove it.

Q What was Mr. Davis' attitude toward you, at the time you came in?

A He has been very good, since he has been superintendent. Prior to that, he didn't spend a whole lot of time in the garage. But he has always been alright, as far as I am concerned.

Q After Mr. Guest was released, you were appointed -- first you filled in for him for some time?

A I had been doing it all the time I was there.

Q You simply continued to do the work?

A My work never changed at any time; it was always the same. My work and his work was the same work.

Q Were you at any time appointed to take Mr. Guest's place?

A No.

Mr. Webber: Did you receive a salary increase after Mr. Guest was released?

Mr. Ledew: When Mr. Root was appointed chief clerk, yes.

Mr. Webber: Mr. Root was appointed about when?

Mr. Ledew: I think in February. I don't remember. Right around then, or the first of January. These things all sort of transpired one after the other.

Mr. Webber: Had you known Mr. Root prior to that time?

Mr. Ledew: I had met him, from his coming in the garage and buying oil.

Q Where did he work, before working at the Highway Garage?

A For Berry of the Liquor Commission.

Q Is he an accountant?

A He isn't a C.P.A.

Q Does he have a working knowledge of accounting?

A I should think he knows it very well.

Q He is a bookkeeper?

A Yes.

Q What had you been receiving, prior to Mr. Root's being appointed?

A 27.

Q \$27.00 a week.

Mr. Ryan: Was that what you started in at?

Mr. Ledew: No. I started in at 21.

Mr. Webber: Were those gradual increases, or one big one?

Mr. Ledew: It was 21, 23, 25, 27.

Mr. Webber: Two dollar raises?

Mr. Ledew: Yes.

Q ABOUT A year apart.

A Well, they were periodical. Yes, just about a year apart.

Q Who was responsible for seeing to it that you got those raises?

Mr. Ledew: Do you mean, how did I know when I received a raise?

Mr. Webber: No, who brought it about?

Mr. Ledew: Mr. Marston, as far as I know.

Q Mr. Marston, as far as you know.

A He was the one I would keep asking for one.

Q What transpired when Mr. Root was appointed? How did it come about that you were increased then to \$35?

A I don't receive 35.

Q What is your pay?

A 30.

Q \$30. And what transpired to bring about that increase at the time of Mr. Root's appointment, from \$27 to \$30?

A Off the record, it was a consolation prize! All right, put it on the record.

Q In other words, you had expected that you might have had that appointment?

A I was kind of hopeful.

Q At the time Mr. Root came in there, was Mr. Davis the then superintendent?

A I don't remember the date Mr. Davis was appointed, but as I say, all these things transpired within a short time, a matter of six weeks, and I think Davis was appointed as superintendent before Mr. Root was hired.

Q Do you know whether Mr. Davis had anything to do with Mr. Root's appointment?

A No, sir, I don't.

Q Did you make any effort, go to Davis or Barrows or the Commission, in connection with getting an appointment to the vacancy?

A No.

Q You simply hoped it might come your way?

A Yes, I knew there was a possibility of it happening, yet I could appreciate the fact it was just a possibility of it happening.

Mr. Webber: Any idea why you didn't get it?

Mr. Ledew: Well, I understand the reason why I didn't get the job was, they wanted someone a little older, a little more experienced, to handle the job. Seniority, I think, had a big factor to play.

Q Did Mr. Root take over a part of the duties which you had been performing up to that time?

A Yes.

Q Was there at the time in your opinion enough work there in the office to keep two men busy?

A Oh yes.

Q Has the work increased since then?

A Two-fold.

Q What has brought that about?

A Lots of things.

Q Can you give us an idea, what kind of things?

A Well, I mean, the reason was, the system under which we were working was inadequately handled. And despite that fact, anytime you wanted to make changes in the system, you would not be allowed to do so. When Mr. Root came in, he had the ability and authority to change it, to make it more of a working system, and that added new work. And since the black page in Maine's history happened, there has also been added work. And there is still a big field for change.

Q Was the perpetual inventory established before you came there?

A As I understand it, it came in with the Code.

Q It is true, is it not, that it has been impossible for you people to keep the perpetual inventory in such a condition that it would furnish an actual check on stock?

A I wouldn't know about that; I don't know.

Mr. Ryan: Who does know?

Mr. Ledew: I imagine the inventory clerk, and the head of the stock room, Mr. Hopkins. I had no information at all about stock; that was not in my work. Mr. Root and Mr. Guest have had more contact with that. They demanded so many things, everything went out on requisition, and the fact that my orders went up in proper order was my only contact with that.

Mr. Webber: What became of those requisitions after you filled them out? Where did they go?

Mr. Ledew: To the stock room. After that, I don't know.

Q Were not they supposed to end up, filed somewhere?

A I should imagine so.

Q But you don't know where?

A No. They have to have files up there. I know those numbered sheets have to check back on something.

Q During the time you have been there, how much time has Mr. Runnells averaged to spend over there with you people on the bookkeeping?

A How much time has Runnells averaged to spend over there with us on the bookkeeping? None.

Q How did he spend his time, in connection with the bookkeeping? Were you people, any of you, ever called over to his office, over here?

A Any change he wanted to make, yes.

Q Did he concern himself with the details of the bookkeeping at all?

A I think he had; he was very familiar with it.

Q What I mean, what I am trying to get at, Mr. Ledew, is to what extent Mr. Runnells left you alone to do your routine bookkeeping, and accounting in the department, and to what extent he personally participated in that work.

Mr. Ledew: Well, I would say -- it is hard to answer that, because I don't quite understand what you mean.

Mr. Webber: Well, he had charge himself of the supervision of the bookkeeping of the Highway Garage ever since the Code?

Mr. Ledew: Yes. Well, he had a continuous check on it. Everything went through his office. As far as the bookkeeping is concerned, he wouldn't have to come to the garage to find out anything, because everything would go through his office, and he would know what was going on.

Q But he did come over?

A Yes.

Q Did he use to come over personally to collect the cash and checks?

A He did, oft-times.

Q And --

A That was most generally on Saturday afternoon.

Q At other times he would send somebody over?

A No.

Q At times did either you or Mr. Guest or Mr. Root, as part of their duties, take the money to his office?

A You mean, the same day?

Q Well, I am just trying to get at how you handled it, from your point of view.

A Once a week, he would drop in. He dropped in most often when Mr. Guest was there. Either in the morning or at noon, (We go to work at seven) between seven or eight, or at 1.30 (we go to work at one) or on Saturday afternoons.

Q Did you accumulate the cash and checks sometimes as much as a week at a time before turning it over to the Controller's office?

Mr. Ledew: No, I wouldn't say so, not unless business had been very poor, didn't amount to much.

Mr. Webber: But it would go two or three days?

Mr. Ledew: Yes.

Q Then you would turn it over?

A Yes.

Q On occasion either you or Mr. Root would take it over to the Controller's office?

A That's right.

Q Was a request made at any time, as far as you know, to Mr. Runnells for receipts to go back to the garage?

A I think Mr. Root requested it.

Q And your understanding is that Mr. Runnells said it wouldn't be necessary so you never got any receipts?

A Um-hum.

Q To go to the garage. When you first came there to work were you given any instructions about selling or delivering stock and merchandise to state employes?

A Why, yes, I was.

Q Can you remember who gave you the instructions?

A It wasn't awfully definite. I think I had instructions from Runnells or Marston, and Mr. Guest, anything I was not doing right, he would tell me about that.

Q Did you find in existence when you came there an established practice?

A There apparently was.

Q And was there in existence when you came there any established practice as to having state employes sign any sort of a statement?

A No, there was not.

Q When did that come into existence?

A I think approximately a year ago.

Q After Mr. Root came there?

Mr. Ledew: Yes.

Mr. Webber: Was that Mr. Root's idea?

Mr. Ledew: I don't know whose idea it was. Still, I had been talking about it for quite a while. That probably had something to do with it.

Q How would the discount to state employes make the price compare with the same item sold by local merchants?

A That would be according to the discount we got and where we bought it.

Q Would you say the discount would fluctuate around 25%?

A It varied between 50% and 10.

Q It varied between 50% and 10%?

A We charged cost plus 5%.

Q Plus the Federal tax?

A That only applied on tires and tubes, that I know of.

Q Now, were you given to understand, when you came to work there, that this discount practice of selling to state employes was supposed to be limited to state employes?

A I was always of that opinion, yes.

Q What did you discover as to the actual practice as related to outsiders?

A You mean, abuse of it?

Q That's right.

A Well, my instructions were, state employes and state employes only. If somebody came in and purchased something, which I didn't think was for their own car, or if they didn't have a car, I wouldn't sell it to them; and the same would hold true of anybody else in the office doing selling.

Q If someone came in who was to your knowledge not a state employe, what would you do then?

A Refuse to sell to them.

Mr. Webber: Now, actually there were being sales made all the time from the time you came in and presumably before that, to persons who were not state employes; isn't that so?

Mr. Ledew: Not willingly or knowingly, no. With the exception of some accounts which ~~we~~ had.

Q What would those accounts be?

A Well, I questioned each of them, and each time I was given a satisfactory answer as to why they were being sold to.

Q By whom?

A Mr. Marston or Mr. Runnells.

Mr. Ryan: What kind of an answer did you get?

Mr. Ledew: Well, different answers. For instance, we had an account with Everett McComb and another one with Paul Thurston. There are two examples, and there were others which showed the same type of account. I asked for an explanation, why they were being sold to, and it was a case of emergency, on a state contract for snow plowing.

Mr. Webber: Did that relate to Thurston?

Mr. Ledew: Yes?

Mr. Webber: Is that the Paul Thurston on the Highway Commission?

Mr. Ledew: No, that is another Paul Thurston.

Mr. Webber: Paul Thurston didn't get this stuff?

Mr. Ledew: Oh yes, we had two. One on the Highway Commission, and he is a contractor, lives the other side of Vassalboro. On a state contract, we were allowed to sell, in case of an emergency. It was not that they were to use us, when they were in need of something, as an exchange to buy through. But if they had equipment that was broken down on the road somewhere, we would sell them enough to get them going. Then there were other accounts, such as ex-Councillors.

Mr. Webber: Ex-members of the Governor's Council?

Mr. Ledew: Yes, sir.

Q Will you explain about them?

A I was told that that was all right in some instances, by Mr. Runnells, like the Viles account -- I questioned that two or three times, and the explanation was --

Q Given by whom?

A Mr. Runnells. -- that through approval of the Governor and Council that that account could be charged.

Mr. Ryan: When you speak of "accounts", you mean purchases made at the garage, or goods ordered and shipped direct, or what?

Mr. Ledew: Both, in the particular instances where one or the other would apply.

Mr. Ryan: Both, in the particular instances where the one or the other would apply?

Mr. Ledew: Well, George Lord's tires would be shipped, and Viles' would be called for.

Mr. Ryan: By whom?

Mr. Ledew: His chauffeur.

Mr. Webber: Were Viles' tires truck tires?

Mr. Ledew: Everything.

Mr. Webber: Would his chauffeur come with a truck to take away the tires?

Mr. Ledew: I don't know why they had any truck tires. It was my duty to do the billing and get that correct.

Mr. Webber: You mentioned having questioned Viles' account two or three times, for example, was that over a period of years?

Mr. Ledew: Yes.

Mr. Webber: Can you give us a rough guess or approximation as to the first time when it may have been that you questioned the Viles account?

Mr. Ledew: Approximately -- probably it was during the second year I was there.

Mr. Webber: Somewhere about 1936?

Mr. Ledew: Or I would say, it might have been '37.

Q Governor Barrows was governor then. Did you have occasion to question the Viles account before Governor Barrows became governor? Before you answer that question, who was governor when you first came to work for the state?

A Brann, wasn't it?

Q Brann was governor. Do you think you had occasion to question the Viles account at that time, before Governor Barrows came into office?

A I don't know.

Q You can't remember. Do you know whether the practice of selling to Mr. Viles was in existence at the time Governor Barrows became governor?

A I would have to consult the ledger. It is all in there; the approximate date the account was opened.

Mr. Ryan: It didn't start with a bang when you went in?

Mr. Ledew: I would have to check that up.

Mr. Ryan: Can't you remember whether it was running when you went in?

Mr. Ledew: It is my impression that it was running; I don't think I opened it up new. It branched out considerably when I was there; that is why I questioned it.

Mr. Webber: C. M. Connor is located in Augusta; that's right, isn't it?

Mr. Ledew: Yes.

Mr. Webber: And he buys junk?

Mr. Ledew: He was fortunate enough to get some junk.

Mr. Webber: Yes, but what I am getting at, that is his business?

Mr. Ledew: He is a junk dealer, yes.

Mr. Webber: Do you recollect what major items of junk he got bids on in 1939 and 1940?

Mr. Ledew: He didn't get bids on junk in 1940.

Mr. Webber: How about 1939?

Mr. Ledew: I think he did in 1939. Scrap iron.

Q Did that run into money?

A Sure it did.

Q What might it run into, for a rough --?

A I forget what he paid us. It was up in the hundreds.

Q Up in the hundreas?

A Um-hum.

Q Do you have all the records in your office which show what these various people paid for junk, or is Mr. Sawtelle the only one?

A No, I handled the junk bids in 1939, and I think, in 1938 and 1937. I know I have got them for 1939.

Q Has Connor been allowed to buy merchandise there, other than junk?

A I don't remember.

Q You don't remember?

A No. I think if Connor came over and needed some small item, if we had it, we would sell it to him.

Mr. Ryan: Would your records show whether it was a cash or a charge purchase?

Mr. Ledew: Yes. I wouldn't know about cash purchases. But it would be a charge anyway.

Mr. Webber: Would it be possible for you to take a list of 20 or so of the heavy buyers I might give you and break down the amounts of purchases for 1938, 1939, and this much of 1940, and show the nature of what they bought?

Mr. Ledew: Sure it would, the charges.

Mr. Webber: Except the cash purchases?

Mr. Ledew: Any billings. See what I mean, if they paid for it in cash, I wouldn't have it. If I have a record of charging it at the time.

Mr. Ryan: ARE they all charged at the time?

Mr. Ledew: The majority. I don't know what Mr. Webber has reference to, "20 buyers".

Mr. Webber: I have reference to the 20 heaviest buyers, in amounts, for the years 1938, 1939, and 1940, part of which may or may not be merchandise, and part of which may be junk.

Mr. Ledew: You read the names off, and I can tell you.

Mr. Webber: I am going to go over them with you. Do you think the scrap iron Connor bought might run as high as \$500?

Mr. Ledew: Scrap iron and steel, it was.

Q Is it true that you and Mr. Root, Mr. Ward, and Mr. Davis were the only ones who could sell out of stock -- nobody else?

A We were the only ones, that is, except Mr. Sawtelle. I don't know whether he has ever sold out of stock. Other than us four, there wouldn't be anybody allowed to.

Q Mr. Ward is what?

A Assistant superintendent.

Q He took Davis' place?

A Yes.

Q Now, Max Goldberg & Sons bought junk?

A They got a bid, a junk bid, in 1939, and some in 1938. We had two junk bids in 1939. You don't happen to have the date on that?

Q I have no details at all.

A I think there were two in 1939.

Q Did they get any aluminum in 1939?

A It was split up between scrap steel, iron, batteries, and tires. It all goes out on different bids.

Q Do you know whether they ever got anything except junk?

A I doubt it.

Q You don't think they have had the privilege and courtesy of buying from the Highway stock?

Mr. Ledew: No. That privilege and courtesy was entirely up to the judgment of the superintendent.

Mr. Webber: Before we go any further, let's see if we can get this so we clearly understand what took place in each case. Let us take, for an illustration, the Viles account. Mr. Viles usually sent his chauffeur, as I understand it?

Mr. Ledew: I think that is true.

Q Viles' chauffeur would come up to the garage. Then what took place?

A He did business entirely with the stock room.

Q With what gentleman?

A Probably with Hopkins.

Q Well now, that is what I had in mind when I asked you a moment ago if anyone other than you, Mr. Root, Mr. Ward, and Mr. Davis had a right to sell out of stock. Am I confusing myself because of the fact that Hopkins who was in charge of the stock room would have a right to put through orders for later delivery?

A It was mixed up in the mechanics of the thing. Orders might come through from the Assistant, orders might come through from Hopkins, then they might come through from the office. Somebody might ask him to order something, and Hoppy would do it, but delivery would have to come through the office.

Q Mr. Hopkins could take orders as well as you gentlemen?

A Yes.

Q But not deliver?

A No.

Q Didn't deliver through Hopkins?

A No, a shipping order would have to be made out in the office. Or made out and have to be signed by one of us four.

Mr. Webber: Then the chauffeur might come in, and go to Hopkins?

Mr. Ledew: He has never ordered through me. I never had any of Viles' business.

Mr. Webber: Presumably he would tell Hopkins what he wanted; and he would send up the orders?

Mr. Ledew: That's right.

Q What would Hopkins do then?

A I imagine he would order it.

Q Would he ask the chauffeur to sign something?

A I don't know.

Q If he followed the rules and regulations, would there be something signed?

A Not at that time.

Q At what time?

A At the time, prior to a year ago.

Q What record was made, as far as the department is concerned, prior to a year ago?

A This is pure supposition on my part, of course. I never had the time to go up there and go over it with him; I had enough to do myself, but I imagine he would make out an order form, and on that form he would make it out for Blaine Viles, so ~~Mr. Sawtelle~~ would have a record.

Everything ordered has to be charged to something. A record as to what it is for, if it was sold, went into stock or was for an individual. Like, when Mrs. Brown comes in for a couple of tires, we would write "For Mrs. Brown" on Hopkins' order for Sawtelle.

Mr. Webber: Do people ever go direct to Mr. Sawtelle?

Mr. Ledew: You were speaking of Mr. Viles, or do you mean anybody?

Mr. Webber: Any of these people.

Mr. Ledew: Well, there again would be another case of supposition. He was purchasing agent: it was the logical place to go.

Mr. Webber: Suppose Mr. Viles' chauffeur wanted just a couple of tires, and Hopkins had them right there, available in

Mr. Webber:
(Continued)

stock, what happens then?

Mr. Ledew:

Have to make a stock requisition covering the charge to Blaine S. Viles.

Q

And the chauffeur would have to sign that?

A

No.

Q

He could then make immediate delivery of the tires?

A

The requisition would go through the inventory clerk showing two tires sold.

Q

The chauffeur wouldn't have to sign anything?

A

I don't know whether the chauffeur would have to sign anything or not.

Q

When you changed over, a year ago, what would you do then?

A

Anybody coming into the office would have to sign, certifying their being a state employe and that it was for their own use.

Q

What sort of thing would Viles' chauffeur sign?

A

I don't know what he signed.

Mr. Ryan:

When you spoke of "coming into the office", you meant what place?

Mr. Ledew:

The office downstairs there.

Mr. Ryan:

Your office.

Mr. Ledew:

Where I am, yes.

Mr. Webber:

They couldn't go direct to Mr. Hopkins? Would he have charge of the matter?

Mr. Ledew:

I don't know why they couldn't.

Mr. Webber:

They could. Then you have just simply been tightening up, in making people sign the requisitions?

Mr. Ledew:

The requisition to the stock room, yes. We had a rubber stamp. Anything we got would have to be covered by a requisition, and that requisition, in the usual instance, should be signed by the one making the purchase.

Mr. Ryan: What about when someone else came in to make a purchase?

Mr. Ledew: That was impossible.

Mr. Ryan: What about Mr. Viles' chauffeur?

Mr. Ledew: That went through the stock room.

Mr. Ryan: Didn't go through your office.

Mr. Ledew: No, sir.

Mr. Webber: Mr. Hopkins should be able to tell us what transpired in such cases.

Mr. Ledew: Oh sure. He was the one that did the business.

Mr. Ryan: Can you tell us how long Mr. Hopkins has been there?

Mr. Ledew: No.

Mr. Ryan: That was back before your time?

Mr. Ledew: Yes.

Mr. Ryan: How old a man is he?

Mr. Ledew: Oh, 36, 37. I think Hoppy has been there ten years anyway.

Mr. Ryan: Probably been there ever since the Code.

Mr. Ledew: I think he has.

Mr. Ryan: Ever since there was a State Garage?

Mr. Ledew: No, there was another inventory clerk there before, when it was over by the old blacksmith shop. I think then McAusland was stock clerk. Then they moved the stock room upstairs, and when it was moved upstairs I think Hopkins took charge of it.

Mr. Webber: What comprised the major portion of the Viles account -- tires?

Mr. Ledew: As far as money is concerned, yes.

Mr. Webber: Truck and passenger tires?

Mr. Ledew: That's it.

Mr. Webber: What other things did he get in considerable quantity?

Mr. Ledew: Oh, anything, in the automotive supply line -- chains, batteries, heaters, defrosters, motor parts.

Mr. Ledew: I have all the ledgers; I can show you the sheets,
(Continued) each individual item.

Mr. Webber: We may want to get a break-down on that. We will
request it, if we do. Was there anything for re-
pair work on trucks or cars?

Mr. Ledew: I think it would run more to accessories than to
motor vehicle parts.

Q Do you recollect instances when Mr. Viles' trucks
or cars were repaired?

A Oh no, no labor there.

Q There was no labor there?

A There was no labor there.

Q Do you know positively that there never was a time
when Mr. Viles' trucks were repaired there without
charge?

A I know positively that while I have been there,
there has never been any outside labor, except work
done on the Highway Commissioners' cars, and the
Governor's, maybe.

Q Have there been any sales of gasoline?

A No, sir, not to my knowledge at any time.

Q You spoke of the Governor's car. Is that the
Governor's car, owned by the State of Maine?

A I was speaking of his own private car. That would
only amount to, perhaps, changing the tires.

Q How do you sell the oil that was sold?

A In five gallon lots.

Q In cans?

A In cans and in bulk.

Q Were any oil changes made there for state employes?

A As I said, the only work done there was on the
Highway Commissioners' cars. It was the practice
to have their cars greased and the oil changed,
and the labor charged to them.

Mr. Webber: Did you also charge them for the quantity of oil and grease that went into the cars?

Mr. Ledew: Yes, sir.

Mr. Ryan: What would a five-gallon can of oil sell for?

Mr. Ledew: \$2.00.

Mr. Ryan: And what would it sell for outside, ordinarily?

Mr. Ledew: That varied according to the grade of oil -- 25¢, 30¢, 35¢ a quart. It is a good buy.

Mr. Ryan: Yes, sir!

Mr. Webber: You don't feel the state was loosing anything, on these things, the way it was handled, in your opinion?

Mr. Ledew: There was a careful check kept on it, to see they didn't.

Mr. Webber: They were getting a little better than cost?

Mr. Ledew: 5%.

Mr. Webber: Wasn't that 5% added at some time? When you first came there, were they then adding the 5%?

Mr. Ledew: Yes.

Mr. Webber: That has been true ever since you were there?

Mr. Ledew: On any outside sales, the 5% was added. Then some departments -- we always added the 5% to departmental orders, too -- they thought the 5% was excessive, so we stopped it. And on billing those outside concerns, like anyone of those accounts, all the business which we helped in emergencies-- say a machine broke down, and the Town of Mt. Vernon wanted to buy a magneto, we would add 10%. A clear case of profit on the stuff in those instances.

Mr. Webber: On the Viles account, you only added 5%.

Mr. Ledew: 5%. That was an individual.

Mr. Webber: Now was the stamp, as to state employes, always requested?

Mr. Ledew: It was supposed to be used.

Mr. Webber: Then there were cases where it wasn't?

Mr. Ledew: In the instances where the stamp was not used, the name of the purchaser would be on the requisition, anyway. When someone came in and we knew him -- a fellow employe, or somebody employed in some other department, and we had actual positive knowledge he was a state employe, oft-times I wouldn't request him to sign it.

Q As far as you were concerned, these exceptions were in most cases where you knew personally that the purchaser was a state employe?

A Yes.

Q Do you know whether the stock room followed the same procedure?

A The stock room would not make out an issue. They would send them down to the office.

Mr. Ryan: Take the case of the chauffeur coming in --

Mr. Ledew: That was the exception.

Mr. Ryan: That was done there as an exception/

Mr. Ledew: The only one I know of.

Mr. Webber: Then, on this, Mr. Viles was in a class by himself.

Mr. Ledew: That's right. If it was an employe of the state, Hoppy would send them downstairs to get an order and pay for it before he would issue it. They had to go to the office, get a requisition, pay for it and get a receipt, before he would give the goods to them. In the instance of Mr. Viles, it was altogether different situation from where a state employe bought something.

Mr. Webber: And he was made an exception of because instructions had been given, long before that, that by order of the Governor and Council, he was to have the privilege?

- Mr. Ledew: I can't answer that. I can't say he was to have the privilege of sending his chauffeur over and ordering goods directly out of the stock room, no. It was my responsibility to check on goods ordered from the garage and paid for, and see that they were supposed to be used by the individuals themselves. With absolute knowledge that the things Mr. Viles bought were not being used by him personally, I therefore questioned his account, and was told that by order of the Governor and Council he was allowed to purchase. It would be a matter of precedent.
- Mr. Ryan: You were told by Mr. Guest and Mr. Runnells?
- Mr. Ledew: That's right, told by both of them. Of course I feel Mr. Guest probably questioned it too and was told by Mr. Runnells, that it was all right.
- Mr. Webber: You feel the real say-so came from Runnells?
- Mr. Ledew: Oh, definitely. Came to me personally from him.
- Mr. Ryan: And that was continued in the same way after Mr. Root took over Mr. Guest's position?
- Mr. Ledew: Did the account continue to be handled in the same way? Yes.
- Mr. Ryan: Exactly the same way.
- Mr. Ledew: Exactly.
- Mr. Webber: Did Mr. Root ever question it?
- Mr. Ledew: No, I don't know whether he ever has or not.
- Mr. Webber: Did he ever express concern or doubt?
- Mr. Ledew: Possibly. It is likely he did. I can't remember him asking me about that account, but it is logical, he may have inquired from Mr. Runnells. I know he did a lot of investigating on his own account.
- Mr. Ryan: When Mr. Root came in, did he have to go to you to get information as to how things were, down there?

Mr. Ledew: Yes, sir, he would.

Mr. Webber: And did?

Mr. Ledew: And did.

Mr. Ryan: You gave him what information you could?

Mr. Ledew: Yes.

Mr. Webber: When Mr. Root came in there, did he proceed to more or less conduct a sort of investigation into the department, at the beginning of his job?

Mr. Ledew: I wouldn't call it an investigation of the department, no.

Mr. Webber: He came in with more authority than Mr. Guest had had?

Mr. Ledew: No, not more authority than Mr. Guest had had.

Mr. Webber: But more than you had had?

Mr. Ledew: Much more. He made a thorough study of the handling of the accounts.

Mr. Ryan: Didn't he make a thorough study after he came in of the accounting system, take time to look things over and find out what the set-up was?

Mr. Ledew: Yes. The system wasn't so complicated, but the loop-holes -- that was the point.

Mr. Webber: Has anyone -- either Mr. Viles or anyone acting for him -- either before or since the Runnells incident made either direct or indirect efforts to have you, or as far as you know, anyone up at the Garage, suppress any information about the Viles account?

Mr. Ledew: Not to my knowledge.

Mr. Webber: No one has said anything to you about the publicity on the Viles account?

Mr. Ledew: Never mentioned it.

Mr. Webber: V. E. Dunn & Son are contractors?

Mr. Ledew: That's right.

Mr. Webber: They have bought some junk -- parts for a shovel?

- Mr. Ledew: Probably second-hand parts, and some new parts.
- Mr. Webber: They have bought some new stuff?
- Mr. Ledew: Oh yes. I believe in our account with them we have supplied them new cables.
- Mr. Webber: How did they come by the privilege of being able to buy there?
- Mr. Ledew: Dunn has a power shovel. At the time of those purchases, the shovel was working in the pit in Britt's Gully. He would have been in the middle of a job, with a lot of work to do, and without any shovel cable -- it would have been on order, but until it arrived -- if we hadn't sold him that cable. And Will Dunn, the City of Augusta, or any similar account, we would rather sell it to them than rent it to them, because their grade of cable would probably be inferior to ours, as we can buy cable under contract probably cheaper than a contractor would be able to. For that reason, in case of an emergency, rather than have them return a borrowed part which would probably be inferior, we would rather bill them for it.
- Mr. Webber: That privilege was extended to any contractor whether or not they were doing any sort of work for the state?
- Mr. Ledew: Yes, in case of an emergency. Say, for instance, we had a Chase Transfer truck broken down on Rines Hill, and there is only one truck in the state that has the power to move it. We couldn't leave that truck blocking traffic there on Rines Hill; we would go down and pull the truck out of the way.
- Mr. Webber: You feel these sales were limited to emergency cases?
- Mr. Ledew: Yes, sir, I do; except contractors on state work, and in that case it was always discouraged and prac-

Mr. Ledew:
(Continued)

tically a case of an emergency before we would furnish it.

Mr. Webber:

It boiled down to this: as far as the contractors are concerned, the privilege has been extended to contractors who were confronted with emergencies?

Mr. Ledew:

Anybody who needed emergency help.

Q

Where you felt you were perhaps the only ones who could serve them adequately?

A

That's true.

Q

And to those contractors, without the presence of an emergency, who were engaged in some way in work for the State of Maine?

A

That's right. For instance, you take McComb, who has got a snow contract. It would be logical that he would come in and attempt to buy from us during the summer months too.

Q

Suppose he did. Would he be refused?

A

He would get a good argument from the superintendent.

Q

Mr. Davis.

A

Or from Mr. Marston.

Mr. Ryan:

But would he get it?

Mr. Ledew:

That would be according to the circumstances. I think we have been fairly easy. If he could prove to the superintendent -- more often to Mr. Marston -- because the practice has been abolished to a considerable extent since Mr. Davis has been there -- that he had to get this part for his shovel, or his equipment, then we might sell it to him. It is difficult on this type of equipment to get parts. Not infrequently you have to order them through New York or Chicago. And it takes quite a while in transit.

Mr. Webber:

Have there been many instances, to your knowledge, where contractors have been refused?

Mr. Ledew: Oh surely.

Mr. Webber: Has it been your opinion that Mr. Davis, since he has been superintendent has frowned on this practice, rather more than at the time before he became superintendent?

Mr. Ledew: No, sir, he followed Mr. Marston's attitude in it, which I think was given to him on instructions from the Commission. He did just the same as Marston did.

Q But you say there have been a lot of refusals.

A Well, the refusals, as near as I understand about them, were small parts, or small jobs they wanted done, and we refer them to places where they could have the work done. We never at any time infringe upon the right of any private individual. Where it was possible to get the work done anywhere else, we always sent them, in fact aided them to find places to get it done, give them addresses, where to order from, did everything we could to assist them, to eliminate ourselves.

Q Were you and the other people at the Garage aware that there had been complaints by local merchants about the sale of merchandise?

A Why, we had heard of it, and did everything we would to confine sales. It should be limited to state employes; that was what we tried to do.

Mr. Ryan: Do you know whether the complaints began at the time you worked there, or were they more or less continuous?

Mr. Ledew: I can't say further back than five years ago, but I know definitely a couple of years ago when the Legislature was here, they made a very definite stand to abolish it. Naturally, the complaints kept piling up from the local merchants.

Mr. Webber: Do you know of specific complaints being addressed to Mr. Sawtelle?

Mr. Ledew: No. I have nothing to do with Mr. Sawtelle's correspondence.

Mr. Webber: Has Mr. Satelle indicated to you -- have you heard any conversations that would indicate that he was receiving complaints?

Mr. Ledew: Not that he personally received them, no.

Q Did you ever hear Mr. Sawtelle discuss an incident where a state employe resold some tires that he got up here and that came to light ^{through} ~~in~~ some concern in Gardiner?

A No, not that particular instance, no.

Q Never heard that before I mentioned it?

A No.

Q You have heard Mr. Sawtelle discuss similar incidents, surely.

A Not specifically. I have heard rumors about things purchased, but it was not in our jurisdiction to judge whether or not an employe was entitled to buy, or what he did with it afterwards.

Q Was there any black-list established, anything of that kind -- were any state employes refused the privilege of buying there because they had resold --

A No. There have been people known to us at the Garage, but I wouldn't term it a 'black-list', but if we suspected a person, we questioned them closer than others concerning their purchases.

Q But would they continue to be allowed to purchase?

A We have refused people purchases who were state employes.

Q Can you give me the names of any who were refused?

A Well, now, a recent one -- I think the last one I have in mind was a person -- Richard McAllister -- who attempted to have his sister's car repaired.

Mr. Webber: What department does he work in?

Mr. Ledew: Bureau of Accounts and Control.

Q And there have been others?

A Yes, but I can't call them to mind right now.

Q Mr. McAllister was refused.

A Sure he was when we found out what he wanted.

Q Who refused him?

A I think Mr. Root and I became aware of it, and I forget now just how we refused him. I think the way we handled it, we told him it would be a good idea if he didn't attempt to pass it.

Q Was that while Runnells was Controller?

A Yes.

Q Did Runnells have anything to say about it?

A I don't think he did.

Q Did Runnells buy a lot of stuff?

A Not an awful lot, no.

Q Did you ever know of his attempting to resell or reselling anything?

A No.

Q Now, as I understand it, as far as the Central Maine Power Company is concerned, they were sold mostly on the basis of mutual accommodation? They did certain favors for you?

A We were well ahead on the accommodation angle. That was true of the City of Augusta too.

Q You feel the City of Augusta rendered you more favors than you rendered them?

A As many.

Q What would the items for the U. S. Treasury be on?

A Items for the U. S. Treasury?

Q Yes, purchases.

A Oh! That was the Quartermasters Department.

Mr. Webber: At Togus, you mean?

Mr. Ledew: No, that was the Veterans Facility Administration.

Q Wyman & Simpson are contractors?

A That's right.

Q Do you feel they are on the same basis as you outlined of emergency only?

A I know it.

Q What does Orrin Tufts do?

A He is a supervisor of state highways and Maintenance.

Q Of Franklin County?

A It might be.

Mr. Ryan: Does he live in Phillips?

Mr. Ledew: No. Hancock, I think his home is.

Mr. Webber: Do you recall any large items he purchased in 1938?

Mr. Ledew: Orrin Tufts, no. I never recollect him purchasing anything.

Mr. Webber: You could of course check your ledgers.

Mr. Ledew: I haven't got any ledger account on Orrin Tufts. Well, we may have. I am speaking from memory, but I don't think we have.

Mr. Ryan: Did you ever have any conversation with him? Did he come to the garage?

Mr. Ledew: Not frequently, I don't think so. I don't know him personally. We have got about 50 supervisors; it is pretty hard to remember them all.

Mr. Webber: Could he have got some stuff?

Mr. Ledew: He is a state employe.

Mr. Webber: So therefore he could have got it without a ledger account being over there?

Mr. Ledew: It would be on the receipts.

Mr. Webber: I am asking you, could he make purchases in 1938 without your having a ledger for him?

Mr. Ledew: If he came in the office and made a cash purchase, where it doesn't enter the ledger as a charge -- sure

Mr. Webber: In order for you not to have a record, they would have to be cash sales?

Mr. Ledew: Yes.

Q Isn't it understood Runnells destroyed the accounts of the cash?

A He didn't destroy mine. I have got a copy of every sale I ever made since I have been there.

Mr. Ryan: Slips showing sales of the merchandise?

Mr. Ledew: Yes.

Q The date? The amount? To whom sold?

A Yes, sir.

Q Good!

Mr. Webber: But you have no record, as far as you can remember, of sales to Orrin Tufts?

Mr. Ledew: Of course, that is three years ago. There may be. If you don't mind telling me, what was the amount?

Q \$1,388.25. A sizeable account. I am going to give you a list when we get through of accounts I would like a break-down on, if we may have it.

A Of course. This was as shocking to us as to anybody else.

Mr. Ryan: I can believe that.

Mr. Webber: Who is Louis Oakes?

Mr. Ledew: I don't know.

Mr. Webber: You never heard of him?

Mr. Ledew: I don't know him.

Q Well, do you know who a person might be by that name?

A Wasn't there a Councillor Oakes?

Q Yes, but it wasn't Louis; it was Raymond Oakes. Does "Greenville, Maine" make any association in your mind?

A That might be connected with Arthur Crafts.

Q Well, who is Arthur Crafts?

A You don't know who Arthur Crafts is!?!?

Mr. Webber: I am sorry. My political knowledge is limited to the central part of Maine.

Mr. Ledew: Mine is even limited to a smaller scope. Wasn't Crafts owner and manager of Squaw Mountain Inn?

Q I suspect you may be getting warm. What connection would there be between Louis Oakes and Arthur Crafts?

A I don't know.

Q Why did Crafts come into your mind, then?

A When you brought in "Greenville". There was no association between Oakes and Crafts. Although if my memory serves me right, we may have made some shipments to Crafts care of Oakes, or Oakes care of Crafts. I could consult my ledgers.

Q From your memory, do you think you have ledger charges in the name of Arthur Crafts?

A No.

Q You do feel that you have made shipments to Crafts?

A I know I have.

Q But that would be --

A Either to or in care of Crafts.

Q But that would be on someone else's orders?

A Yes, sir.

Q And you could check that up for us and give us some details?

A I could try.

Q Stewart & Williams, Inc., are contractors?

A That's right.

Q Mrs. O. B. Fernandez. That would be the wife of Councilman Fernandez?

A Yes, sir, I expect it would be.

Q What has been the nature of these purchases in 1938 and 1939?

A I didn't know we had an account with Mrs. Fernandez.

Mr. Webber: You didn't know you had an account with her. You assumed you had an account with Councilman Fernandez?

Mr. Ledew: Yes, sir.

Q What would be the nature of the Fernandez purchases?

A Tires only, I think.

Q For passenger car or cars?

A Yes, sir.

Q You couldn't give us any explanation, then, as to why we might find the name of Mrs. O. B. Fernandez on our list?

A Probably her check coming to the Commission.

Q George C. Lord -- he was a member of the Governor's Council, was he not?

A He was.

Q Does he continue to purchase through the Highway Garage?

A Nobody continues.

Q Did he continue, up to April?

A Quite a while.

Q What did his purchases largely consist of?

A Tires.

Q Paul C. Thurston -- is that the contractor or is he Highway Commissioner?

A That's the contractor, I think.

Q Did Paul Thurston, the Highway Commissioner, purchase in very large quantities?

A No. Enough to supply his needs. I think he drove two cars -- in fact I know he did; he had a Buick and a Ford.

Q So probably again the heavy items were tires?

A Grease, oil, tires.

Q Did his purchases continue after he left the Commission?

A No, sir, they did not. After he retired from the Commission, he made no further purchases to my knowledge.

Q What did Stillman Woodman's purchases consist of?

Mr. Ledew: Same thing.

Mr. Webber: Mostly oil, grease, and tires?

Mr. Ledew: Tires and labor on the car. He smashed up a fender a while ago and we fixed it for him.

Q W. S. Wyman. That's Walter Wyman of the Central Maine Power Co.?

A Yes.

Q What were his personal purchases?

A His account was for his Lakeside Farm, so-called. He owned a power shovel which we have moved from one location to another. And we felt that account would come under the same head as the Central Maine Power Co.

Q In other words, the feeling has been, in connection with Mr. Wyman's account, that it was more than offset by accomodation furnished by the Central Maine Power Co.?

A Yes. I feel it has been more than offset by accomoda- tion furnished by the Central Maine Power Co. I haven't absolute knowledge of that. The things which we have done for him have never been of a serious nature, either purchasing, or moving his shovel with our truck and trailer.

Q It has not been a large account?

A Oh no. The use of that equipment costs \$6.00 an hour, so it don't have to be used very long to run into money.

Q Councilman Schnurle -- what would his purchases very largely be?

A Tires.

Q Max Miller & Co.-- has that been all junk?

A All junk.

Q Who is Ira Bloom?

A Sounds to me like another junk bid.

Q You don't remember the name?

A What year would that be?

Q Last year. You don't recall a substantially large item of junk going to a man by that name?

Mr. Ledew: Might have been. I didn't handle the junk bids last year; Sawtelle handled the last bids.

Mr. Webber: You don't know anyone by that name getting any merchandise?

Mr. Ledew: I know they haven't.

Q So you assume junk?

A I assume it was junk.

Q Who was Ernest Ricker?

A Ernest Ricker? I don't know.

Q Account of Ernest Ricker, 1939 and 1940, \$120. Does that help you?

A We have no account for Ernest Ricker.

Q You don't remember any shipments to Ernest Ricker, ordered by anyone else?

A No, I don't. I know a lot of Rickers, but no Ernest.

Q You feel so sure of that that it wouldn't even be any use for you to check your 1939 and '40 records to find out who he was?

A I feel quite well acquainted with those accounts.

Q I assume Reed & Reed are construction people?

A I don't know.

Q You don't know who Reed & Reed is?

A I don't know who Reed & Reed is.

Mr. Ryan: Do you know the Harvey Distributing Company?

Mr. Ledew: Yes.

Mr. Ryan: Why would they buy?

Mr. Ledew: I wouldn't imagine they would buy anything. I should imagine it would be in the form of a credit.

Mr. Ryan: For what?

Mr. Ledew: Goods we might purchase.

Mr. Ryan: You don't remember of them buying anything?

Mr. Ledew: We purchase from Harvey Distributing.

Mr. Webber: It was a credit of \$300.

Mr. Ledew: Sawtelle could tell you about that better than I. I merely know Harvey Distributing is one of the firms we purchased from.

Mr. Ryan: Would this call anything to your mind: I understand there were some old Government motors, Ford motors.

Mr. Ledew: Packard motors, too.

Q Do you know whether any of those were sold to Harvey Distributing?

A I think that is where they did go.

Q Was that on a bid, do you know?

A I don't know how it was handled, but Davis and Sawtelle handled it. I think that is just what the Harvey account was.

Mr. Webber: Alton Koss -- what was that for? About \$300.

Mr. Ledew: No, much more than that. I think it was about \$650, for a shovel that was supposed to have gone down the drain!

Mr. Ryan: What do you mean by "supposed to have gone down the drain"?

Mr. Ledew: Didn't you see it in the papers? The shovel is supposed to have gone down the drain. They probably had it in under "Prock Brothers". He purchased two shovels, one for \$650. I forget the other. A second hand shovel.

Mr. Webber: Do you have occasion to be familiar with the values of second-hand shovels as you see them come and go and be sold off?

Mr. Ledew: Oh, to a certain extent. I know what I would give for them.

Mr. Webber: What is your impression, from what you have observed, as to the sale of used equipment, and of the price obtained? Do you think the prices obtained are adequate?

Mr. Ledew: I think in almost every instance we have got about twice what it is worth!

Mr. Webber: You think Mr. Davis is a pretty good trader?

Mr. Ledew: I think he is one of the best.

Mr. Webber: Mr. Davis has made no particular effort to familiarize himself with the work you and Mr. Root do, as I understand it?

Mr. Ledew: Oh, I wouldn't say he has not. Perhaps he is not competent to handle the work himself, but he knows in a general way as to what we are doing in our work. In fact, as part of his duties, he outlines work for us to do regarding the cost of repair jobs and equipment, and cost of material, the payroll charges.

Mr. Webber: From what you have observed there, during the time you have been there, what is your impression as to whether the crew is paid on about the right basis, or whether you think they are overpaid?

Mr. Ledew: I think as a whole they are underpaid.

Q Does that create a problem for the heads of the departments?

A It creates a serious problem.

Q Take shovel operators, for example. Do you feel they are being paid enough?

A No. Just a minute! I don't feel -- I think if the shovel operators had a graduated scale of pay, according to ability, we would be able to obtain and retain better men. Whereas, a contractor will pay a dollar an hour, we work them for 60¢.

Q Does that raise a problem in the way of holding a good crew together?

A It certainly does.

Q So you end up by having a lot of men who are perhaps practically apprentices?

A In some trades.

Q And you lose the good men to private industry?

A Yes, sir.

Q Has that been taken up with the Commission?

A Yes, sir.

Mr. Ryan: By whom?

Mr. Ledew: Mr. Davis, either personally or through Mr. Barrows, the Chief Engineer.

Mr. Ryan: More than once?

Mr. Ledew: I think last time it met with such disfavor, it was practically useless. When you have mechanics that probably couldn't be replaced in the State of Maine, and for family reasons they don't probably feel that they can leave their work and go searching for other work, and you force them to work for 53¢ an hour, how can you hold them when, working here in the union they are guaranteed \$60 a week? I can't see where there is anything fair -- any comparison of fairness about it.

Mr. Webber: There is no such thing as union labor working for the State?

Mr. Ledew: Naturally, no, state labor is not unionized. Considering the fact they have no social security benefits -- of course if the men have an accident, they are going to get compensation -- but when they get up where they get Old Age pensions elsewhere, there is nothing like that; they haven't anything. I don't see where it is fair, when a man gets old, when he gets to an age where it is hard for him to hold his job, he is dropped out without anything.

Mr. Webber: Would that be also reflected, on the natural disposition of the heads of the department to keep men on really after they have outlived their usefulness, because there isn't anything for them, if they were fired?

Mr. Ledew: That's right. I think the superintendents have tried to be as fair as possible with that type of man.

Mr. Webber: As a matter of fact, you have had a problem in connection with the distribution of gasoline, based on that very thing?

Mr. Ledew: Exactly. There is a perfect example of it.

Mr. Webber: Not in any way a matter of dishonesty --

Mr. Ledew: Simply incompetency.

Mr. Webber: Simply incompetency, rooted in old age.

Mr. Ledew: You can't take a worn-out mechanic and try to make a bookkeeper out of him.

Q From the point of view of purchasing over there, is that done pretty much between Hopkins and Sawtelle?

A Mr. Sawtelle is the purchasing agent.

Q Yes, I recognize that. /Does Mr. Hopkins report to Mr. Sawtelle the various needs?

A Yes.

Q That is not done through your office?

A Not through Mr. Root or myself.

Q Neither Root nor Sawtelle lodge any requests for purchases?

A For purchases?

Q Sawtelle comes over and keeps in touch with the inventory?

A No, he keeps in touch personally. He has an office in the Garage.

Q After Sawtelle does his purchasing, then the records come into your office, as to what has been purchased, and the prices, etc.?

A I believe a copy of the purchase order comes to Mr. Root, and one to the stock room. The price is on it. When the goods come in, they have an inventory sheet or something, they check it.

Q And post it on the books in your office?

A There is no books in my office.

Q There is no books in your office? Then how do you --

A On the card control.

Q Oh! On the card control instead of in books.

A You see, Root has a copy of the purchase order and delivery slip, and he checks it against the invoices for payment.

Q Who makes up the control cards on those items?

A We code the bills and the bills go over to the Controller's.

Mr. Webber: Does your card control over there, through the medium of which you keep your books, coincide -- is it practically the same identical card control they have in the Controller's office?

Mr. Ledew: It is the same identical card control they have in the Controller's office; we haven't any over there. Everything is Motor Transport we report to the Controller.

Q Of course I know very little about this to start with. Do these cards you have over there --

A We don't have any cards over there.

Q What do you do in your office as to keeping track and knowing where you are? You have no information at all?

A "Where you are" regarding what?

Q Well, what do you do when you have to make up a balance sheet for the department, for example?

A We don't have to.

Q That's all done in the Controller's office?

A That's all done in the Controller's office.

Q What information and knowledge do you keep in your office?

A It is hard to explain.

Q I am trying to get into my head the difference between the work you do over there as an office man, an accountant to some degree, and what is done in the Controller's office, and how they correlate.

A What we consider the main distinction -- it is confusing, between the Motor Transport and the Garage. They are two distinct things. We have a Motor Transport set-up in which the Garage is a part of it. Every motor vehicle of any kind, any motorized equipment, which is numbered, as we call it (some of it is numbered; and some of it is not numbered) and here is where the difference might lie: There is no centralization of Motor Transport at this time, and it is something which you don't have to be there very

Mr. Ledew:
(Continued)

long before it is apparent that it is needed to have the Motor Transport work set up as an individual division, instead of as it was originally started as a subdivision of Maintenance. It has outgrown being a subdivision of Maintenance.

You take the figures as I have gathered them from Motor Transportation report in 1939 we did a million, five hundred thousand dollar business -- that is what Motor Transportation did as part of the Highway Garage. The payroll for the Garage alone was over \$100,000.00. The work -- as I have tried to explain, the work is all numbered, Motor Transport equipment.

Mr. Webber:

Just what does that mean?

Mr. Ledew:

It is purchased out of the Motor Transportation fund for the use of the different Highway departments. The Maintenance Department will need a distributor for their tar work, for tarring in summer. It would be through cooperation supposedly -- the Motor Transportation recommendation, together with Maintenance's recommendation of what was needed, going to the Commission, and the Commission doing the purchasing. But it is bought out of Motor Transportation funds, and therefore numbered for us. Or Maintenance may need a snow plow -- it could be purchased out of Motor Transportation money. State Aid may need a grader. It might be purchased out of State Aid funds, but if they number the grader, then it was purchased out of Motor Transportation funds -- or Bridge Department might need a drill -- or they might need a soil tester. This is just a general fund to pick on, and is work on which no accurate control is kept.

Mr. Ledew:
(Continued)

I can show you the 1959 reports on the 9075 appropriation, and I bet you there are not over 30 accurate figures on the entire report. The hours of work, the time spent making out that report is just time wasted, that is, on the part of the people in the Highway Department at the present time.

The contractors turn over reports which are supposed to show us the costs and earnings on all equipment which we have out, and we just look at them and laugh, because we know those figures are ridiculous. Any accurate costs we want, we have to keep ourselves. On a few pieces, they are accurately kept.

Mr. Ryan:

What are they?

Mr. Ledew:

Say, State Aid is going to purchase a grader, or a compressor. We might get a memo from State Aid, telling us they were purchasing a grader. It might, or it might not, be purchased out of the 9075 fund. We don't know whether Motor Transportation is receiving rental on it or not. And there is no office unless it is the Garage that it would go through. It is entirely up to them to keep the charges and costs. It may be kept accurately, but we don't know; nobody knows. That is up to those working in the State Aid office here. We trust they do keep accurate cost records. But you can't have somebody at the Garage making out rentals and costs, and somebody in State Aid or Maintenance or Bridge doing part of it. You can't have all those different people, not actually acquainted with the equipment, all keeping figures which are compiled into one report, and get an accurate report. Some of the figures are so ridiculous, you can tell just by looking at the reports that they are wrong. Some of them may be accurate -- you don't know. It is just a fact they have nobody

Mr. Ledew:
(Continued)

checking it, so accurate knowledge of equipment costs does not come through. In the Garage they work entirely out of Motor Transportation funds, and labor and parts is charged to the other departments when it is owed by them. Therefore we are the largest part of Motor Transport, and the work in our office consists entirely of all bills for each piece of equipment -- this is a recent development -- now goes through the Garage, is checked, and coded, before sending it to the Controller, so it is more accurate.

On repairs, files are kept of work done, parts used, cost of parts, and the things that come through for checking rentals.

Mr. Webber: Was this 9075 appropriation for Motor Transportation?

Mr. Ledew: That's right.

Q And the equipment bought out of that becomes in a sense your responsibility, over there? That is your work, established and charged as yours, and you get rentals on it?

A That's right, yes, sir.

Q That's right, isn't it?

A Supposed to.

Q Supposed to? If a piece of equipment is bought out of a regular appropriation or funds of another Highway Department, it is as though it were their equipment, is it not?

A That's right.

Q And you charge them in that case not rental but for repairs and service?

A That's right.

/Q Just as if it was a private garage, except that they get better prices?

A That's right.

Mr. Webber: Now, your feeling is that there should not be that division of Motor Transport? All vehicles, all machinery, should be treated in one way?

Mr. Ledew: No.

Mr. Webber: You don't feel that way?

Mr. Ledew: No.

Mr. Webber: You feel that the problem would be solved simply if there were a centralized clearing house where everything had to go, so that you could keep an accurate cost record on every piece of machinery?

Mr. Ledew: That's the only thing that can.

Mr. Webber: You say a piece of equipment may be bought out of 9075, and an exactly similar piece of equipment may be bought out of the appropriation for that department, for example. Now, do you know from your own knowledge who it is that decides whether it shall be done that way, or whether both pieces should come out of your own fund?

Mr. Ledew: I will answer your first question first: in all instances it is the same thing. While the same thing may not be purchased -- there may be variation in the sales -- it may be due to the way the piece of equipment is going to be used. It may be purchased out of a joint account, state aid and Maintenance, and also might be doing town work. It may be going to be used so it would be too difficult to be handled as Motor Transport equipment. There is a lot of equipment which is used, which is so small -- the life of the piece of equipment is so long -- that it would be hard to establish a rate, so it would be better to charge it off to the job when it is billed, therefore you can work it forever. If it was charged off then, you

Mr. Ledew: wouldn't have to figure what to charge, about the
(continued) rate, so it would charge itself off and come out even.

Mr. Webber: Is it the commission, or do you know who would decide
whether to bill it one way or another?

Mr. Ledew: I don't know. I wouldn't have anything to do with it.

Mr. Webber: You have no knowledge?

Mr. Ledew: I have an idea it would be the head of the department,
with the sanction of the chief engineer, and the com-
mission.

Q Now, you say that the information from which you make
up costs on the maintenance of a particular piece of
equipment may go to the department using that piece of
equipment, and to the Controller's office, but wouldn't
come to you people over there?

A That's right. One way of looking at that, there is no
reason why it should. We are the Garage, not Motor
Transport.

Q What I am getting at is, don't they later on come around
and expect you to tell them what a certain piece of
machinery has been costing you?

A Yes, later on they come around and expect us to tell
them what a certain piece of machinery has been cost-
ing us.

Q And you can't do it?

A No, not without an opportunity to check the records.

Q But if all that information came in to you, as a cen-
tral point, to be assembled -- then it would be possible
for you to get pretty exact information?

A We should be able to get exact information.

Mr. Ryan: If you did have exact information, wouldn't that be a
help in the future, in determining whether the same
make of apparatus is the right kind to buy, or whether
you ought to change to a different kind?

- Mr. Ledew: It would help, because from year to year a piece of equipment might vary, as cars do.
- Mr. Ryan: It certainly would give you a definite idea as to equipment the past record of which had been kept and was satisfactory.
- Mr. Ledew: Certainly would. And it is only fair to the departments that a piece of equipment on rental to that department, that there is a fair rate of rental being charged.
- Mr. Ryan: Do you think that Mr. Davis has tried in making his recommendations to bear in mind whether the same make of machine has been satisfactory in the past?
- Mr. Ledew: I don't know whether anybody would be more acquainted with them than Mr. Davis. I don't know how it would be possible for anybody to be more acquainted with them than Mr. Davis.
- Mr. Webber: Do you know what his recommendations in the past have been, as to, for instance, the type of shovel to be bought?
- Mr. Ledew: No, sir, but I do know that oft-times Mr. Marston has been rather concerned about some of the purchases.
- Mr. Webber: You mean, concerned because the purchases were not made in accordance with his recommendations?
- Mr. Ledew: Yes. Whether he was allowed to offer recommendations or not, I don't know. Sometimes things are bought for a price, you know.
- Mr. Webber: Now, take -- on tires, for example, have you stocked a good many different lines of tires over there?
- Mr. Ledew: Goodrich, Goodyear, General, Pennsylvania, Seiberling, U. S. Royal, Fiske --
- Mr. Ryan: About all the standard brands?
- Mr. Ledew: Yes.
- Mr. Webber: And those purchases are all made by Mr. Sawtelle?

Mr. Ledew: Yes.

Mr. Webber: Is there much hanging about of salesmen for either items that go into your stock of merchandise or equipment, around the Garage? Do they come around?

Mr. Ledew: As a general rule, they come in, do their business and leave.

Q You have nothing to do with the salesmen at all?

A No, sir.

Q Neither does Mr. Root?

A No.

Mr. Ryan: With whom do they do business?

Mr. Ledew: Sawtelle or Davis.

Mr. Webber: Do they spend any time with Mr. Hopkins?

Mr. Ledew: Once in a while. Oft-times Davis or Sawtelle will recommend that they talk direct with Hopkins when things are not going right, or they seek the recommendations of the salesmen in regard to different things

Q Do you know whether Sawtelle does most of his purchasing on bids or not?

A I don't know.

Mr. Ryan: Has there been any change, materially, in the method of keeping the inventory within the last few years?

Mr. Ledew: I don't know.

Q None that you can say?

A No, I don't know.

Q Do you know, yourself, whether there is any accurate way now to tell absolutely whether the goods on hand do actually equal what has been bought less what has been sold, according to the record of sales, and whether that check is made periodically?

A You are asking me about something about which I do not have actual knowledge of how it is handled, but I do know that if it was desired, it is possible to do so.

- Mr. Ledew:
(continued) The records are there; whether they are available or not, I don't know.
- Mr. Ryan: It is possible.
- Mr. Ledew: The issue slips are all on record, and the sheets for everything purchased are there. The requisition from stock is there. The inventory is continuous.
- Mr. Ryan: Since you have been there, this Connor has been buying a considerable amount of junk, iron, steel, that is hauled from the Garage over to his lot and dumped ~~e-~~ a considerable lot of it. Was it hauled by Garage trucks?
- Mr. Ledew: Why, he got the bid for junk in 1938. I don't remember whether Garage trucks hauled it or not.
- Q Did you at any time run into anything that led you to believe that quite a lot of junk had been hauled over to his place, which he was going to pay for sometime in the future, if he was able to sell it. Ever hear anything about that?
- A No. On junk bids at least, it is so-much per pound.
- Q It wasn't to my understanding a bid. Simply a case of his taking the junk out of the way, with the understanding that he would in the future if he was able to sell it -- he would pay something.
- A Never heard a thing about it. That wouldn't be strange, either.
- Q That wouldn't be strange, either?
- A I mean, I wouldn't hear about it.
- Q Can you tell me when it was, if you know, when the Viles account was stopped? It stopped all of a sudden?
- A January 10, I think.
- Q Of this year?
- A Yes.
- Q And were there others that stopped at the same time?

Mr. Ledew: That is the only one I noticed.

Mr. Ryan: Had any others been stopped immediately previous to that?

Mr. Ledew: No. That was the only large outside account we carried.

Q Will you tell us what the procedure was when the departmental cars would come up for gas? What would the driver of the vehicle have to do in order to get gas?

A Oh! They bring the car in, and if they don't request any specific amount, we would fill the tank, and he would have to sign duplicate pink slips and a white gas issue slip.

Q Was there a time since you have been there when gas-ing of cars was done without the driver signing? And was there a change so they had to sign, because of any difficulty? I say that to you because it is my information that at one time they would simply drive up and get gas and were not requested to sign anything.

A I was trying to remember, what it was right before -- they did change it. I can't say. I can't remember.

Q Would it help if I say it was changed within a year and a half?

A Yes. I can remember instituting a change myself in the method of issuing gas.

Q So that they were required to sign?

A Now I think you always had to sign something.

Q Won't you check it up and see what the situation was?

A Well, I tried to institute a change in the gas when I first went in, but I wasn't allowed to.

Q Who wouldn't allow you to?

A Anybody I asked, and at the first available opportunity, I changed it.

Q Why did you recommend a change?

A Because I was not satisfied with the method of keeping the gas account.

Mr. Ryan: You feel there was not an accurate check?

Mr. Ledew: At any time, whereas I would be responsible for an accounting on the gas, and I couldn't get it or give it.

Mr. Webber: Now, what was the reason as far as you can make out why there was this unwillingness to accept a new, improved method?

Mr. Ledew: I think it lay entirely with Runnells.

Mr. Webber: Would it all come back to the fact that Runnells had said to do so-and-so, and nobody dared do anything else?

Mr. Ledew: I think I did ask Marston two or three times, and he would never tell me 'yes or no' then. Two or three days later he would come back and give me an answer, and I believe he consulted Runnells or Gerald or somebody before he gave me my answer.

Mr. Webber: Who was Gerald?

Mr. Ledew: Mr. Guest. And the only reason for it, I believe, was, he wanted to keep us where we couldn't tell where we stood.

Mr. Webber: What has happened; yes.

Mr. Ryan: You now handle no gas over there?

Mr. Ledew: That's right.

Mr. Ryan: There are no gas sales, or charges?

Mr. Ledew: There never were.

Mr. Ryan: I mean, on departmental cars -- was that ever charged on the books?

Mr. Ledew: Yes.

Mr. Webber: Mr. Ledew, can you tell me whether or not it is true that the perpetual inventory system has failed to function perfectly because some purchases were not reported over there, to get included?

Mr. Ledew: I can't answer you, as to my knowledge.

Mr. Webber: Have you heard anything along that line?

Mr. Ledew: Theoretically that would be the only reason why it wouldn't work. I know that.

Mr. Webber: This statement was made, and I quote: "The explanation that we received as to why he " -- and I presume that would be the clerk who took charge of the running of the inventory records -- That would be Hopkins?

Mr. Ledew: Sounds more like Davis to me, Ed Davis.

Mr. Webber: -- "as to why he wasn't advised of all purchases was that when a purchase of tires, for instance, was received, they would put certain quantities of these tires in reserve stock, and only advise the record clerk of those they put into current stock." Does that make any sense to you?

Mr. Ledew: Yes.

Q Was that what was done?

A As I understand it, yes.

Q Doesn't that mean there was a failure on somebody's part to advise somebody else of what they should have advised them? In other words, what I am trying to get at is, does that mean that there was a failure on somebody's part, and so the system didn't work, or was it simply the system itself that didn't work?

A As I told you, the system theoretically was perfect. Therefore if it failed, it must be in the mechanics of carrying it out.

Q In other words, the clerk in charge of the inventory--

A I won't say the clerk was negligent--

Q I won't say the clerk was negligent. It appears to me on the surface that there was negligence on the part of somebody who was supposed to advise him and didn't do so. In other words, why should not the clerk of the inventory be informed of the purchases going into reserve stock as well as the purchases going into current stock?

Mr. Ledew: I can't see any reason why he shouldn't.

Mr. Webber: Now, is there any place that the information could have gone from, to the clerk, except from Sawtelle, the purchasing agent?

Mr. Ledew: What information?

Q Information as to what the purchases going into reserve stock and current stock were.

A If the inventory clerk had a copy of Sawtelle's purchase orders, he would know what was being bought and the stock coming into the stock room could have been reported to the inventory clerk. There were two sources of information for that clerk.

Q It is our information that he didn't know.

A Mine, also.

Q Whose fault was it that he didn't know? Or if you don't want to pin a fault on anybody, whose job was it to see that the information got in there to make up the inventory?

A You see, the system seemed to be, first you hire a man, and then you hire another man to watch him, and then you hire another man to watch him. Now, the stock clerk, when he didn't report a piece of equipment, it would oft-times save time if he didn't charge a piece of equipment into stock and out of stock, when it was for a certain order. He headed it right up in the inventory -- in the inventory, what did you call it 'reserve stock' and 'current'?

Q That was the terminology used: 'reserve' and 'current stock'.

A Put it in reserve stock and charged it out -- this piece of equipment -- as it was used. In that way, just merely cutting out the inventory

Mr. Ledew: Just direct purchase of equipment, limited to one
(continued) transaction, entirely.

Mr. Ryan: How would you have any check on that?

Mr. Ledew: Have to check the purchases together with the issues.
As it is now, you check to purchase, to inventory, to
issue, and that method, you check from purchase to
issue, eliminating inventory.

Q Do you recommend that?

A No, I don't.

Q You think it is preferable to do it the other way?

A According to how complicated you want to make it,
how much detail you want in the system. If the stock
clerk did that, there are times when I wouldn't blame
him a bit. It is an instance of two men trying to do
the work of three or four, and all the short cuts they
can, they take. They are three or four months behind
on stock issues now. It wasn't negligence on their
part. They are devoting all the time they can to it,
working days, nights, and some Sundays.

Mr. Webber: I fail to see why the perpetual inventory could not
be carried on and kept up on a relatively simple basis.
You have got purchases coming into inventory, and you
have got -- how does it go out? -- going out of the
inventory, and being charged as taken out. And you
know at all times if you keep it up, just exactly what
you have got in inventory. Is it more complicated than
that?

Mr. Ledew: No. Can you comprehend how many thousands of pieces
of stock we have over there?

Q Yes, but when you take an item out of the place where
stock is kept, don't you make a notation on the tag?

A It is kept on a bin card.

Q Which looks like a tag?

A That's right.

Mr. Webber: The minute after the item has been taken out, the tag, on the bin card, taken together with all the other bin cards, reflects the state of the inventory -- am I right?

Mr. Ledew: Sure.

Q What happens? As a matter of practice, they get rushed, take out the items --?

A Anything on the bin card is in the inventory; it is marked on the bin card. If it is kept in reserve stock -- is that the word?-- he just takes it from reserve and charges it out.

Q Isn't the sensible thing to do, to do away with the reserve stock? Just have the current stock?

A It has been done.

Q It is now being handled that way?

A No reserve stock at the present time.

Mr. Ryan: When did that change take place?

Mr. Ledew: Oh, I don't know. They have been working on it for about six weeks. About two weeks ago they finished the set-up. It is a very difficult thing to set up. You have got so many used parts which are repaired -- which makes them practically as valuable as new parts -- it necessitates keeping two stock rooms, a used parts stock room, and a new stock room. That is one thing which it necessitates.

Here is an example, which goes toward the ridiculous: you buy 5,000 lock washers of different sizes, anywhere from 1/8" to 1 1/2", and in an emergency you make out two sheets of paper, the stock requisition, for two lock washers. It goes up to the stock room; they make out four sheets for the two lock washers; it comes over to the Controller, and God knows how many they make out over there, on just those two lock washers. It didn't cost you \$5.00 for the lot of them. How

Mr. Ledew: much easier it would be to just charge off to
(continued) reserve stock that two or three dollars, and then
when anybody comes up for lock washers, you just
give them to them.

Mr. Webber: I can see that.

Mr. Ledew: I think that is being taken advantage of, to some
extent -- an example of that, tires.

Mr. Ryan: You wouldn't claim that was the right way to do, in
the case of tires.

Mr. Ledew: No, I said that was an extreme example. I don't up-
hold reserve stock, but there is a reason for it.

Mr. Webber: You feel that here again a solution of this inven-
tory problem in your mind lies in the centralized
set-up on Motor Transport.

Mr. Ledew: It could be done that way, yes. The proper authority
vested in some proper person in certain things. In
theory of accounting, if Motor Transport were set up
properly, the Garage would constitute approximately
one-half the work.

Mr. Ryan: Mr. Ledew, did I understand you to say this morning
that for the last year or so you have all your records
over there? Runnells didn't get them away from you?

Mr. Ledew: He didn't have any of mine at any time.

Mr. Ryan: Can you from your records tell what cash sales and
what charge sales were made, and to whom, and what
the items were, and the amounts?

Mr. Ledew: Theoretically, all of them.

Mr. Ryan: That could be checked up?

Mr. Ledew: The auditors have my records now. There is a difference
between cash sales and charge sales.

Mr. Ryan: What was that difference, in each case?

Mr. Ledew: The cash sales, the whole transaction transpired in
the office.

Mr. Ryan: What was made out for papers?

Mr. Ledew: You mean, take a cash sale and follow it through?

Well, there would be a stock requisition made out on it, then the money was received, the receipt made out in quintuplicate, original and three copies to the Controller, fifth copy at the office. That fifth copy was the one I had reference to.

Mr. Ryan: That is on cash sales.

Mr. Ledew: Yes, sir.

Q Now, on charges --?

A On accounts receivable, the stock issue was just the same. The charges come down from the office to the stock room. This would be entered on our accounts ledger receivable/and billed monthly.

Q Now, there was a period, wasn't there, between the time Guest went out, and the time Root really took his position over?

A Yes, sir.

Q When you handled the reins?

A Yes, sir.

Q Now, what procedure did you follow with regard to stock and sales of the material, merchandise to state employes, during that period?

A A matter of precedent.

Q You followed what had been done before?

A Wasn't any difference. There were months I was alone there.

Q When Runnells came to the garage for the cash and checks I think you said that there was no record made at the office as to what he took with him.

A It was handled the same way. We made up a deposit slip and gave it to him. It saved us the bother of walking over.

Mr. Ryan: He never gave you a receipt?

Mr. Ledew: No.

Q Did you make any record of the amounts?

A No.

Q You trusted him completely?

A I was perfectly satisfied; I had a record of the sales I made. I never questioned his integrity, of anything about what he was doing.

Mr. Webber: You never did question him.

Mr. Ledew: I never did question him.

Q From what figures you have kept over there on costs of equipment, etc., and what the equipment has stood you, have you any impressions about the General Excavating Company's shovels, as to how they have stood up in comparison with other kinds?

A From what I can gather, my experience, the way we are set up to handle stock and make our own parts, it is not necessarily the original cost of a piece of equipment but its maintenance which is what generally brings out the true value of a piece of equipment, and I think it has been proved that Generals have made their equipment standardized, so parts for different years are interchangeable. If we bought two this year and two next year, the General has made their equipment standardized, so parts for different years are interchangeable, and we could use the same part, with very little changing on any one of the other three, so we could stock, and furnish from the same stock, more pieces than we could if we had one Byers, one Larain and an Insley. And I think it has been found that in all probability, if you buy different shovels, they change so from year to year, the parts are not interchangeable. That makes it more expensive for parts, more than

Mr. Ledew:
(continued)

the other system, where we are able to make so many of our own parts, with the General, more than on the others.

Mr. Webber:

So with the set-up you have got, taking everything into consideration, the General shovels have been your most economical shovels?

Mr. Ledew:

I don't know as I would say Generals have been our most economical shovels, but I think I could say for sure -- and I think you will agree -- that if you have got a fleet of 75 cars of ten different makes, you can't stock and maintain it as cheap as if all 75 were of one make.

Q

Is it your experience that the original parts in the original shovels -- that is to say, the shovels as bought -- have stood up well, in comparison with other shovels in the same type of work?

A

To my knowledge, it is true.

Mr. Ryan:

Up to the last two or three years, that would take us back to the first couple of years you were there, did they seem to buy more Generals, the first two or three years you were there than they have the last two?

Mr. Ledew:

Let's see. We had three Bay Cities -- got three more this year. Got a Lorain; and an overhead. I think they have been running more toward Generals prior to the last two years, although we got a couple of Generals each time, the last couple of years.

Mr. Ryan:

Did you ever have any salesmen stop around to see you, to inquire as to whom they might talk with about their product?

Mr. Ledew:

Oh yes. All the salesmen kind of head for that office.

Q

To find out where to head to from there? Where do you direct them?

A

To Sawtelle.

Q

On equipment and everything?

- Mr. Ledew: The majority, if we didn't know what their business was, we sent to Sawtelle. If it was equipment, I would send them back to Davis or Marston. Anything he does is mostly on recommendation from them.
- Mr. Ryan: Did you very often notice that they were trading in shovels on new ones; or was it mostly a case of selling the old ones?
- Mr. Ledew: They made an attempt, I believe, to trade them in, with the understanding that the shovels would not be resold within the state. I know that has been true. The reason for that is, we get so many calls for parts, and those shovels, they are in such condition, they could stand plenty of parts!
- Mr. Ryan: Ordinarily, they don't take trade-ins, these companies?
- Mr. Ledew: I don't think they like to.
- Mr. Webber: You have nothing to do with the Departmental Garage, except that they pay you rental, and they serve your Commission cars, is that right?
- Mr. Ledew: That's all wrong; they don't pay rent, and they don't serve anything.
- Mr. Webber: That's right. They get free rent in the Garage and garage quarters, that's right, isn't it? They provide gasoline for your three Highway Department cars?
- Mr. Ledew: We pay them rental for them.
- Q You pay them rental, based on mileage?
- A Um-hum.
- Q But the gas is put in from their pump?
- A That's right.
- Q And not from yours?
- A Um-hum.
- Q And if the cars have to be repaired, they do it up there?
- A The cars belong up there. We are forced to hire three cars from them.

Mr. Webber: But you keep those three cars segregated down in your quarters, not in their fleet?

Mr. Ledew: No, they are downstairs.

Q Why are they not in the fleet? Why don't your department heads simply go take one off the floor, the same as anybody else? Are cars segregated in every department?

A They have been issued to us, a blanket issue. We may need cars six times in a morning. It would be a waste of effort to run up there every time. We may need them at midnight, and they are locked up then.

Q And the needs of these other departments who draw on the fleet are not as great as yours?

A Well, you can appreciate the difference between us. Our field work, it is all emergency work. If we haven't got a car, then an individual is forced to use his own. If it isn't properly insured, then he can't get mileage. We can't ask a man to drive his own car for nothing.

Q You keep a check on the mileage.

A On these three cars?

Q Yes.

A We keep our own records, and turn a mileage slip in to the Departmental Garage, and they bill us. We keep a record of it; they keep a record of it.

Mr. Ryan: I would like to know, Mr. Ledew, if you know who has the say about what kind of trucks will be bought. For instance, for the Bridge or Maintenance department.

Mr. Ledew: The way it always was handled -- some things have been changed since Davis came there -- he does a lot of things through Sawtelle which we used to do through the office. It is handled a little different; the method of the thing is different. We recommend, if we feel we would like to have half a dozen Chevrolets,

Mr. Ledew:
(continued)

if we would like to have half a dozen Fords, we send a memo to the Highway Commission, requesting that we may be allowed to, maybe exchange so-many trucks, and that goes to the Commission and is approved or disapproved or changed.

Mr. Ryan: That is for your own Highway Department?

Mr. Ledew: That's right.

Q What is the situation relative to trucks? If they wanted a heavier truck for the Maintenance Department?

A I don't know.

Q You don't know anything about whether Mr. Davis would be consulted on anything like that?

A He may be.

Q Do you think, Mr. Ledew, that Mr. Davis, the superintendent of the garage, would be in a position to make recommendations as to the heavier trucks?

A I don't know of anybody that would know, better.

Q These trucks that are bought, the heavier trucks that are bought for use of the Maintenance Department and the Bridge Department, are all serviced at the Highway Garage?

A Yes, sir.

Q And so Davis comes in contact with the trucks, knows how they are doing, how they stand up?

A Each and every one of them.

Mr. Webber: Does Mr. Barrows, the chief engineer, spend any time keeping in touch with your business, how you operate over there?

Mr. Bedew: You mean, lately?

Mr. Webber: Well, you mean he has more lately than he used to?

Mr. Ledew: I would say yes.

Mr. Webber: Did he used to spend any time at all in connection with the garage until recently?

Mr. Ledew: I don't know. I think I have seen him there twice in four years.

Mr. Ryan: Does the Bridge Department have very many derricks?

Mr. Ledew: I don't know, how many. It is on our report.

Q Do they come in for repairs frequently?

A No.

Q What-ever repair work is done on them, is done at the garage?

A I don't know whether we do it all or not.

Q Does the highway garage have plenty of room without the space the departmental garage makes use of?

A No.

Q Is the Highway Garage cramped for space on account of that?

A Very. We could use much more space on the floor than that. We have got men working on earthen floors in the winter time with the wind blowing in on their backs -- not a very pleasant place to work!

Q Did the question ever arise in your department as to what repairs are going to be charged to, Mr. Ledew? Did the question ever arise as to whether they were to be charged to a town, the Maintenance Department, or State Aid department, on a certain piece of machinery?

A There isn't any question as to what repairs are going to be charged to. We just know.

Q Do you always know?

A We should.

Q But do you in each case feel you know what they should be charged to?

A I don't see any opportunity for confusion.

Mr. Ryan: The reason I say that, it has been indicated to us that sometimes Maintenance Department, sometimes State Aid and sometimes the Town is responsible, in the case of machinery doing work on State Aid roads.

Mr. Ledew: I think I know what you mean. Confusion between State Aid, the town or the state.

Mr. Ryan: Did the question ever arise in that way?

Mr. Ledew: Oft-times, the question arises, but I can't agree with the necessity for any confusion. It is a very simple thing to find out what any job should be charged to.

Mr. Ryan: Let us take a case of it being State Aid work. What would it be charged to: State Aid department, Maintenance department, or what?

Mr. Ledew: According to what it is, state aid construction or maintenance.

Q If it is state aid construction, it would be charged to State Aid, and if it is maintenance, it would be charged to Maintenance.

A Surely.

Q How does the town work into the situation?

A How does the town work into the situation?

Q Yes.

A Well, the only instance how the town works into the situation is on road machinery. A grader -- take a state owned grader or a town owned grader. Either the state will work part of the time, and state aid part of the time for maintenance and upkeep, then the town uses it on the town roads. In instances like that frequently the State Aid and the Town make an agreement among themselves. We will say, "Well, we will pay half, and the garage will bill you for half, or we will pay you half from the State Aid account."

Mr. Ryan: You never have any real difficulty with those things?

Mr. Ledew: Oh no. The only difficulty is trying to get the Federal charges. They are not so apt on WP and FA jobs to pay for their equipment, which they use without rental charges.

Mr. Webber: Are you familiar with the policy that is followed in connection with the authority of the superintendent to hire men into the ranks, as to where his authority is exercised and where the matter goes to the Commission? Have you seen that work out enough to know what the practice is?

Mr. Ledew: Well, I have seen it five years.

Mr. Webber: What seems to be the practice, as to when the Commission acts and when is it your responsibility?

Mr. Ledew: As I understand it from Mr. Davis, he is allowed to hire any man that has been previously employed by the state in any position, as operator or driver as the case may be, or mechanic, but any new man who has never been employed by the state before, would have to have the sanction of the Highway Commission?

Mr. Webber: Has Mr. Davis on occasion delegated the responsibility of hiring men to you?

Mr. Ledew: Yes.

Q With some instructions as to what to do?

A Yes.

Q But you have never been given any opportunity to take any man on who had not previously worked for the state?

A No.

Q Has there ever been such a thing, since you have been there, as a member of the Governor's Council hiring a man directly, himself?

A No, sir, not to my knowledge.

Q Or the Governor?

A No, sir.

- Mr. Webber: Have the members of the Governor's Council on occasion talked with you or Mr. Davis, or the both of you together, in connection with people they would like to see employed in the department?
- Mr. Ledew: I believe Davis has talked with one or two.
- Q Have you ever been approached by a member of the Governor's Council, yourself, along those lines?
- A No, sir.
- Q Have you seen evidences of inefficiency or possibly insubordination, reluctance to take orders, on the part of men who have been recommended for employment by members of the Governor's Council?
- A No, sir. There have been very few, and the two I have in mind are very efficient men.
- Mr. Ryan: Does Mr. Root seem to know quite a number of people in Augusta, that is, people around the State House -- state officials?
- Mr. Ledew: I guess he knows his share of people.
- Mr. Ryan: What I mean is, does he seem to be pretty well acquainted?
- Mr. Ledew: I wouldn't know.
- Mr. Webber: Is Mr. Root on the job today?
- Mr. Ledew: Yes, sir.
- Mr. Webber: Has it been your practice to engage in any particular political activity, yourself?
- Mr. Ledew: No, sir.
- Mr. Webber: Has Mr. Root indicated in any way that he is quite interested in any political activity?
- Mr. Ledew: No, sir.
- Mr. Webber: Are there any men over there, holding positions of some responsibility, who are away from their jobs today, this being primary election day, as far as you know?
- Mr. Ledew: No, sir.

Mr. Webber: Have you seen evidences of activity by any candidates for office around among your workers on the job?

Mr. Ledew: No, sir.

Mr. Ryan: Did the State Police ever buy anything of the Highway Garage?

Mr. Ledew: They buy the majority of their stuff through us. They take advantage of our purchasing department.

Mr. Webber: Are there any evidences that you have seen that Runnells was close to Mr. Root?

Mr. Ledew: No.

Mr. Ryan: What was Root's work with the Liquor Commission?

Mr. Ledew: I don't know as I can tell you about that.

Mr. Ryan: Did he have anything to do with the ordering, do you know?

Mr. Ledew: I know he had to do with bills and expense accounts. He told me he had something to do with setting up some of the new stores, too.

Mr. Webber: Do you remember a case, before Mr. Marston died, when there was some stir because somebody had suggested selling gasoline out of your pump?

Mr. Ledew: I know I was always heartily not in favor of it.

Mr. Webber: Do you know whose suggestion it was, that gasoline should be sold?

Mr. Ledew: No.

Mr. Ryan: When gasoline was sold by the Highway Garage, issued to a truck and charged to the Maintenance Department, let us say --

Mr. Ledew: It isn't possible.

Mr. Ryan: There wouldn't be any gasoline sold --

Mr. Ledew: I mean, not the way you stated it. Issued to a truck and charged to the Maintenance Department.

Mr. Ryan: How was it charged? Who was it charged to?

Mr. Ledew: If the Maintenance Department bought five gallons of

Mr. Ledew:
(continued)

gas and used it on a mixer; that would be possible.

Mr. Ryan:

What about Maintenance Department trucks?

Mr. Ledew:

Maintenance Department has not got any trucks. That would be Motor Transport.

Q Actually, they don't have any trucks of their own?

A There aren't any departments that have trucks of their own; they are all Motor Transport's.

Q If you sold it to a Motor Transport truck, would the price charged for gasoline include the State gasoline tax?

A We charge at a flat rate -- 14¢ -- I don't think it is with the idea of including taxes.

Q In other words, when gasoline goes into State trucks, there is not any tax? No tax that comes back to the State on that gasoline?

A Well, it isn't possible. We don't pay state taxes when we pay any company's bills.

Q Aren't you billed by the gasoline companies for the state tax?

A Don't we get a refund on it? It is the difference between tank delivery on one contract and what is bought in the field on courtesy cards on another contract. Tank delivery stands the Garage 10-5-5-5-6-5, I think, discounts.

Q Would Mr. Root know just what the story is?

A He should know. He is paying the bills. He takes care of coding the bills, checks prices and purchase orders.

Mr. Webber:

You raised an interesting point when you said the Maintenance Department has no trucks.

Mr. Ledew:

They own no trucks; they rent them all from Motor Transport.

Mr. Webber:

The trucks the Maintenance Department uses in snow removal, one of their big items?

Mr. Ledew:

Yes, sir.

Mr. Webber: -- Are all owned by Motor Transport?

Mr. Ryan: Bought out of 9075?

Mr. Ledew: Yes.

Mr. Webber: And that is you people over there?

Mr. Ledew: That's right.

Mr. Webber: And are rented to the Maintenance Department?

Mr. Ledew: That's right, and also the plows maintained on them.

Mr. Webber: Well now, when it comes to buying those trucks, who does that?

Mr. Ledew: The Highway Commission.

Mr. Ryan: Who is the head man of the Motor Transport?

Mr. Ledew: The superintendent.

Mr. Ryan: The superintendent of the garage?

Mr. Ledew: Yes, as far as I know.

Mr. Webber: Mr. Davis?

Mr. Ledew: No. He is superintendent of the garage, but Motor Transport is supposed to be a subdivision of Maintenance.

Mr. Ryan: If Motor Transport is supposed to be a subdivision of Maintenance, how does the Bridge Department work in here? Is it also a subdivision of the Bridge division?

Mr. Ledew: No.

Mr. Ryan: What about their trucks? Are they bought out of Motor Transport?

Mr. Ledew: Well, they would come to Davis and suggest that they would like to have a five or seven ton International and he would request it from the Commission. Probably Wilder would talk with the Commission, they would send a request to the Commission to purchase it, and they would approve it or not approve it.

Mr. Ryan: What I am getting at is, this Motor Transport division does really own the trucks the Maintenance department uses, the Bridge department uses, and the State Aid department uses?

Mr. Ledew: And the shovels. State Aid department uses lots of shovels.

Mr. Ryan: And Davis is head of Motor Transport?

Mr. Ledew: He is superintendent of the Garage.

Mr. Ryan: He is the nearest one to being a head, inasmuch as he is the superintendent?

Mr. Ledew: I should say so, yes.

Mr. Ryan: Certainly he doesn't seem to be the man to say what is going to be bought?

Mr. Ledew: I wouldn't say how far they ask his opinion on it.

Mr. Webber: Is this Motor Transport division a division without a head at the present time, technically speaking?

Mr. Ledew: Well, it is somewhat of a floating appropriation.

Mr. Webber: The Motor Transport division seems, then, to be at the present time a division simply for the purpose of receiving and expending an appropriation, namely 9075, but without any staff or personnel or any technical head; is that correct?

Mr. Ledew: That is my interpretation of it, yes. I may not be correct. May I give you the history of Motor Transport up to the present time? This is the story, what I have picked up, and not possibly accurate either: At the beginning of the world, something had to start. Maintenance had crews working. They decided they would put crews out and do their own maintaining of the roads. That necessitated equipment. That led to having to have a garage to take care of the equipment, so they had an old garage down back. That outgrew itself. Then they had quite a time, eventually building this one. If they were going to have a garage, they would have to have a head of the garage, so they appointed a mechanical superintendent, and set up an appropriation to take care of Motor Transport. Well, then they took the

Mr. Ledew:
(continued)

the graders they were using on the roads, they took an old shovel they had, and transferred the whole thing under the head of Motor Transport, which was under Maintenance. Maintenance just instituted that for their own use.

That was back in the old days, and since then it has grown, grown, grown, until we have got I don't know how many hundred pieces of equipment. Now it is almost as big as Maintenance. It has grown beyond being a subdivision, but theoretically the head of Maintenance was the head of the Motor Transport division. But back in the old days, they just had an idea of a garage, and all the shovels, and the road equipment, the graders and all the equipment State Aid has, plus the loaders, mixers, graders, road machines, drags, tar kettles, boilers, trailers, compressors, and a few other machines Maintenance and all the departments use, has gone to make up 9075, the Motor Transport Division, which the Garage is a part of.

It is the Garage's duty to keep them in repair and to do the work and apparently keep track of the costs. We have a stock issue -- Supposing we have a road machine come into the garage. We use steel angle irons, bolts, gears, equipment for welding and cutting. All those things are disbursed from stock on stock issues sent to the Maintenance Department. We never see them again. We don't know whether Maintenance tears up the lot of them, or sends them through for payment. The same thing is true of State Aid or Bridge.

And on other purchases, we would put through interdepartmental transfer, we wouldn't have a chance

Mr. Ledew:
(continued)

to check on the invoices after clearing on it to make sure they would pay it. The labor would come in on the payrolls. Last year there was more than \$30,000 paid through other offices, other than the Garage, which we never saw. We have no check. If Maintenance is charging us with something, they ought to submit it. But our bills, if they want to cut it in two, we don't know about it. They just change it, and we never see it. Does that make it clear?

Mr. Webber:

Yes, it does. I have been trying to tie this up -- The statement was made that the Maintenance Department has bought its own trucks for snow removal, but some trucks this department -- that would be Maintenance -- has bought for other purposes have gone through the Highway Garage.

Mr. Ledew:

That's right. Ton and a half Fords.

Mr. Webber:

What would that mean, when you say in connection with that that the Maintenance department does not have any trucks? They have bought trucks; do you mean they would be charged, then, to the 9075 fund?

Mr. Ledew:

That's right.

Mr. Webber:

And although you had nothing to do with the purchase at all, they have become your baby?

Mr. Ledew:

That's right.

Mr. Webber:

And that there would be a purchase of trucks for snow removal, let us say, without any recommendation or OK from Mr. Davis at all?

Mr. Ledew:

That's right.

Mr. Webber:

It would be on what Maintenance Department thinks about what they want?

Mr. Ledew:

Not on what their own head feels; the Commission would have quite a bit to do with it, too.

- Mr. Ryan: Do I understand it this way, that the Maintenance Department, and the State Aid department, and the Bridge department are the ones who use the 9075 money, really, for Motor Transport, but that actually Motor Transport itself does not get a hand in it at all -- just takes what is bought with that money by the other outfits, then has the obligation of looking after it?
- Mr. Ledew: It may come over to us by rumor, and this afternoon six trucks may roll into that Garage which we wouldn't even know anything about.
- Mr. Ryan: Does Motor Transport itself really buy trucks, equipment, out of 9075; or is it spent by Maintenance and Bridge and --?
- Mr. Ledew: We work on it too. It is our pocket-book. Everybody dips.
- Mr. Webber: Then 9075 is not an appropriation by the Legislature of a certain amount of money to a certain department for a certain purpose, it is the Garage of a division which derives its monies from repairs and rentals and sales of stock charged to the various departments?
- Mr. Ledew: We can't make money on the stock; we sell it at what we buy it at.
- Mr. Webber: It is not revenue producing?
- Mr. Ledew: No, a loss.
- Mr. Webber: Revenue, out of which you must make a profit to do all these various things so people can dip into that pocket-book at will and find funds available for that purpose, must come out of the rentals?
- Mr. Ledew: Yes.
- Mr. Webber: You feel that the orderly thing to do, if they are going to carry on this Motor Transport Division, is to have, as you said before, a centralized clearing

Mr. Webber: house on Motor Transport, and as a part of that, (continued) have it absolutely made certain that all the proper rentals, which furnish the basis of your income, get properly charged and credited, and in regard to the personnel --?

Mr. Ledew: Yes, sir. Take two girls out of Maintenance and a fellow and a girl out of State Aid, take one out of Bridge, take the one that is working for the Controller upstairs, in the Highway Building, take the inventory clerk and the two girls they have just had to hire, have a Chief Clerk of Motor Transport, get them together, have an outfit. They are all doing Motor Transport work. Have somebody supervise them that knows what it is all about.

Mr. Webber: And have separately from that, the Highway Garage, as a garage, with a superintendent with a good knowledge of mechanics, such as the man you have.

Mr. Ledew: Yes, and have an office in the garage which is working under the jurisdiction of the Chief Clerk of Motor Transport, as far as accounts are concerned. The office in the Garage does an awful lot of work for that -- put it into a Motor Transport office. Let the Garage office take care of the payroll and the two lines, the telephone, and those men you have to keep replacing and working. There is enough things to do, to keep them busy! Have an accurate record kept, of where the equipment is, have cards on the locations. Know where the equipment is, so you can spot it at any time. Know its condition. That would be of benefit to the superintendent and the men working in the field on repair work. Have an office for the Garage and one for Motor Transport. If Maintenance or Bridge, State Aid, or construction, or equipment, is the question, let them consult the superintendent. One knows the needs;

Mr. Ledew:
(continued)

the other knows what it is mechanically possible to do. Let them consult with the Commission once in a while.

Mr. Ryan:

When the Maintenance Department, for instance, takes a truck for snow removal work from Motor Transport, what is the arrangement with regard to rental? How is that handled?

Mr. Ledew:

Maintenance have set up a snow removal rate for the type of work, the type of plow, according to size. It varies, anywhere from 87¢ an hour for a Ford 1½ ton, to \$4.50 for a 10-ton truck.

Mr. Ryan:

The Maintenance Department set up that schedule?

Mr. Ledew:

Yes, sir.

Mr. Ryan:

Without consulting with Motor Transport?

Mr. Ledew:

With the idea in mind, I think of conforming with their snow removal appropriation.

Q

Upon that basis, Maintenance department is supposed to pay Motor Transport so much an hour, so much a day, for the truck it has?

A

Yes, sir.

Q

So in effect the Maintenance department sets the figure at which it rents its equipment from Motor Transport?

A

And puts the daily equipment reports through without any check through any Motor Transport office for the rental per day, per number of hours. It isn't known in any Motor Transport office whether that equipment worked 16 hours and they received 8 hours' credit, or whether it worked 8 hours and they received 16 hours' credit.

Q

So you don't get any record worth anything to you on equipment you are letting out, that is, Motor Transport is letting out?

A

The garage has no record.

Mr. Webber: Then if there is a repair job done for another department, you don't send them a bill either, do you?

Mr. Ledew: ^{Do you mean} ~~any~~ repair job on a piece of equipment that belongs to the department, or one that belongs to Motor Transport?

Q To another department.

A No, we would put the labor through on the payroll, charging for that job, and send it to whatever department the equipment belonged to. And as I said before, the stock issue would be sent, and what they do with the stock issues, we have no check. But we do know that if no check comes through for the men's time, we know something is wrong there.

Mr. Ryan: During the time you have been down at the Highway Garage, has there been any change in the procedure in regard to shovel operators on the road, we will say, sending in their reports?

Mr. Ledew: Yes, there has been.

Mr. Ryan: Do they now send in a card to your office indicating where and when they work?

Mr. Ledew: We have carbon copies of the daily equipment reports in the office.

Mr. Ryan: Is that something that used to be done?

Mr. Ledew: No, sir. ~~It was~~

Mr. Ryan: Before, there was more opportunity for someone to get a report and change the figures and you wouldn't know, in the office?

Mr. Ledew: No. If we had had the copies in our office, we could have had an opportunity to check them, but we never had them to reconcile with the figures to the controller or just simply to prove them.

Mr. Ryan: Do you get that kind of a report from the driver of the truck for the Maintenance Department?

Mr. Ledew: No. We have no copy of the truck rental which should be in the office to check with the Controller's record.

Mr. Ryan: Do I understand, in the case of a shovel operator, you check the figures on his time against the figures you get from the Maintenance Department?

Mr. Ledew: No. I say we have an opportunity to.

Mr. Webber: And if that could be followed up, a check as between operator's time and the time the equipment he worked on was in service, would that give you a perfect check; because that should balance?

Mr. Ledew: Yes, sir.

Mr. Ryan: If he was honest!

Mr. Ledew: It would take one person doing a steady job, just doing that.

Mr. Ryan: Does an operator get so much a day, regardless of the number of hours, or what?

Mr. Ledew: No, sir, actual time worked.

Mr. Ryan: There is a check in the division -- department -- he works for on his time?

Mr. Ledew: Yes.

Mr. Ryan: So that, could you check his time against the time on the shovel?

Mr. Ledew: Should be able to reconcile his time with the shovel time, and explain why either he or the equipment didn't work.

Mr. Ryan: Does Motor Transport get so much per day for a shovel?

Mr. Ledew: No, per hour that it works.

Mr. Ryan: So that could be done.

Mr. Webber: To come back to the question I asked you, when the number of hours the equipment actually works is reduced on paper because somebody wants to make his fund look good, doesn't that have the necessary effect of not only depriving your department of a rental charge it is en-

- Mr. Webber: titled to show, as having earned, but doesn't it also
(continued) leave the whole Highway Department, and the State of
Maine looked at as a whole, at a disadvantage itself
about the number of hours of work which have been
taken out of the hide of its machinery?
- Mr. Ledew: Yes, sir.
- Mr. Webber: So that it would also follow that it means you have
got equipment owned by the State of Maine that, ac-
cording to any reports would show up only so-many
hours of service, work they have performed, and ac-
tually they are a lot older than that?
- Mr. Ledew: It has been suspected!
- Mr. Ryan: That is taking it from the realm of supposition.
- Mr. Webber: That's right. It is possible that it could have
happened.
- Mr. Ryan: Does the Highway Garage pay you rental for your garage?
- Mr. Ledew: Our garage?
- Mr. Ryan: Does your garage pay rental to any other garage?
- Mr. Ledew: No. We have been forced to pay rental on our equipment
to other places. We have to have thousands of dollars
worth standing out all winter for lack of cover.
- Mr. Webber: What department would get the credit or carry the burden
of the departmental garage profit and loss?
- Mr. Ledew: They work on an appropriation, I think. Supposed to be
self-supporting, although under the jurisdiction of --
- Mr. Webber: The purchasing agent?
- Mr. Ledew: I don't know. Department of Finance, I think. In-
directly under the Bureau of Purchases.
- Mr. Webber: You figure that their profit and loss statement in
figures covering costs and receipts of their opera-
tions would be reflected in the cost sheets of the
Finance office?
- Mr. Ledew: Ought to be.

Mr. Webber: The Finance Department?

Mr. Ledew: Oh no, ought to have a separate sheet of figures. I know they have one of their own. Then, if we were losing money, for example, make an adjustment, come up on the rentals. That would be what we are supposed to do.

Mr. Ryan: Is it your understanding that Mr. Root has to answer to Mr. Bailey as his superior?

Mr. Ledew: Yes, sir. Yet there is a bit of contention about that point.

Mr. Ryan: Did you ever hear Runnells say Root was working under ~~Runnells~~ Davis?

Mr. Ledew: I don't know whether Root was working under ^{Davis} ~~Runnells~~, or whether that is just presumption on my part. There is an understanding that Root is head of the office, and Davis is head of the garage.

Mr. Ryan: You have never been too sure whether either one was under the other?

Mr. Ledew: I think Root is apt to take orders from Davis, but I don't think Davis is apt to take any orders from Root.

Mr. Ryan: Do you know Ernest Ward?

Mr. Ledew: Yes.

Q Where does he work?

A At the Garage.

Q In the office?

A Well, he hasn't got a desk.

Q What is his work?

A Well, assistant superintendent, in the winter time. He might be in Aroostook county or anywhere in the field where the work would necessitate being there, pertaining to equipment, handling men. He is one of the smartest mechanics in New England. His knowledge of matters involved at the garage and knowledge of mechanics is invaluable in the field also.

Mr. Ryan: Does he do the same work as Davis did under Marston?

Mr. Ledew: Yes.

Q Do you know how he happened to get the job, through whose recommendation?

A He was with the State Police prior to working for the state.

Q Do you know whether he worked for Davis?

A No, it was long before my time. He has been there 16 years; that is one thing I do ~~wonder~~ wonder, I wonder why he stays!

Q You mean, because you feel he is a very valuable man?

A Yes. I know also that he has had some very good offers, and his only reason for refusing was, he was waiting for his boy to get through school.

Q Do you have any difficulty with any of the men on the crews -- particularly men on the summer crews, the tar crews -- that sort of seemed to think, in a way, that -- because they seemed to feel that they got their jobs in such a way that they could not be reprimanded if they did something wrong?

A I don't believe they feel that way over there.

Q No one seems to think they got their job through such a means that --

A And I also feel that if they did, it wouldn't do any good!

Q Political pull is not of much benefit in tar crews?

A If the foreman didn't fire him, the rest of them would ride him.

Q Do you think you get many men down there on jobs not too well adapted to the work they are trying to do?

A At 27¢ an hour you can't take your pick of the best men.

Q They all get 27¢ an hour?

A The laborers. The truck drivers get more, 29, 31, 34. You don't get the cream of the crop for that money.

Mr. Ryan: Does that include board?

Mr. Ledew: Yes.

Mr. Webber: What do private contractors pay?

Mr. Ledew: According to the job, 40, 45, 50, I don't know.

Mr. Ryan: Private contractors, then, for some reason pay better than the state pays, in regard to wages?

Mr. Ledew: In comparison, I think we are below standard of any private concern, as far as wages are concerned. But the contention is we want strong backs, not strong minds on some of those jobs!

Mr. Ryan: Have you ever seen any indications of Runnells interfering with Davis in the management of a job?

Mr. Ledew: No, sir. Davis is not the type.

Mr. Ryan: You mean, not the type easily interfered with?

Mr. Ledew: He would get pretty much upset about it. I don't know if he would do anything.

Mr. Webber: Who were Runnells' particular friends, do you know?

Mr. Ledew: Where?

Mr. Webber: Around here.

Mr. Ledew: That comes under different categories.

Mr. Webber: His men friends.

Mr. Ledew: Times, I thought I was, and times I didn't think I was. He was a strange personality. He would get mad, not speak to me for six months; bring me in, bawl me out; then call me up and ask me if I didn't want to bet on a football game. Try to get another job and send his name in for a reference, and he would spoil it for you, sure. Gerald was very good friends with him, Marston considered him a very good friend of his. I think that everybody who worked up in the building considered him very efficient and trustworthy. He wasn't very personal in his friendships, other than with Gerald.

Mr. Webber: Did he keep up his friendship with Mr. Guest after Gerald left?

- Mr. Ledew: Yes, I believe he did; yes.
- Mr. Ryan: This morning you said you were not just sure when Mr. Guest got through. As a matter of fact, it was very shortly after Mr. Marston died, wasn't it?
- Mr. Ledew: Within a three or four week period, there.
- Mr. Webber: The auditors came over and made a gasoline inventory test, do you remember?
- Mr. Ledew: I was so busy trying to get a vacation and appearing before the Legislature and the Grand Jury -- I understood they were fooling around with the gasoline, but I don't know what they did.
- Mr. Webber: They took a book record of the gasoline on hand on July 1, 1939, showing 3485 gallons on hand. How is that book record kept up?
- Mr. Ledew: Must have taken the disbursements and deliveries and checked through.
- Mr. Webber: What he was doing, he was making a check of the gasoline from July 1, 1939 to March 31, 1940, a period of a little over a year.
- Mr. Ledew: Not quite a year.
- Mr. Webber: A period of a little less than a year. And he had to have a starting point, so he took as his starting point the book record of gasoline on hand July 1.
- Mr. Ledew: Um-hum.
- Mr. Webber: And then added the purchases through the period and the readings of the tank in various places, and discounted the issues, and established the shrinkage. What I want to get at is that book record. Do you think that book record starting point is accurate?
- Mr. Ledew: No reason why it shouldn't be.
- Mr. Webber: What about the failure to keep account of gasoline being withdrawn by some of the employes? Wouldn't that leave you with wrong figures on the book?
- Mr. Ledew: It would be rather evident to an employe in the morn-

Mr. Ledew:
(continued)

ing when he rectified his tank reading with the tank measurement by stick, that there had been an error in the disbursements, so he couldn't get very many gallons off without finding his error and rectifying it. The inventory which was used was as accurate as it is possible to get it.

Mr. Webber:

I don't know whether we are talking at cross-purposes or not. The auditor goes in on March 31, 1940, and it is ^{easy enough} ~~simple enough~~ for him to check how much gasoline is there that day, but in order to see whether they have got as much gasoline as there should be there, he has got to go back, take a starting point and make a check. The accuracy of that starting point, that is what I mean.

Mr. Ledew:

The starting point was as accurate as we could keep it. It should be right. Whatever the figure was, it couldn't have been more than ten gallons difference between the stick inventory and the figured inventory. How many gallons were we off?

Mr. Webber:

As a matter of fact, he came out with 153 gallons excess, which of course means he was wrong in his estimate of shrinkage, because it is impossible to have an excess.

Mr. Ledew:

He couldn't have that. Based on what shrinkage?

Mr. Webber:

That was based on 2% under normal conditions.

Mr. Ledew:

He ought to have been under, not over.

Mr. Webber:

That gives us 1096 gallons over the period for shrinkage. My reasoning has been, if he comes out 153 gallons in excess, it must simply be he has overestimated the shrinkage by that amount, because it is impossible to have an excess.

Mr. Ledew:

How many gallons shrinkage did you say?

Mr. Webber:

2%. Little over 1,000 gallons.

Mr. Ledew:

I would like to have him go over my books and write that off for shrinkage! I don't believe that's right.

Mr. Webber: Then it comes down to two things: in your opinion that book record starting point the auditors used is probably nearly accurate?

Mr. Ledew: Yes, sir.

Q You are very much surprized to find the auditors using 2% for shrinkage?

A Yes.

Q You say Wood and Lewis originally worked for your department?

A Lewis didn't. Lewis is an appointee.

Q Of the Commission's?

A No, the Governor and Council. He is head of Motor Vehicles.

Q How long ago was he appointed?

A I don't know a thing about it.

INTERVIEW TERMINATED.

I hereby certify that the foregoing is a true copy of my notes.

Lena B. Brown
Reporter
Taken June 17, 1940

EDWIN HUBBARD ROOT

(Preliminary Examination)

June 18, 1940

Mr. Webber: State your full name for the record.

A. Edwin Hubbard Root.

Q. And your title over there is what?

A. Chief Clerk.

Q. In the Highway Garage?

A. In the Highway Garage.

Q. How old are you, Mr. Root?

A. Forty-five.

Q. Married?

A. Yes, sir.

Q. You live in Augusta?

A. Yes.

Q. How long have you lived in Augusta?

A. Lived here about five years.

Q. Where did you live prior to that?

A. I was in Waterville about seven or eight years. I came from Calais.

Q. Was Calais your home originally?

A. That was my previous home.

Q. What was your education and training?

A. Well, I had high school three years at Worcester Polytechnic Institute, which was interrupted by two years in the army, and four months at the University of Marseilles. When I returned from overseas I finished up at the Graduate School of Business Administration, two years at Harvard.

Q. And then you went to work after that?

A. Yes.

Q. And what position did you go to work in?

A. As Assistant Superintendent in the United Envelope Company at Worcester.

Q. How long did you continue with them?

A. I was there about two years, then I went to Calais.

Q. What did you do in Calais?

A. I was in business with my father-in-law, a department store.

Q. Who was your father-in-law?

A. N. A. Olsson, since deceased.

Q. What kind of a business was that?

A. A department store.

Q. How long did you continue there?

A. I was there until I came here on December 3, 1934.

Q. Was your giving that up associated with his death?

A. Yes.

Q. The business broke up with his death?

A. That's right.

Q. And so you came with the state in 1934?

A. Yes.

Q. Was your first position with the Liquor Commission?

A. Well, it was paid by the Liquor Commission, but really it was with the Liquor Control downstairs in Mr. Berry's Department.

Q. How did your employment with the state come about? Did you solicit employment or did the state ask you, or how?

A. Well, I had been around trying to find something that would suit my education, and that might possibly have a future to it, so I knew a couple of members of the Council and I asked them about the time the Liquor Commission was starting up, in hopes to get something.

Mr. Ryan: Who were they?

A. Ernest Woodman was the one I knew particularly well.

Mr. Webber: Where was he from?

A. Calais.

Q. Is that Stillman Woodman's brother?

A. Nephew.

Q. A brother of Jack Woodman?

A. He is the same.

Mr. Ryan: Who is the other one you mentioned?

A. I don't recollect.

Mr. Webber: Mr. Fernandez?

A. No. I had a number of friends in the government here. I may have

confused a council member with Mr. Woodman. I knew Arthur Marshall, who was President of the Senate at that time, and two or three of the legislators, so I don't just know how it worked out.

Q. Who was the Chairman of the Liquor Commission?

A. Stillman Woodman.

Q. Were you acquainted with him?

A. Not very well. In fact I never saw him before to talk to before I had the position. The actual employment, I believe, was with Runnells, because he was the only one in the state government I actually talked to about the job, what the employment would consist of.

Q. What was your title with the Liquor Commission?

A. Auditor.

Q. And you were working under the Bureau of Accounts and Control?

A. Yes.

Q. And your appointment was by that department, and not the Liquor Commission?

A. Well, I would almost say so.

Q. But the salary was paid out of Liquor Commission funds?

A. That's right.

Q. And what was your pay when you first came with the state?

A. Thirty-five dollars a week.

Q. Do you have a family, children?

A. One child, a girl.

Q. Do you know the exact date you came to work for the state?

A. December 3rd, 1934.

Q. You say Runnells was the one who instructed you on your job?

A. Yes, there was no position set up at all at the time; no liquor in the warehouses; Fred Berry and Runnells and I were the ones who started setting up the thing.

Q. Will you tell us briefly what your duties were? What did you do for the Liquor Commission?

A. When I first went in my principal work was setting up forms.

One time they made a trip to New Hampshire to see their set-up, and

came back and made a survey of the stores, lay-out of the stores, and, well, location and stock in the stores; made plans of all that and the warehouses. Just general organization, in cooperation with Runnells and Berry.

Q. Setting up the stores from nothing, getting organized, getting going?

A. That's right, and when they got ready to open the stores, they were divided among us to open, to supervise the opening as Supervisor. I supervised the opening of the Bangor store and Houlton store. We came back here and I took over both of the duties of the Accounts Payable and some of the supervising work here in the office.

Q. And that continued to be pretty much your job after setting it up, as long as you stayed with the Commission.

A. That's right.

Q. Did your salary increase while you were with the Liquor Commission?

A. No, it continued.

Q. Continued the same? You were still working with the Liquor Commission when Walton was Chairman?

A. I was there, yes.

Q. I assume that you are then quite familiar with a great many of the force of the Liquor Commission, and what went on there?

A. I tried to make it my business. I don't know as I knew everything that went on.

Q. If later on we had occasion to examine the Liquor Commission, that department, we could perhaps turn to you for information?

A. I would naturally be available. I am a state employee.

Q. And you might have intimate knowledge of it? When were you transferred to the Highway Department?

A. It was either the latter part of February, or the first part of March.

Q. In 1939?

A. In 1939.

Q. When did you first learn that there might be a change? How did it come about?

A. I don't know. I hadn't expected any transfers in the state. I was a little unhappy where I was. It is close quarters. The balcony wouldn't be as big as this room, and there were twenty-two or twenty-three employees all talking, with typewriters, adding machines, Monroes, calculators going when I tried to concentrate, and I would feel my system going down. You opened a window, and bang, down it would go again. I was looking around. If I could get anything, I would take it, because I could just feel my system going down.

Q. Did you report the feelings you were having to anyone?

A. I told Fred Berry, although I never contacted Runnells. Lots of ways we didn't seem to jibe, you might say. Fred Berry knew about it, then I had heard of the trouble they were having with my predecessor at the garage. I didn't think anything about it. There had been trouble there before with him, you know. He wasn't strictly attending to business, but as long as he was on the job I wouldn't solicit it, so one day out of a clear sky Runnells called me in. I went down. He said, "How would you like to go to work over at the garage?" I said, "What's the matter with Gerald?" And he says, "We have given him all of the opportunities we are going to. He is all through." I said, "As long as he is down there I wouldn't solicit the job", and he said, "He is all through anyway. If you want the job you don't have to feel that way." Then I said, "I haven't been happy in the job I was in", and I was glad to consider it and hoped he would use his influence to have me transferred. He didn't give me anything definitely, that I could go. He said there were some things to clear up before I would receive the appointment.

Mr. Ryan: Did he tell you what it would pay?

A. No. He said it would be an advance, a promotion, so I think later on that day he made an appointment with the Highway Commission and he said, "We will be going over to see them at nine o'clock in the morning", which we did, Runnells and I. Davis, the

Superintendent, Lucius Barrows and three members of the Commission were there.

Mr. Webber: During the discussion with the Highway Commission, did it develop that they had in mind any sort of an investigation of the Highway Garage; the conditions over there?

A. At the time I took the job?

Q. Yes.

A. No.

Q. Did Mr. Woodman go directly from the Liquor Commission to the Highway Commission?

A. I couldn't say definitely.

Q. Was he out for some time?

A. A short time, I believe, I wouldn't say for sure about that.

Q. He was Chairman of the Highway Commission when you took the job?

A. That's right.

Q. Had you had occasion to get acquainted with Stillman Woodman while you were working for the Liquor Commission?

A. All I ever knew, what contact I had with him, he was always considered a very honorable man. Don't know as I heard him or someone else say that he said, "Nothing good ever came of liquor." He wasn't happy in the job. He wanted to get out, even if he didn't have any place to go but home.

Q. Did he wait until his term expired, or did he jump out?

A. No.

Q. Or just resign?

A. No.

Q. I think while Brann was Governor he appointed Walton.

A. Freeman I think was the other Commissioner, Freeman and Cloutier.

Q. I think he was appointed to the Highway Commission by Barrows.

A. I thought it was during Brann's administration.

Q. What was the nature of the talk that you folks had with the Highway Commission when your appointed was being discussed? That

is to say, what seemed to be in their minds? Who was making the appointment? Was it the Commission, or who?

A. I don't know just how it came about. I never questioned it, but it seemed that the Commission knew that there had to be another man over there, and would consider someone who had had some accounting experience, and I had, and naturally they would naturally look towards Runnells' office. I think they mentioned it, and Runnells being more or less familiar with the operation of everything in the garage because of the tie-in with the Control system, probably he thought of someone out there who would fit in, so Woodman knew me, probably my name came up, and he said, "Let's talk to Root", something like that.

Q. Was it all decided when you had the meeting, or was it still -

A. It seemed to me they had decided.

Q. Did they acquaint you then with what the garage was supposed to do and what the problems were?

A. Well, Davis was there. He was acquainted with the problems. He was an old employee, and they practically put me under his guidance, you might say, to acquaint me with everything. As far as laying out any particular duties to me, I don't believe they did. They said, "You will have a rather broad situation, and such supervising as you consider necessary, and if you see something going wrong, you are to go ahead and do what you can to correct it", and as they put it up to me, liquor had entered into the situation before. They would not tolerate liquor.

Q. They had in mind Mr. Guest?

A. Probably did, although I have since heard he, in collusion with somebody else, went into the office and had something on occasions. They didn't leave it open. They said they would not tolerate it in the future; that it would be reason for instant dismissal.

Q. Did they point out anything else to be worked on and possibly corrected?

A. I don't remember they did, except Runnells said his department

had been doing all the coding of invoices and passing them on for payment. He didn't think it should fall on his department, and as long as my work had been along that line I could do that work. He knew I was familiar with what he expected and then following out his ideas.

Q. Did they tell you that motor transport and the highway division were correlated?

A. Motor transport ties up with the highway division, you mean?

Q. The highway garage?

A. Motor transport and the highway garage are the same thing.

Q. You consider they are one and the same thing?

A. I do.

Q. And that your appointment was definitely made and confirmed and begun from that day?

A. I was to be clerk the next day, I believe. In the interim the Governor and Council passed the order. I know it was by Council order because I have seen it.

Q. So that your appointment was taken up by the Commission and the Governor and Council?

A. That's right.

Q. You went to work over there at what salary?

A. Forty dollars a week.

Q. And what is your present salary?

A. My present salary is \$39.96.

Q. Was that because of the change from annual to weekly basis?

A. No. It came about a year ago that the supervisory personnel, their weekly rate is divided over a nine hour day, a fifty-four hour week period, and it comes out like that. I never approached Runnells about it. I approached Rodgers. It is difficult on the payroll to draw it up that way. Some of us are short from two dollars up to seven dollars a year. Maybe three or four other employees are that much over. As long as we are on a salary basis and we are supposed to spend all the time we thought necessary on the job it was rather superfluous to say that we were on a nine

hour day.

Q. Nothing has been done to change it?

A. Mr. Rodgers said he would pass a memo over to the personnel board. They were working on the Highway Garage on the payments basis. He thought perhaps it might be worked out.

Q. Now when you got over there and got into the situation, I suppose you spent a week or two strictly observing, and finding out what it was all about.

A. Well, I kind of split my time up, covered all the different places, inquired about different things; the way the stocks were controlled, although I knew I wasn't to go into a lot of detail, assume a lot of detail myself. Mr. Ledew was there to do my bidding. He had been constructing the payroll, and I gave him to understand he was to continue. I was willing to do what I could to help in order to learn about it, so between us we arranged that I should take the payroll for a week. I think he assumed after a week that I was going to keep on with it. I have had to take it over several times. I try to keep in close contact with the men all the time and feel around and see if there was any feeling amongst themselves; feelings towards those over them.

Q. What did you find out along that line?

A. I don't know. There was always more or less discontent with the way the pay was split up. One man was coming in for fifty-three cents an hour, another was getting forty cents. There might be another man working there for ten years only getting fifty-three cents an hour, and another man doing similar work would get sixty-three. We have got a high grade carpenter there who has great respect for his work, getting forty-seven cents an hour, and a man working right with him doesn't think much of his work, doesn't make any effort, getting fifty cents an hour. I tried to get some adjustments with Mr. Runnells and the Commission, but I couldn't get anywhere. They said if they gave a man a raise that they would all holler. I don't know. There is no end to it. I was glad to hear that Rodgers had put it before the personnel of the Commission.

Q. So you think something might come of it?

A. Yes, I started in making changes myself. If a man is getting fifty-three cents an hour I figured I was doing a lot of detail to construct the payroll where he would work three, four, five hours and a half, and there were others getting fifty-five cents an hour. The truck rates are constructed the same, which comes to 55-5/9¢ an hour for light trucks. That's foolish, you know. I found that out, and I said, "You ought to make it an even fifty, fifty-five, forty, forty-five cents, whatever it happens to be", so he went back and talked to Davis and Ledew, and Ledew says, "Gee, we are going to have them all on our necks. One fellow will think it is a raise for him from fifty-three to fifty-five cents, and another fellow getting fifty cents, he would not get a raise", so Ledew went to see Runnells and he said, "Call it all off", so that was the end of it.

Mr. Ryan: What caused this division in pay?

A. As I understand it, it used to be a nine hour day and was changed to an eight hour day.

Q. Who set the prices originally?

A. I don't know. It has just grown up. We have got a first-class mechanic, ought to be getting more than fifty-three cents, but we pay him fifty-three cents, just like the man next to him.

Q. Did it seem to you that the Commission appreciates that this is a real problem?

A. I think they did, but they were not wild over the idea that somebody might get the idea that raises were going around. They have got the idea that they can't give anybody a raise because somebody would hear about it and then a dozen people would want a raise, and they could not give it.

Q. It is your impression that the men are underpaid?

A. I think there is some men overpaid and others are underpaid.

Q. Do you find there is any problem in holding good men because of the rate of pay, compared with what private industry pays?

A. We haven't had any problem, except for shovel operators. We might start a man as a greaser, work at that two or three years,

and during that time he gets a little experience running a shovel under the supervision of the operator. Of course the operator gets sixty cents an hour. That is four or five or six months out of the year. The rest of the time he is out of a job, and we were practically running a training school for shovel operators. We are now, I guess. If a contractor comes along, needs a good man, offered him a dollar and a quarter an hour, there goes our experienced man and we would have to break in another. In that way I think there was some dissatisfaction.

Q. What other problems did you run into that looked as if they were going to need attention?

A. Well, there was no way of following up costs. One thing I started in doing; I did have these big sheets that come off the business machines, might get one of those every six weeks which would be delayed or in the process of collecting the material from invoices, equipment repaired, stock issued. They couldn't collect it in less time, which wouldn't give us much information to work on, because that would be too late to be of much good, and then we continued collection of costs for the period from the beginning of the year up to that time, so I drew up a memo suggesting shop slips and material slips, cost slips, the record on that of what you get for one particular job. Then perhaps the superintendent, myself, somebody going over it could see what was being done. If there should be a question on the time, why it took so much time, if parts were duplicated, you could look into that, fix it up. I took that up with Runnells, as I had been instructed to do; that I could take his advice at any time, as it dovetailed with his work. He had no use for my suggestion; told me, "You have got enough to do down there with the other things". I just worked it on the car division at that time - just worked it on the cars. I ran across a lot of things. After the men got used to the idea of being watched, the thing boiled down pretty good. After the cars went out it was getting to be quite a job for one man to ~~AK~~ handle. Mr. Davis said, "Why can't we consider this, perhaps, for all the jobs, on all the equipment, but what experience we have had, we don't

want to go too much into it, but we will figure some way not to involve too much detail", so I consolidated what I had been doing with the thing in the stockroom and I have got something up so we can estimate the cost on a job now. It is still too big a job to handle, I am afraid.

Q. That is figuring cost of equipment items that are directly chargeable to your department.

A. Yes.

Q. When it comes to figuring costs on items of equipment that are chargeable to other departments that you may work on, etc., these departments would like to get cost figures from you, wouldn't they?

A. Well, they get their bill.

Q. Don't you run into difficulty because of the failure of the department to adequately acquaint your department with certain things that come along on the equipment; for instance, well, I may be running into something now a little different, but I am trying to get at this problem that seems to come into the picture from what we have been told already. As, for example, the failure to report to your department all the hours that a truck may work on a particular job. Do you follow what I am trying to get at? To what extent has the failure to have all proper records on equipment cleared through your department handicapped your ability to adequately and carefully estimate costs of equipment, know what equipment is doing and know where you stand all the time; know what the equipment is doing and know where it stands you and the various departments that have it working?

A. You mean division.

Q. That's right. Division is the proper word - not department - division. That is true.

A. I haven't any definite information; nothing I have seen; only what I have heard from Davis and Ledew, that sometime the supervisor may have a little favoritism to show his town, some particular town or district, and he might cut down the time on the equipment

handled through him, whereas the operator's copy forwarded to us might be entirely different if we had someone to match them up. It seems to me that the way the motor transport division is split up there is a lot of duplication and extra work. If it was consolidated together, centralized is the term, whereby each could use the same records, the same files, it would be near enough to work on without having an independent record.

Mr. Webber: What is your idea of what the motor transport division is; what the Highway Garage is, and what they are created for; what they are supposed to do?

A. Well, it is a very difficult job in a way to really break in on it, because they have records ~~XXXXX~~ there and individuals there that seem to have something to do, something to say about it. Just how much, in your own judgment you have to figure out, just how much they do have to say about it. The set-up seems to me to be the term Motor Transport Division or motor transport equipment, some call it, should consist of all the servicing or maintaining, supervision of equipment on all types of anything that could be called equipment. That is the way it appears to me, and lots of times now I can't distinguish what is bridge material, what bridge may call their own equipment and what may be called ours.

Mr. Ryan: When you say "ours", you mean Motor Transport?

A. Motor Transport. In some instances if you have anything to say about a piece of equipment they are all up in the air about it, want to know what you have got to do with it, where it is under your own supervision but out from under your hands. It was out before I got there. That is all there is to it. Perhaps the records are over at those places, because there are not facilities enough to handle it over at the garage, and gradually they pushed the stuff into position over in the highway building.

Q. Do you think it would be a fair statement to refer to the Motor Transport Division as sort of dumping grounds, perhaps; better, a sinking fund to furnish a catch-all place out of which equipment could be purchased more or less at the will and pleasure

of the various divisions to sweeten up the appearance of their own appropriation by not purchasing out of it?

A. I wouldn't say that definitely was in the mind of any individual of any division.

Q. Isn't that the way it works out? To all practical purposes?

A. That's the way it works out, to all practical purposes, but Runnells gave us to understand Mr. Wiggin was the head of the Maintenance Department. He first conceived the advantage of a Highway Department Motor Transport Division, and pushed it to a head, where everything was constructed over there and put under one head, and anything Wiggin said, we were to do. He was almost the chief of that division, whereas his main interest should have been in the Maintenance Division.

Mr. Ryan: Mr. Wiggin was head of the Maintenance Division before Mr. Church was there?

A. That's right. You take a code sheet on motor transport, and you see down there "General Seed Account", "General Tent Account", "Project Marking Account". I can't see where that has anything to do with Motor Transport.

Q. Does it seem to you that there would be certain definite advantages for the State of Maine if the Motor Transport Division were set up, perhaps, on a little more tangible and definite basis than it is now, with certain definite powers and duties established; that it should be possibly given an appropriation out of Highway funds to supplement its earnings, and that it should be the sole owner and controller of all the highway equipment?

A. That is one thing that I have been hammering on right along. Every time that I got a word in with some official.

Q. Has that thought been expressed to the Commission?

A. It has, yes, though I would not say previous to Runnells.

Q. To whom did you go with it, for instance?

A. I mentioned it to Mr. Barrows.

Mr. Webber: Have you recently?

A. I have since Runnells has been out of the regime.

Q. You feel that Mr. Barrows appreciates the problem, from an accountant's point of view?

A. I do.

Q. Wouldn't you get much more adequate accounting knowledge of costs, maintenance costs on equipment, if you had a set-up like that, than now, under the present system?

A. That would be the idea, because there are a lot of things we pass up now that -

Q. You would know just exactly what the equipment costs were on the equipment you handle, wouldn't you?

A. That's right.

Q. Neither the state nor anybody else would be kidding you. You don't know whether or not this proposition has been taken up with the Commission?

A. I have mentioned it to Mr. Woodman within the last two or three weeks. It just came up in conversation; no particular meeting with him, anything like that.

Q. This is primarily an accounting problem, isn't it, a cost accounting proposition?

A. Yes, it is a cost accounting, or business administration - anything you want to call it.

Q. Do you think Mr. Woodman or Mr. Barrows have the right type of background and experience to appreciate the aspects of it as an accounting problem?

A. Well, they might not conceive the detail it would involve. They can see benefits would come from it; see the difficulties we have had, but as far as setting it up, setting up a division with accounting detail, I don't think Barrows or any of the Commission would be able to handle it. With what experience I have had, I wouldn't be content to say I could handle it alone, setting it up. But I could be a help.

Q. I was trying to get this thought; whether it was your impression, and you may speak frankly, because we are speaking of constructive suggestions, to be of benefit to the state, whether

Mr. Woodman, Mr. Barrows, and the rest of them, feel that the thing as it is now, works very well, and no particular problem exists. Is that your impression, or do they feel that quite an appreciable problem exists?

A. I think they have felt that quite an appreciable problem exists, but at the same time they have had a problem back of it as to the expense it would involve to go into reconstruction of the whole division.

Q. Now why should it be so expensive?

A. Well, space has to be considered for the personnel. It should be brought together, and I don't doubt in the least it would take some additional personnel, and it has already involved quite a bit of expense and detail, even since the upset in the state administration.

Mr. Ryan: You said you would want to bring the personnel all together?

A. Yes.

Q. You mean, for instance, over in your building, if there were plenty of available space, or in some other building? As a matter of fact, have you records in which you are interested at the garage, in which the Highway Department is also interested, some ~~and~~ ⁱⁿ various division in the highway department and some more records at your place?

A. That's right.

Q. Scattered all over?

A. That's right. Miss Glaffin handles the equipment report and coding of stock issues. From her hands it goes to the Controller in another building. Another clerk, the inventory file clerk, uses her records, and on the floor below is the Purchasing Agent and his records. The Bridge Division has probably for their own benefit a strange sort of equipment control of their own. Some of our work drifted from the garage to them, because they did it, and what was the use of keeping it again over there. The same thing happens to construction costs in Rollins' Department. He

has got a cost system of his own on the equipment he uses. Sometimes there is a little work thrown to him that should be handled by Motor Transport. He assigned the job, but he would undertake to place the rate on it; take the equipment report and determine what should be paid for rental, and if it is a Federal Aid or private job for a town. He would even do the billing. We have no record of accounts payable or accounts receivable.

Mr. Webber: Isn't that the practice to have the various divisions establish arbitrarily the rental that they are going to pay, to be credited to your division?

A. Yes.

Q. Shouldn't that be established by the division itself, and on the basis of what it actually costs to operate and maintain the equipment?

A. It certainly should be.

Mr. Ryan: Q. Why don't you qualify that by stating Motor Transport Division?

A. That is what I am interested in - Motor Transport Division.

Mr. Webber: Mr. Ryan refers to my having said "Division".

A. Just exactly as if I were a business man down-street and you were a customer and came in and wanted to buy an article, and you said, "That will be the price", and ~~you~~^I said, "All right, you just bill yourself and pay me when you want to".

Mr. Ryan: What objections can you think of in your own mind against doing what you really recommend?

A. Against doing what I think should be done?

Q. You have made some recommendations as to changes which should be made. Now, are there any very big objections to the things which you have mentioned?

Mr. Webber: You have touched on the expense.

Mr. Ryan: Yes, other than that. Is it just the expense?

A. It may not be expensive. It might be the fact that; I wouldn't say that it was done on purpose, or anything else, but if one appropriation is running low, they might chisel on the rental that should be going to Motor Transport. That way. Take it out of the earnings Motor Transport should be making.

Q. Where does Motor Transport get its money from?

A. Well, I have heard that if they are running low they can get an appropriation from some other division.

Q. Where does the Maintenance Department get the money to buy trucks you have to look after in the Motor Transport Division?

A. I am not familiar with the set-up.

Q. Do you consider Motor Transport owns all the trucks used by the Maintenance Division?

A. With the exception of one dilapidated truck.

Q. No one else owns that one?

A. Maintenance owns that one.

Q. What about the Bridge Division?

A. No trucks; they would own pumps, boilers.

Mr. Webber: Let's see, which department does the snow removal?

A. Maintenance.

Q. You say those snow removal trucks are owned by -

A. Motor Transport.

Q. Motor Transport?

A. And the plows.

Q. So they are carried on a basis of rental?

A. That's right.

Q. But Maintenance is the one, the Division that buys the trucks, and not Motor Transport Division? I mean, when it comes to buying the trucks, Motor Transport Division has no say?

A. We pay the bill.

Q. On the trucks, and like it?

A. That's right.

Mr. Ryan: Can't it work out this way? If Maintenance bought any number of trucks, then turned them over to Motor Transport to care for and repair. Maintenance sets its own arbitrary figure as to rental and gives information as to the amount of rental to you. If you are unfortunate enough to get an insufficient amount in rental to take care of the expense, Motor Transport has to go to the Legislature for an appropriation to make up the deficit?

A. And that deficit might come out of Maintenance. I think it does.

Q. You don't have much to say, except to take care of them, and take the figures?

A. We have known that.

Mr. Webber: Mr. Davis is superintendent of the Highway Garage?

A. That's right.

Q. Do you consider him head of the Motor Transport Division?

A. He is the highest official at Motor Transport Division, but I don't consider him the head, no.

Q. You don't consider there is any head?

A. I don't consider him the head, the same as John Church or Max Wilder.

Q. Do you consider there is any head?

A. The one I go to is Barrows, the Chief Engineer. I don't see Davis. I go to see Barrows.

Q. It is impossible under this set-up for your department to have any ambition ~~XX~~ or to make any kind of a showing, isn't it?

A. ^uJust personal interest, that's all.

Q. Do you think under a centralized system, with the equipment under the Motor Transport Division and a head and a tail to it, that there would be an incentive to them to do better work, with the equipment, and make a good showing for the division?

A. Oh, yes, and the state will get benefits; bound to.

Q. Do you think as it is now that there can actually be told accurately what the cost of a construction job was, if there is the opportunity to change or arbitrarily charge rental from one job from what it was on the job to a different figure? On state jobs when the figures come back do you think they tell -

A. They can't go any definite place and do it. They might after a few hours of digging be able to find out.

Mr. Ryan: They might set a rental figure on a shovel of \$25.00 a day on one job and on another job a different figure. Is that right?

A. That's right.

Q. When the two shovels do about the same amount of work, wearing out, as far as the cost is concerned, just about the same, have just as much to repair?

A. Yes.

Q. Doesn't that mean that two jobs could run into two different sets of figures?

A. It could. We would never know anything about it.

Q. ~~XXXXX~~ The state would really be fooling itself about the cost?

A. I don't know when they revised the rentals before, but I have seen rates back in 1935 and not changed since, and it doesn't seem possible a business organization wouldn't adjust its rates once a year, anyway.

Mr. Webber: Isn't this a perfectly possible situation, that you could have two General shovels - you have more of those than of any other kind - the same year cost the same amount, do almost exactly the same kind of work, yet because of that set-up, one showing a rental return to your division of so much, and the other one entirely different?

A. We have got a record from Robbins' office. He constructs the report from figures from the Controller, which I wouldn't say were reliable. Maybe they were given to Robbins as reliable, and they are the best thing we have got - showing that very thing you brought up - where shovels have had credits and have paid for themselves, and another shovel that has had a longer period to do it in has not paid for itself yet.

Q. Do you know of any other department in the state that is in the situation that the Motor Transport Division is in, from an accounting point of view?

A. There isn't any similar department in the state.

Mr. Ryan: Other departments are more or less on their own?

A. Well, I don't think so.

Q. They don't have a situation ground upon them, as the Motor Transport does; figures made for them by someone else, the way State Aid and Maintenance make the rental figures on trucks you are responsible for.

A. I don't think there is any other department like that, but if they said that we were their maintenance division that would be all right. They forget Motor Transport. Then it would be all right. Then it would bring all of the equipment into the Maintenance Division.

Q. How would you work that out on State Aid? And Bridge?

A. Then you would have to go into rental.

Q. But you don't see any objection to making a charge if you put it in the hands of the Motor Transport Division?

A. That's right. When we draw up a purchase order I think we have to make six or seven copies of it. It doesn't seem reasonable.

Q. Do you think it goes back to the fact that Runnells was originally bookkeeper in the Highway Department and it arose out of the fact that when he came over here to the Controller's office he brought the work with him?

A. No.

Mr. Webber: Or has the Motor Transport stuff grown? It has grown out of itself. It has not been consolidated. It just developed?

A. Just Runnells said it was conceived and developed by the Maintenance Division under Victor Wiggin and has grown into a division and nobody really had a title, authority or anything.

Q. What is 9075?

A. The Motor Transport Division appropriation.

Q. Where does that appear? In the public laws of what year, or is it in there. No, it wouldn't be a special law. Where can anybody sit down and read this 9075?

A. I haven't any idea. I don't even know where to go to look for a copy of the code law.

Q. It was something passed by the legislature, and you have never seen it?

A. Never seen it.

Q. Did it give this Motor Transport Division its real birth?

A. Not to my knowledge. It was before my time.

Q. When you got in there did you find any inventory problem connected with the care and distribution of stock?

A. I have had some education along that line, so naturally I headed for the stockroom to see what the set-up was.

Q. What did you find?

A. The biggest problem I found was there was a considerable number of parts, supplies, materials, things of that sort, which when it came in it was immediately charged to a piece of equipment, like a shovel or a truck, some specific equipment number, and it was left there after that, and if another truck of a different truck needed that part it was put onto it. Consequently, the proper charge didn't go through on the proper equipment.

Mr. Ryan: It went to the wrong piece of equipment? A piece of equipment that didn't have the repairs made?

A. It went onto state equipment, but not the one - the piece of equipment didn't have repairs made that the charge was made on. I stopped that among the employees. I went to Runnells; couldn't seem to make any headway until only recently. Everything that comes into the stockroom now there is a charge made to stock. It goes on the inventory and if it is taken out it is charged to that equipment. It is running perfectly now.

Mr. Webber: You say it is running perfectly?

A. I wouldn't say perfect - nothing is perfect, but it is running so it is encouraging.

Q. Isn't there still quite a field for extension on the same thing? For instance, you have got your used parts isolated?

A. Yes.

Q. You keep those under lock and key, accessible only to two men; something like that?

A. That's right.

Q. You more or less trust the honesty?

A. That's right.

Q. You haven't got a perpetual inventory or a book inventory record of the used stock?

A. There is no record, no.

Q. Would this be desirable to treat it the same way?

A. I think it would run into more money than the thing is worth.

Q. You think it would require additional personnel?

A. I do.

Q. What about signs that come in, which do not belong to the division, but you are responsible for them while they are there, to be sure that they are not lugged off? Isn't there any need to your mind for an additional record to keep track of that sort of thing?

A. Well, I had an idea that there is a record in the Maintenance Department, although if there was a shortage I do not believe they would hold us up for it. They would figure, maybe, one sign too many went to a certain town, and if there was a shortage at the end of the year the difference would be distributed to the number of routes or towns or projects, but it is not really a Motor Transport Inventory.

Mr. Ryan: But still it is your responsibility? You have it to care for?

A. Nobody has said that it is our responsibility.

Q. Don't you feel this way? If those signs are going to be in your custody, we will say, to be delivered to people who call for them, that there ought to be some check on them so that you can have protection?

A. That would be the business-like way of handling it, although the signs are constructed for a specific purpose, and wouldn't be of much value to anybody else. What I was concerned with was the paint account and the drag blade account.

Q. You mean those would be valuable if somebody lugged them off?

A. Valuable to anyone, and they are not under inventory control by Maintenance Department.

Q. What are drag blades?

A. You know, on a power grader, quite a long blade goes underneath. It drags the road. That is worth money. It's good steel.

Mr. Webber: Well, it has seemed to me, perhaps wrongly, that some of the men over there are on the spot because of their access to these things, which are there for temporary storage, and the fact that they are dependent upon an inventory in some other division

office that they have not even seen.

A. Right.

Q. And if shortages occur, why is not that division going to look askance at them to wonder why anyone could lug the stuff off?

A. No evidence of it. In a number of instances we have called for an inventory of it. If somebody had lugged the stuff off and they don't do it, I don't know as anybody is on the spot.

Q. Wouldn't you prefer to have it that way, for the benefit of the men?

A. I would rather see them protected. I think they are good fellows. I don't suspect any one of them.

Mr. Webber: I was going to ask you about that. Have you had thorough cooperation from top to bottom all the time you have been there?

A. I wouldn't say the whole time since I have been there. I think now they have seen my side and see I am working for their good, as well as my own. In fact they have even come up and thanked me because I have -

Q. What was the trouble - jealousy?

A. Just laziness, the way things were and the way they have been allowed to go.

Q. Take Hopkins, for example. Has he taken kindly to your suggestions for improving his inventory set-up?

A. I think he has. He did combat the idea at first. It would be considerable more work, and how he was going to do it he didn't know, that way, but after working it out, getting onto the run of it, the way it has been developed, things have cleared up all right, and I don't believe they found it any more work either.

Q. Do you have any authority in the way of hiring and firing?

A. No, I don't particularly care for that.

Q. If you found a man you thought should be fired, what would you do?

A. I would go to Mr. Davis, and if I got no results, to Mr. Barrows. From Mr. Barrows I would go to the Commission.

Mr. Ryan: If you needed a man, what would you do?

A. If I needed a man I would consult Mr. Davis, if it was connected with the mechanical end of it, the general garage work. If it was somebody in the office I would go to Mr. Barrows.

Q. Do you expect you would be allowed to make your own choice, or suggest a choice?

A. No, I do not. I don't know as I would even recommend anyone.

Q. For the office force?

A. I wouldn't recommend anybody for the job. I would go to the Commission, Mr. Barrows, tell him I needed somebody, tell him what qualifications I would like them to have. I don't want to feel there is somebody in the office I am particularly friendly with; have connections with, that perhaps might get me into trouble sometime. If it was a laborer out in the yard, even, I wouldn't want to hire him at all. As far as I know the Commission wouldn't want anybody hiring unless he brought it to their attention.

Q. Has Mr. Ledew hired men on occasion?

A. Yes.

Q. Has he ever done it on his own hook, or simply under Mr. Davis' instructions?

A. I think Mr. Davis knew about it. Perhaps he didn't know the individual being hired, but he knew a new man was required.

Q. How did it happen Mr. Ledew would hire men and you wouldn't?

A. Just have different temperaments, and ~~XXXXXX~~^{business} experience probably.

Mr. Webber: You don't consider it is a matter of difference in authority?

A. I do not think so. I have had army experience. I know well enough what discipline means - overstepping authority - but I don't think Ledew has had discipline or experience as I have. He is a nice boy, fine, but has got a lot to learn.

Q. Is he cooperating with you at the present time?

A. At the present time, yes. There's an awful lot that gets under my skin, but I think those are very few instances. When I first went in, he says, "Well, you have come over and got this job. You

say it is a promotion and advancement. I don't see it," he says, "I suppose I have to tell you about things." I said, "Yes, I expect to get cooperation." Well, that blew over, but I could see the reason for that. He expected to get the job, and there were others there that expected to get the job, but I talked with Runnells and he said that Ledew wouldn't have got it anyway, nor anyone over there.

Q. Has he ever attempted to go over your head; interfere with what you were doing?

A. Well, I don't know definitely that he has. I have felt that -

Q. You spoke of the Commission referring to a liquor problem.

Did you run into any liquor problem since you have been over there?

A. No, I have not personally. I know one or two of the men have been laid off for that reason.

Q. By Mr. Davis?

A. Yes, because I know that he won't tolerate it either, but I think the whole trouble came, as far as cooperation goes, Ledew was under Runnells. I felt perhaps those daily calls, where he took the money over to him, perhaps then there were things brought up I didn't know about.

Q. Did you have any occasion to feel or suspect that Mr. Ledew knew anything about what Runnells might be doing?

A. I don't believe it, because I think there would have been war if he had, the way he used him, used his honesty as a shield.

Q. You have had no reason to suspect Mr. Ledew's honesty?

A. No, nothing like that. The only problem has been his temperament and expecting to get the job himself, which we feel he has now got pretty well away from.

Mr. Ryan: Did you ever hear anything about the reserve stock being kept in the inventory in the stockroom over there, and about merchandise coming into the garage and being placed in the reserve stock without being noted on the inventory at the time?

A. I don't know what it would be referring to, unless it might possibly be at the time when we were making sales.

Q. Yes?

A. I do think like special accessories or four or five tires, it might be possible that they didn't put them into stock. That came out in the investigation made by Ernst & Ernst. I didn't follow the inventory, because I thought that the inventory file clerk, that was his job. He was under the supervision of Runnells. His office was over there. I didn't delve into that at all.

Q. You imagined it was correct?

A. I knew it was correct.

Mr. Webber: Do you think that the inventory as reported would reveal what was there and what was used.

A. Maybe it's a little off, but not in considerable amounts, in money.

Mr. Ryan: Did you consider that good business practice?

A. I think it would be, but I would recommend that the file clerk if he is not getting his count from actual stock, should do so, or whether in any instances adjustments are made, I feel the inventory file clerk's duty is to take inventory; not to take anybody's word for it. If he wants to have a man count something for him, all right, but have him right there when the count is going on; not go upstairs with a file card and look at the balance on the card on the bin and see if they tally.

Q. Have you heard anything to indicate that this ~~XX~~ was the way they did that? Tallied from the bin card without checking what was in the bin?

A. I wouldn't say that definitely. I am kind of suspicious about the way the inventory is taken. I think if an inventory is going to be taken it should be taken by the inventory file clerk. He should go right to it.

Mr. Webber: Do you consider them under you?

A. I don't consider Mr. Davis under me.

Mr. Ryan: Davis was the file clerk?

A. Yes.

Mr. Webber: Who do you consider he is answerable to?

A. Mr. Barrows.

Mr. Ryan: Why not to Davis, the Superintendent?

A. Well, because they are so far separated. Davis doesn't have an opportunity to go over there, and he is not particularly interested in the administration end of it. I can't see where Davis would take him under his supervision.

Mr. Webber: You don't feel that you have any authority to step in and say, "Mr Davis, I want you to take the inventory in a certain way."

A. I do not.

Q. Don't you think it would be a healthy thing if you were charged with that responsibility?

A. I think it would be all right if I were to have authority and supervision over him.

Mr. Ryan: Isn't he down there?

A. No.

Q. Where is he?

A. In the Highway building. He goes into the Highway Garage at quarter of eight, picks up the issue slips, maybe half a dozen file cards. He takes those cards, and there would only be the cards he knew were off balance, and he wants to see what was wrong, but as far as the rest of the stock, fifty thousand dollars is concerned. It must be all right.

Q. As a matter of fact, Mr. Barrows does not get over around the stockroom very much?

A. No, he does not.

Q. Is there anything which makes you feel that Mr. Barrows would necessarily be in the best position to look after that?

A. I think he would, under the present set-up.

Mr. Webber: Another instance where the set-up had better be changed?

A. Yes.

Q. How would it work out if Mr. Davis, as Superintendent, was understood and known to be Superintendent of the Motor Transport Division, which was to include the Highway Garage, and that, let us say, you were Chief Accountant, and next in charge under Mr. Davis, answerable only to him, and Mr. Ledew was under you, answerable to you, and

whatever others, if you have others in the office, and that under Mr. Davis, that were responsible and answerable to you, under you, your authority, and that Mr. Hopkins was under you, answerable to you. Mr. Ward, let us say, was the chief of the mechanical end of the thing, and answerable to the Superintendent, and the men under him were answerable to him? Don't you think that that would give a head and a tail to the thing?

A. That would be a better set-up. I think Mr. Davis is a good man, over his men. He is a good superintendent in the office, for business, a good mechanic. He has been brought up with shovels, but he is not the type to bother himself with detail, concern himself with detail at all. If matters should come up before the Commission he would want to sidetrack them.

Mr. Ryan: I, that is the case, Mr. Davis is not really the man to be Superintendent of the outfit. The work that he is doing is actually connected with the shovels, and repair work, that sort of thing?

A. Yes.

Q. And the rest of it is more or less a nuisance. He prefers to let it slide by? He could be the man to have charge of the shovels, but not be troubled with the office, and the rest of the necessary supervision that would go with having charge of it?

A. That's right.

Q. It probably would suit him better.

Mr. Webber: Might it not be better to have as head of the Motor Transport Division an accountant, and have a highway garage a subdivision of Motor Transport Division, and treat it as such?

A. Well, my idea of the head of the Motor Transport Division would be somebody like John Church. He knows office detail and what would be required. He knows maintenance and what that requires.

Mr. Ryan: Yes, but haven't you got to divert maintenance from Motor Transport?

A. If there was a head that knew maintenance and could retain supervision of the administration too, that would be a real chief.

Mr. Webber: There is certainly a problem there, isn't there?

A. There is a problem there.

Q. What did you find when you got over there in connection with sales of materials to state employees? And to outsiders? What did you discover as a problem and what did you do?

A. Well, I was instructed that there were to be no sales, absolutely no sales to anyone but state employees.

Q. By whom, who told you that?

A. There was not any "by whom" at all.

Q. Well, somebody instructed you.

A. No they didn't.

Q. Well, you said, "I was instructed."

A. Well, I was told about my duties, that I had a broad assignment.

Q. Where did you find out that sales were limited to state employees?

A. Mr. Runnells. He said, "Now I want you to understand that there will be no sales to anyone other than state employees, and every endeavor must be made to find out that they are state employees." He explained the Legislature has been ready to throw it out, but he had gone to bat for it.

Mr. Ryan: Throw what out?

A. Sales to the employees, so I said something about having them sign something, because I didn't feel I could judge whether or not they were state employees, and he says, "You work that out." I figured I didn't want any more forms. There were forms enough now. I didn't want to have to refer to a book every time because they are changing all the time. Finally, I hit upon making out duplicate requisitions to the stockroom, and rubber-stamped the top copy and sign it to the effect that "I hereby certify that I am a state employee, and the goods are for my own use." I got Runnell's approval and put it into effect, and as far as that is concerned I was very particular about it, because I didn't like the idea of selling anything anyway. I was more or less just getting an idea of how it was done, from Ledew. He had been handling it for some

time, because Gerald had not been there for some time, so Mr. Ledew gave me a key to the cash register. He says, "There are times I am not here," and told me that we both would have to make sales. I says, "Well, I guess you are right." I don't like to ~~MAKE~~ handle money; in fact I wanted to figure out some way so as to get the cash register to make cash sales; something of that sort. Finally it wore on me so much I was bound I was going to do something about it. I went to see Runnells and says, "It is necessary for both of us to make sales, and I would like to have a petty cash system; a system where we would have cash on hand, disbursement slips and receipts for the cash register, slips or something," and he says, "Oh, don't bother with that. Everything has been fine; running along all right. Perhaps you have taken on quite a lot. You have got plenty to do to see to everything. Give Ledew those details. Let him be responsible for the cash." I said, "That's all right with me. I still don't like to make sales." That was the end of it. You couldn't insist on it; tell him what to do. Next week you'd find a council order releasing you from your job. There was no fun about it, either. It would be all over before it got to you. That was as far as I ever got with the cash sales, and if it wasn't for the slips coming in and Ledew and I were very particular about that, because we thought that all of them were checked up downstairs. We could have gotten into very serious trouble if we had not had the receipts, our copies.

Mr. Webber: After you started to do that, ~~XXXX~~ when did you first find exceptions to this rule, limiting sales to state employees?

A. I don't know of any exceptions, off-hand. Oh, you mean Blaine Viles.

Q. That's the one.

A. I brought that up, and he said, "If you don't believe he is a state employee just try to stop it. He is connected with the Forestry Department and has the approval of Runnells and the Council."

Q. Did you take it up with Runnells or anybody higher up?

A. I didn't go any further. I saw records. I saw ledgers going back over quite a period, where he had been buying.

Q. Did you raise any question over the fact that he was the only person, through his chauffeur, who was dealing directly with Hopkins - not going through the office?

A. No, I thought it came over on a purchase order.

Mr. Ryan: Where would that come from?

A. Say, the Augusta Lumber or the Central Maine Power or the City of Augusta brings a purchase order in -

Mr. Webber: Who are they signed by; those purchase orders?

A. Well, the City of Augusta by Max Baine. If it was the Augusta Lumber by Viles, or some official over there.

Mr. Ryan: Viles did not have anything to do with the City of Augusta?

A. No, but that was outside of state employees, like you mention.

Mr. Webber: I don't understand why you should honor a purchase order signed by an outsider.

A. Well, perhaps we shouldn't have, but it was right here on the ledgers before I ever went in.

Q. Suppose a purchase order had come in signed by me. You wouldn't have paid any attention to that, would you?

A. No, but I would expect Hopkins to call it to my attention.

Q. Do you recall any cases where there have been sales to state employees and any ensuing difficulty in collecting the account?

A. Well, to prove that the stockroom clerks were cooperating with me in instances where a person doing the buying might not be a state employee, there was a time when four tires were obtained, and the stockroom clerk understood at the time that the individual was going to the office to pay for them, but instead he went out the back way, and being familiar to the clerk, and knowing he was an executive in the state, an official, he brought it to my attention. I followed it up by conversation over the telephone without result, and afterwards I went to see the individual, and was promised a check immediately through the mail. Getting no results

there, I appealed to Runnells in the matter of collection.

Q. When was this?

A. October 5th.

Q. 1939?

A. That's right.

Mr. Webber: Do you know whether Mr. Runnells took steps to collect the item?

A. I don't know what future steps were taken after that. It may have been collected or it may not.

Q. Do you know at the time the independent audit was made it was among the items uncollected?

A. I don't know to this day what happened. I was afraid it hadn't been accounted for, so I called attention to it so as not to let it by.

Q. What was the name of the purchaser?

A. Carl Blaisdell.

Q. Is that the Mr. Blaisdell who is a member of the Public Utilities Commission?

A. That's the same one.

Q. Did you discover that it was a custom to sell merchandise to contractors who are not state employees?

A. I never sold anything personally to a contractor, unless it was on the recommendation of Mr. Davis, who explained it was sometimes necessary to get their cooperation sometimes when we needed it ourselves.

Q. Do you think the sales to contractors were more or less limited to emergencies?

A. I believe they were emergencies.

Q. Do you think any effort was made to discover if people could purchase the items elsewhere?

A. I recall instances when they have been told they could purchase a ~~XXXXXX~~ Lombard tractor in Waterville or from somebody in Portland, but they were reluctant to wait.

Q. Has this practice been absolutely and entirely discontinued now?

A. It has.

Q. Is there anyone who can get - who can purchase materials over there now?

A. I believe not. We are not authorized to take cash. Wouldn't touch cash.

Q. You have no charge account against anybody except other departments?

A. There might be Augusta City Highway Department or some individual town that needed some piece of junk, something of that sort, but if it was a cash transaction they would be sent to the Highway to do it; go to the Highway and get a receipt before they would get it.

Q. Suppose in an emergency a highway contractor was involved? Would they assist him under the present regulations?

A. I wouldn't tolerate it if I knew it under any circumstances.

Q. It is your idea that the whole thing was to have stopped absolutely, with no exceptions?

A. No exceptions whatever; not even to towns.

Q. Up until not so long ago did you have quite a number of state owned cars at the Highway Garage?

A. We had a number.

Q. Pleasure type cars?

A. We had a number.

Q. How many were there when they turned them over to be sold?

A. I wouldn't know. I have a figure in mind.

Q. About how many?

A. Eighty-two, three, four, - eighty-five, along there.

Q. Now you only have three?

A. We haven't any.

Q. You have three you keep from the departmental garage.

A. Three assigned by the departmental garage, for which we pay rent. One is classed as a special, a station wagon with the seat out for the convenience of the Bridge Department and their special equipment.

Mr. Ryan: Would it make a difference in the amount of help you had to have at the garage after the eighty were taken away?

A. At the time it didn't, because of the simple fact we always had

to push the work to get the equipment ready for spring, and at the same time keep the cars going for the state work. It evened up all right. At the present time it makes a difference. In fact employees we had trained and relied on as mechanics available on a moment's notice in the garage, we have had to send on the road.

Q. You have less men now the cars are gone?

A. I would say less than there was last summer.

Q. That would account for the difference.

A. I would say that this was the cause.

Q. How many less trucks do you have, would you say?

A. I haven't definitely checked up on it. I would say it affects six men directly.

Mr. Webber: Did this stopping of selling to state employees and others improve your situation over there, as far as stock and inventory are concerned, in relieving the amount of work that had to be done by a small staff?

A. Well, it was a relief to us in the office particularly.

Mr. Ryan: It made a good deal less money in your office?

A. It was a relief to get rid of that responsibility. It gives us time to put on other things. I don't believe it has affected the administration particularly, except it gives us more time on other things that could be done.

Q. This could be true, couldn't it? That it was definitely to Runnells' interest, this system he was using, to keep this business of selling to the state employees going, because that was the principal source of the cash he took.

A. From the investigation that I have taken part in, as a witness, that is what I would judge.

Q. So that the opposition that he showed to doing anything about the state employees business would probably have its root in some personal situation?

A. That's the way I see it now, otherwise I would have said that it was his personal interest in the state employees. I didn't suspect it might have been for money.

Q. Do you consider this is a healthy step in the right direction, to stop that?

A. I do.

Q. You wouldn't want to see it return?

A. No, I wouldn't, even for the saving it might be to me if I should buy a couple of tires.

I certify that the foregoing is a true transcript of my notes.

Letha L. Brown

THOMAS WOOD

(Preliminary Examination)

June 18, 1940

Mr. Webber: State your full name.

Mr. Wood: Thomas Wood.

Q. You reside in Augusta?

A. Yes, sir.

Q. Married?

A. Yes, sir.

Q. Children?

A. Two.

Q. How old are you?

A. Forty years old.

Q. You are the foreman at the departmental garage?

A. Yes, sir.

Q. That garage is run under the Bureau of Purchases?

A. Yes, sir.

Q. When, approximately, as near as you can remember, did you first come with the State of Maine?

A. In 1920, I believe.

Q. Right after the war?

A. Well, I think it was twenty.

Q. That was with the Highway?

A. The Highway, yes.

Q. As a mechanic?

A. Yes.

Q. Was that before the new highway garage was built?

A. A year after the building was built, completed I mean.

Q. And when did you transfer to the departmental garage?

A. That was in 1932, I believe.

Q. How did it come about, if you know?

A. Well, what do you mean, the transfer or - what do you mean by that question?

Q. Well, I was wondering if you knew how it happened that you did get transferred from the Highway Garage to the departmental garage.

Did you apply for transfer, or were they starting new work?

A. The departmental garage started in 1932.

Q. And you started with it?

A. And I started with it. I was the first man. They put three of us up there. I was supposed to be the leading man up there.

Q. At the time you had a pretty big fleet of cars?

A. No, sir. We started in with, I believe, nineteen cars.

Q. The Highway Commission, for example, had a lot of cars of its own?

A. Yes, I think we started up there when different departments had cars of their own, bought from their own appropriation, I should say, I don't know, and they were told to bring them up and requisition them out as they needed them, instead of keeping them kicking around in the yard, waiting for somebody to go out with them.

Q. Well, now, did that develop to a point where you would have a pretty big fleet of cars?

A. Yes.

Q. How big did it get to be?

A. Last year there were eighty-four.

Q. They are all directly under the departmental garage?

A. Yes.

Q. And then this Legislative enactment came along and a lot of the cars were sold?

A. Yes, there was.

Q. And your fleet was cut way down, so that now you have how many?

A. Sixty-eight under our department, and we have the maintenance of the Secretary of State's car and the mail truck.

Q. Well now, how many cars are right there at the state garage practically all the time, available for people to come and take them out?

A. Fifteen. No, I beg your pardon, that needs explanation. We have about four cars that are driven by certain men from month to month, and that will leave about, oh, probably eleven cars in

there all the time, we will say, for ~~the~~ different people to requisition them out as they are needed.

Q. And the rest of these cars charged to your department are out circulating around in the field, all of them?

A. Yes.

Q. They are just brought into the garage for repairs and service?

A. Yes.

Mr. Ryan: But are not kept nights at the garage?

A. Just, we will say, eleven is kept in the garage.

Mr. Webber: Now, how many cars during the last half of 1939 and the first half of 1940 were getting gasoline at your garage?

A. Let me see. I would have to think on that. You mean before the change-over.

Q. I am figuring in my mind roughly the period beginning July 1, 1939.

A. In 1939, well, there was the eighty-five cars.

Q. And when the change-over went into effect.

A. That was March 15th of this year.

Q. 1940?

A. 1940.

Q. Then during practically all of this period from July 1, 1939, down to April, 1940, there were eighty-five cars or thereabouts getting their gasoline at your station?

A. Yes.

Q. Now at the present time you have two boys up there with you?

A. Yes.

Q. And what are their names?

A. Alton Hill and Raymond Leavitt.

Q. They both live in Augusta?

A. No, Hill lives in Hallowell.

Q. How long has he been with you?

A. Well, Leavitt has been there ever since the place started.

That was when I started. Hill has been - well, sir, I would have to look it up in the records.

Q. A long time?

A. We will say three years.

Q. How old is Leavitt? About?

A. Oh, I think around twenty-nine, something like that.

Q. And about how old do you think Hill is?

A. About that, I should say.

Q. They are both fairly young men?

A. Yes.

Q. Both are mechanics?

A. Yes.

Q. Good mechanics?

A. Very good mechanics.

Q. Have you known both for a long while?

A. Yes, quite a while.

A. Of course both these boys used to work downstairs, just like I did.

Q. In the Highway Garage?

A. Yes, sir.

Q. From anything that you have ever seen, you believe those boys are thoroughly honest?

A. To my mind they are very honest boys.

Q. Both got families?

A. Yes.

Q. What do they make a week?

A. I think it is twenty-nine; twenty-nine and a few odd cents. I couldn't say the exact amount.

Q. They both get the same?

A. Yes.

Q. How much do you make a week?

A. Thirty-nine dollars.

Mr. Ryan: Has that been the same for some time?

A. Well, practically two years.

Q. What did you get before you got the thirty-nine?

A. Thirty-six.

Mr. Webber: Did you used to have two other men?

A. Yes, sir.

Q. And how long ago were they let go?

A. I don't know about that. It is very recently, but I can't tell you the exact date.

Mr. Ryan: About?

A. I should say probably about a month ago, sir, just soon after the change-over. Say March 15th; probably two weeks after March 15th, something like that.

Mr. Webber: And that was because you were cut down on the number of cars you were responsible for?

A. Yes, sir.

Q. What were their names?

A. Jesse Burbank and Rene Bouchard.

Q. Do they live in Augusta?

A. No, Jesse Burbank lives in Winthrop, and the other boy, Bouchard, lives on the hill, Granite Hill. I don't know, but I think it is taken in as Hallowell.

Q. Were they young men?

A. Bouchard was a young man. Burbank is probably around fifty-four, I believe.

Q. Who decided which mechanics should be let go?

A. Well, that was decided between the Supervisor of Motor Vehicles and myself.

Q. You mean Lewis and yourself?

A. Yes.

Q. What determined who should be let go?

A. Efficiency, I guess, that will take it.

Q. Was there any question of honesty involved?

A. No, sir.

Q. As far as you know they were both perfectly honest?

A. As far as I know, sir.

Q. Did their work differ in any way from what the mechanics did who are still on the job?

A. Well, Burbank was a mechanic, just like the rest of us, and

of course the other boy, Bouchard, we kept him on nights. He was not such a great mechanic, but he was a good boy to wash cars and grease cars and we really had plenty of washing and greasing at night. As the cars came in we would do it that way. Of course he did mechanical work too, but not to any great extent.

Q. Now how did you handle your gasoline?

A. Well, gasoline, we have a little car slip, we call them. A man would come in for gasoline, we would fill him up, mark it down on the slip, put it on the nail, and it was brought down to the office

Mr. Ryan: What was the office?

A. The Bureau of Purchases.

Mr. Webber: Downstairs in the State House. Do those slips look anything like these slips?

A. No, sir.

Q. Who would deliver your gasoline to the pump?

A. The Standard Oil Company.

Q. And what check was there? That is, did they require something to be signed - a receipt for delivery of so many gallons of gasoline?

A. Yes.

Q. Signed by you?

A. Yes. Most generally the man on duty. Sometimes I wouldn't be there, and the boy would sign for me.

Q. Would there be deliveries of it made every day?

A. When there were eighty-five cars we would have probably two or three times a week.

Mr. Ryan: How much at a time?

A. Well, of course it varied. We would take, say, around two hundred, probably two hundred and fifty.

Q. Would you report to the office downstairs each one of those deliveries of gasoline, and the quantity?

A. I wouldn't report myself, but we would send the slips right down to them.

Q. Would you keep a book there at the garage showing what amount of gasoline - that is, do you keep any book that would cover the balance between the amount brought in and charged out?

A. No, sir.

Q. It was all done on slips?

A. Yes, sir.

Q. And whatever record was kept from the slips, it would be kept downstairs here, not at the garage?

A. Yes, sir.

Q. Were there instances where there was a failure to make up the slips.

A. I should say so, sir, yes.

Q. Do you think it happened very frequently?

A. The human failure came in there quite a lot. I wouldn't know just how much. Sometime a man might be there alone, pump some gas, jump over to something else. He would think, "I will remember when I get back to make the slip, " but he might forget, or he might put down five gallons, might put down ten gallons.

Mr. Webber: That is, you mean he would perhaps make out a slip, but he might forget the exact quantity?

A. Yes.

Q. Or he might forget to make out the slip entirely?

A. He might forget to make out the slip entirely, of course.

Mr. Ryan: Is the garage kept open twenty-four hours a day?

A. Yes, sir.

Q. Would they make gasoline sales at any time of the twenty-four hours that the car comes in?

A. I mean they would fill the cars, gas them up.

Q. I mean, referring back to what you said, would they put gasoline in any time during the twenty-four hours?

A. Yes, sir.

Q. Do you know whether a man always measured it at regular intervals?

A. Measured by the Standard Oil Company driver himself.

Q. Was that ever checked off against any figures you had to see if you were keeping straight on it?

A. No, sir.

Mr. Webber: So until the auditors came along you never followed any practice of periodic tests between the amount of gasoline your department was charged with and the amount charged out?

A. I didn't. All our slips went down to the Bureau of Purchases.

Q. Whatever they might have done you don't know, but you do know that apparently there was no check made at intervals up at the garage which would involve a check on the tanks and the amount in the tanks, etc.?

A. No.

Q. Nothing similar to what the auditors did was done by the department itself?

A. Not by the garage. I wouldn't say, I don't know what they did downstairs, of course.

Q. At least you didn't know of their coming up there and working with you to make a gasoline check?

A. Never did, no, sir.

Q. Now, before we go any further with that, it might be helpful if you would give us an idea of what you do, and have been doing as foreman; what the job is, how you employ your time.

A. Well, is this off the record?

Q. No, this is on the record.

A. We do all our own electrical work. That comes to me. We do all the welding.

Q. You mean by that, electrical work on the cars?

A. Yes, and all our own welding, body work, painting, greasing.

Q. Now I am particularly interested in what you personally do. What is Mr. Wood's job at the garage?

A. That is it, sir. Not so much greasing.

Mr. Ryan: Let me ask you, what supervisory capacity do you have?

A. Well, I have supervision, command of the boys, when the Supervisor of Motor Vehicles is not there.

Q. Mr. Lewis?

A. Mr. Lewis.

Q. He is over you?

A. He is over me.

Q. Your superior, to whom you are held answerable?

A. Yes, sir.

Mr. Webber: You assign the work for the other boys to do?

A. Yes, sir.

Mr. Ryan: Did they report to you when they would complete work, ask for new work, what to do next?

A. Yes.

Mr. Webber: Do they keep track of the time on each individual job?

A. No, nothing is kept like that up there.

Q. No attempt to break down repair costs on individual cars, at least as to labor time?

A. No, because, you see, the way things is, we get ~~XXX~~ four cents a mile for cars/^{for}travel, and each car is charged so much for overhead. That is, for the boys; their time, lights, gas, water, electric lights, is all broken down in eighty-four parts, you see.

Q. These boys under you do the ordinary type of work that would be done by any garage mechanic?

A. Well, I should say they did more; was called upon to do more than an ordinary mechanic would be.

Q. In what way?

A. Well, the way it is today, you drive into a service station, it is probably a Chevrolet place, or might be a Plymouth place; the boys are specially trained for one car. My boys take in any car that comes along.

Q. They do body work, as well as mechanical work?

A. Yes, of course not to a great extent, they don't. That really is supposed to be my job. Of course I have to have help along.

Mr. Ryan: You feel that you have a pretty competent crew?

A. I do, really.

Mr. Webber: Now, with only two men there, does that mean you have to work nights?

A. No, sir.

Q. Do you keep open nights?

A. No, sir.

Q. What hours now is the garage open?

A. From seven in the morning to six at night.

Q. Who opens up in the morning?

A. Leavitt.

Q. Does Lewis show up at opening up time?

A. No, sir.

Q. When was Lewis made supervisor up there, about?

A. Sometime in thirty-eight, I think.

Q. Had you ever known him before that?

A. No.

Q. As far as you know, this is the ^{best} ~~XXXXX~~ job he ever had in the state?

A. As far as I know.

Q. He had been in the garage business somewhere in Boothbay?

A. I think he was in the garage business somewhere in Boothbay. I think he still is.

Q. As far as your know, prior to his being supervisor of motor vehicles, who was supervisor?

A. There wasn't any, sir, for about a year and a half, I believe.

Q. In other words, after ex-chief Towle was supervisor, there wasn't any for a while.

A. That's right.

Q. How did you get along during that year and a half when there was no supervisor?

A. Very good.

Q. Wasn't any trouble about turning out the work, keeping track of it?

A. No, sir.

Q. Who looked after it down here in the State House?

A. Mrs. Goodchild.

Q. Who was quite familiar with it?

A. Yes.

Q. You never experienced any difficulty in having things go along smoothly while she was the only one down here?

A. Not a bit, sir.

Q. Was there any supervision exercised which was apparent to you by Captain Orr or Mr. Owen during that period?

A. I don't quite get your question. What was meant by that?

Q. Well, I had in mind whether you took things up with them on occasion, or whether they spend any time up to the garage.

A. I used to come down to the office and consult with Mr. Owen and Mrs. Goodchild.

Mr. Ryan: Were there very many occasions when you felt you had to come down and ask about your ordinary duties at the garage, or do you feel that you were handling it, getting along pretty well? What sort of things did you see him about?

A. Oh, maybe trouble with the drivers, or something. They used to come up and see us with the requisitions, you understand. What I mean, if I thought a man was not entitled to a car I would come down and see him and talk it over and he would say yes or no about giving a man the car in the line of business.

Q. Now who do they take it up with?

A. Of course Captain Orr is the man. They changed things over since then. Each man that wants a car now has to have a requisition signed by Captain Orr, and then it is brought up to us.

Q. So the question is all answered before it comes to you?

A. The question is all answered before it comes to us now.

Q. How long has that been in effect?

A. Since, oh since this change-over. I don't know, a couple of months, I guess. I could not say the exact date.

Q. What does Mr. Lewis do now, if you know?

A. Well, he comes up and gets the slips in the morning.

Q. You mean the gas slips?

A. I mean the gas slips, and takes the bills. Whatever I contract through the day I put up on the board, and he takes them. The duplicate oil and gas slips the boys bring in, he gets them, takes them up to the State House.

Q. That's about all that you see of him?

A. That is about all I see of him.

Q. Does he give you any instructions or orders now, what to do?

A. No, sir.

Q. Now what did he do prior to the change-over?

A. About the same thing, as far as I know.

Q. Nothing much more than that, that you can think of?

A. No.

Q. How long did it take you to take those slips up to the State House and get back to work, and do what you thought you should do about them down here?

A. About ten minutes.

Q. About what time did you see Mr. Lewis during the day?

A. Of course I should say - at different times. I could not make any specific time.

Mr. Webber: He has no regular habits as to showing up at the present time every day?

A. No, sir.

Q. Are there days when he does not come in at all?

A. Yes.

Q. Are there many days when he does not come in at all?

A. Well, of course he has his vacation.

Mr. Ryan: How many times a year?

A. Well, that, I could not say, I do not know.

Q. Well, he has recently been away for four days?

A. That's right.

Q. That is within a week?

A. It was last week, I believe, was it not?

Q. Was there a period not long before that when he was away for two or three days?

A. I cannot remember, sir.

Q. Did you get the gas slips and the bills you have mentioned down to this office in the State House when Mr. Lewis was not around?

A. I do that.

Q. If he does not show up by a set time in the day do you bring them down?

A. No, sir, I generally let them run for a couple of days.

Q. Before you bring them down?

A. Yes.

Q. Did you have occasion to bring them down very many times?

A. A few times, yes.

Q. When you bring the gas slips and the bills you have mentioned to the State House office, do you get anything to show that you brought them?

A. No, sir.

Q. Anything indicating how many gas slips and what quantity you have taken into the office?

A. No, sir.

Mr. Webber: Do you have a car of your own?

A. I do now, sir. I bought of the state cars that was sold.

Q. Just a few months ago?

A. Recently.

Q. Prior to that time you had no car?

A. No, sir.

Q. How about the boys working for you?

A. Leavitt has one. Burbank has one. Hill has one, and Bouchard I think has just recently bought one.

Q. Now those three fellows that have had cars before. What was their practice as far as the cars are concerned in connection with the gasoline up there?

A. No connection at all.

Q. They never put any gasoline from that pump into their cars?

A. Not to my knowledge, sir.

Q. And you have no reason to believe they were ever doing it?

A. I don't think so, sir.

Mr. Ryan: If you had asked them if they had put gasoline in, and they gave you an answer, would you believe them, what they said?

A. I think I would, sir, yes.

Mr. Webber: Now with the exception of Mr. Lewis and Mr. Lewis's car, would you say that there was any chance for loss of gasoline there, having in mind what you know about your men working for you, other than the normal shrinkage in gasoline in a pump, and some occasional failures to fix up gasoline slips? Would that just about take care of any chance there might be that gasoline disappeared?

A. Well, that is quite a question, sir. I have been trying to find out, and of course I am no accountant, anything like that, and nobody seemed to know how many gallons the tank will hold itself.

Q. The auditors did some work with you, didn't they?

A. Yes.

Q. And you knew they prepared some figures on that gasoline pump?

A. Yes.

Q. If they showed in their figures that the capacity of the tank was 550 gallons, you would not know where they got that from?

A. I think the auditors asked me what the capacity was, and I think I told them it was 550, because we always thought it was 550.

Q. You don't think you are very far out of the way on that, do you?

A. Well, I do not know. Of course it is not a thousand gallon tank.

Mr. Ryan: What are the biggest amounts of gasoline you buy up there?

A. Around three hundred and forty-two is the amount, the highest amount.

Q. Those tanks run, ~~XXXXX~~ don't they, five hundred, one thousand -

A. I was talking with the driver of the tank wagon and he says they run five hundred, five seventy-five, then to a thousand, something like that, but you see all we have is a stick to measure this tank, by inches, and I would not say whether that is correct or not, because I do not know.

Q. Before you put in the 342 gallons, the figure you mentioned, can you give us any idea of about how many inches of gasoline you still had left in the tank?

A. I don't know, sir. I would have a record of it in the garage. I do not know what it would be.

Q. You know of course how many total inches there are in the tank. Can you tell me that? Is it possible for you to tell me how many total inches there are in the tank?

A. No.

Mr. Webber: If it was plumb full?

A. Because, you see, the tank is underground to a certain extent. You stick the stick down, but you would not know.

Mr. Ryan: You measure the place that is wet?

A. That tells you how many gallons of gasoline is in the tank, but you would not know how far you would be from the top.

Mr. Webber: Would not it be possible for you, by making some inquiries, a little investigation, to find out exactly how much that tank holds?

A. Well, I really have started on that. I have been doing a lot of inquiring from the driver and everybody else that knew something about it, but I cannot seem to find out how much gasoline the tank holds.

Q. In handling gasoline like that, using a pump, do you get some evaporation?

A. Some, sir, yes.

Q. And you get some shrinkage?

A. Some, yes.

Q. And you have had some instances of failure to make up slips, or make them up for the right amount?

A. Well, I don't know that for a fact, but I imagine that is just human failure; just like I would not know that for a real fact.

Q. You just assume that the boys have slipped up on occasion?

A. Well, yes.

Q. You never have caught them in an actual instance where they did fail?

A. I never have.

Q. What do they say for themselves? Do they think they have failed very many times to fix the slips right?

A. Well, we have not talked it over, like that.

Q. In your own opinion do you think those little failures have really amounted to very much gasoline?

A. I would not say very much, sir.

Q. Now what has been, over a period of time, Mr. Lewis's practice in relation to the gasoline?

A. Well, he - no relation at all, sir.

Q. Well, has not he put gasoline into his own car and not charged it?

A. I should think so, sir. I don't know about the not charging it.

Q. Will you tell us, Mr. Wood, what you have observed in connection with the gasoline and Mr. Lewis?

A. Well, Mr. Lewis has pumped gasoline himself into state cars and into his own car.

Mr. Ryan: Did he ever explain how he happened to be putting it into his own car?

A. Never did.

Q. Did you ever ask him?

A. No, sir. He was my superior. I had no business asking him what he was doing.

Mr. Webber: Did that happen a lot?

A. Quite a few times.

Q. When did it begin?

Mr. Ryan: And that is as far as you know, of course.

A. As far as I know it began soon after he came there.

Q. Was there ever any talk about it? Did he ever make any talk about it, about what he was doing?

A. No, sir.

Q. Just went ahead and did it?

A. Yes.

Q. And never made out slips at all?

A. I don't know, sir.

Q. What do those slips show? The name? The number of the car?

A. On the slip the car number and the date.

Q. You mean the registration number of the car?

A. Yes, sir. And it had a place to check the greasing, check the washing.

Q. And the number of gallons?

A. And the number of gallons of gasoline, the number of quarts of oil.

Q. And the name of the driver of the car?

A. It said "Name" on there.

Q. That name had reference to what?

A. We used it for our own name.

Q. Well, if Mr. Lewis were to put gasoline into his own car and were to make out a slip, what would you expect to see on the slip, if it was made out properly?

A. Well, I should expect to see the number, the registration of the car.

Q. What else?

A. The number of gallons, and the date.

Mr. Webber: And Mr. Lewis's name, his name on the bottom?

Mr. Ryan: Did you ever see any like that?

A. No - not that I know of.

Mr. Webber: But what you have observed; what you know about Mr. Lewis's practice, is it your judgment that he may have taken as much as fifty or sixty gallons a week?

A. Some weeks I should say so, yes.

Mr. Ryan: Even more some weeks?

A. Well, I was going to say some weeks not as much as that.

Q. But you didn't answer my question. Did you mean that you

don't believe it would run over sixty?

A. I do not believe it would run over sixty. Of course I ~~may~~ couldn't say whether it was fifty or not. That was just -

Mr. Webber: Do you have knowledge whether he traveled a lot?

A. Of course Mr. Lewis did go back and forth to Boothbay Harbor morning and night.

Mr. Ryan: About every day?

A. Except in the wintertime, when he stayed in Augusta.

Mr. Webber: He maintained no residence here in Augusta?

A. Through the winter months.

Mr. Ryan: What parts of the year? Can you give us an idea of what months you consider the winter months?

A. Well, he would probably come in here in December, I should imagine, sometime, and stay probably until, well, he just left here about two weeks ago, I think.

Mr. Webber: What kind of a car does he drive?

A. He started in with a Hudson car.

Q. If you can remember, what kind of a car did he drive from July 1, 1939, on?

A. July 1st?

Q. The period the latter part of last summer and last winter, do you recall what he was driving?

A. I think it was a Packard at that time.

Q. A new one?

A. No, a second-hand one.

Q. And he bought second-hand?

A. Yes, sir. I wouldn't be sure about the time, of course.

Q. Do you have any idea what year Packard it was?

A. 1936, I think. 36 or 37.

Q. It was a sedan?

A. Coupe.

Q. A Packard coupe. Did you ever do any work on his car, so you would know anything much about the motor?

A. Why I fixed his points. Five minutes work I guess, onetime.

Q. Do you have any idea as to whether his car was what we would call a gas eater or not?

A. Well, Packards take quite a little gas to run.

Q. Was he a fellow who, to your knowledge, was apt to take trips, other than going back and forth to Boothbay Harbor? Go to Boston, places like that, frequently?

A. Why, one or two occasions, I guess, he has been to Boston and places.

Q. As far as you know, did all the gasoline he took go into the gas tank of the car? Did you ever know him to carry any away in a container, anything of that kind?

A. No, sir.

Q. You don't believe he did?

A. No, sir.

Mr. Ryan: How much does his tank hold?

A. On what car?

Q. On his own car. On the Packard.

A. On the Packard, I don't know what it holds.

Q. It's over a ten gallon tank, isn't it?

A. Oh yes.

Mr. Webber: Would there be instances you can recall when he would fill his tank at the pump on one day and, as far as you knew, go home to Boothbay, come back, and fill his tank again?

A. Well, it would be probably a space of a couple of days, like over the weekend and come back Monday morning.

Q. How far is it from here to Boothbay?

A. Approximately twenty-eight miles.

Mr. Ryan: Has he still got the same car?

A. No, sir.

Q. When did he trade?

A. Why, he gave that to his boy, I believe, here about last fall, I think, sometime.

Q. Does that car ever come into the garage now? Does he drive it?

A. No, sir.

Mr. Webber: What did he get when he traded it?

A. I don't think he traded the Packard.

Q. I know that. What was the new car he bought?

Mr. Ryan: Since he got rid of the Packard, what has he got now?

A. What has he got now? Well, it's kind of a mixed up mess. He has had so many cars I can't really say. I can't really follow the thing. He has had a little Ford roadster and different dealers' cars, and now I believe he is driving a Hudson.

Mr. Webber: A new one, apparently?

A. Looks quite new.

Q. Has this gasoline proposition ever been a topic of conversation between you and Mr. Lewis?

A. No.

Mr. Ryan: Has it ever been mentioned by him to you?

A. Not that I can remember.

Q. You think you would recall it if it had been mentioned, don't you? That is, between you and Mr. Lewis?

A. Well, I can't recall it. You mean the shortage?

Q. No.

Mr. Webber: His practice.

Mr. Ryan: Any talk between you and Mr. Lewis relative to any gasoline he might have used? Anything about it?

A. No.

Q. Let me ask you this. At any time have any of the other men under you in the garage mentioned anything about Mr. Lewis and the gasoline?

A. Well, of course, jokingly, of course.

Q. Did any of the men under you at any time ask you what about it?

A. No.

Q. There is no question in your mind but that they knew about it, from what you have heard?

A. They knew he was putting it in his own car, you mean.

Q. Yes. They are right there all the time.

Mr. Webber: Was it a matter of some concern to you, that he was doing it all during the period he was doing it?

A. Why, yes.

Q. He was the only one that was?

A. As far as I know, sir.

Mr. Ryan: Did you at any time after the information came to your notice that he was putting gasoline into his own car, make any mention to the other men that they were not to do it, or was that their understanding? Were you satisfied that they were not doing it?

A. It was generally understood that they were not to do it.

Q. You never discussed it with Mr. Owen until Mr. Owen came to you after the shortage was discovered?

A. I didn't - Mr. Owen didn't come to me, sir.

Mr. Webber: Did you go to Mr. Owen?

A. No.

Q. You and Mr. Owen talked about it at some time or other, did you not, after the auditors did their work?

A. I can't remember.

Q. Did you talk with Mr. Orr about it?

A. Mr. Orr.

Q. And that was after the auditors had found the shortage?

A. Yes.

Q. Did Mr. Orr come to you?

A. No.

Mr. Ryan: You went to him?

A. ~~X~~ Well, not about that, sir. We were talking together, it happened to come. He told me the gasoline was short. It was the first time I knew anything about it, officially.

Q. What do you mean, that was the first time you knew anything about it officially? Do you mean that was the first time you had knowledge of the shortage?

A. Yes, sir.

Q. But still you had never questioned as to what predicament it might put you into by having Lewis use gasoline from the tank in the garage which you were boss over, and other men dealing with the gasoline?

A. We thought Mr. Lewis was out boss, sir, and we had no jurisdiction over him.

Q. But did it make you feel a little bit uncomfortable to have this situation?

A. Very much so.

Mr. Webber: Did you sit back all during the time it was going on, that it was running into a fairly substantial quantity?

A. Well, of course I had an idea - I didn't know there would be a shortage, you understand. I didn't see him make out a slip; don't know how he arranged for it; whether he was going to pay for it or what he was going to do.

Mr. Ryan: Did you ever try to ascertain if there were slips going through on the gasoline Mr. Lewis was putting into his car? Did you ever try to see if there was a record going through?

A. No, sir.

Q. Beginning on Monday, through this week, will you tell me as near as you can how much Mr. Lewis has been around the garage?

A. Last Monday, too?

Q. Yes, this week we are ending now.

A. Well, say an hour each morning.

Q. Did you see him again the rest of the day?

A. Wednesday we saw him.

Q. How long?

A. Fifteen minutes.

Q. What for on Wednesday?

A. To bring the checks up.

Mr. Webber: To bring your checks up? The Payroll?

Mr. Ryan: And since Wednesday?

A. Of course every morning, most generally, when he was in town, he was around.

Q. Yesterday how much was he around?

A. Yesterday? About an hour in the morning.

Q. Did you see him again all day?

A. No.

Q. The day before yesterday?

A. When was that?

Q. Thursday.

A. About the same. An hour in the morning.

Mr. Webber: Did you see him this morning?

A. Yes.

Mr. Ryan: Had he left when you came up here?

A. Yes.

Q. Gone for the day, as far as you know?

A. As far as I know.

Mr. Webber: Did you say anything to him about the investigation going on?

A. No, sir.

Mr. Ryan: Did he know you were coming over here?

A. No.

Q. He had left before you got our call?

A. Yes, sir.

Mr. Webber: Has he had much of any work done on his own personal cars there? Has he had much of anything in the way of oil, grease, that sort of thing?

A. No, not very much, sir.

Q. He has had some?

A. A little.

Q. And did any slips go through on that?

A. Not that I know of, sir.

Mr. Ryan: Do you people at the departmental garage have any way of getting tires and accessories for these cars?

A. What do you mean, sir?

Q. To put on them.

A. Yes.

Q. Was Mr. Lewis able to get tires and accessories for his own car, there at the departmental garage?

A. No, sir.

Q. That would have to be done through the -

A. Highway Garage.

Q. Highway Garage.

A. Yes, sir.

Q. Did Mr. Lewis know Mr. Runnells?

A. I think he did.

Q. Was Mr. Lewis friendly with Mr. Runnells? to all outward appearances?

A. That I couldn't say.

Mr. Webber: Has anyone apparently acting for or investigating for the Attorney General's Department talked with you about this situation?

A. What situation, sir?

Q. About the Lewis situation; the gasoline situation, and all the rest of it.

A. I think there were questions.

Q. More than one?

A. Just one.

Q. You have not been called in before anybody until we called you in this morning?

A. Just once.

Q. You were called in the Attorney General's office?

A. Yes.

Q. Did they take a statement from you, the same as we are this morning?

A. I don't know I am sure.

Q. Did they have a girl there?

A. No.

Q. Did you talk with Mr. Burkett?

A. Yes.

Q. Was Mr. Ingalls there?

A. And Captain Orr.

Mr. Ryan: Anyone else besides those two and the girl?

A. No girl.

Mr. Webber: As far as you have seen, nothing has been done about it by their office, as far as you personally can see?

A. No.

Q. Do you know whether your own mechanics were called in there to -

A. I don't know, sir, I don't believe they were, but I don't know, sir, for a fact.

Q. How long did you say that was, ago?

A. Oh, probably six weeks ago, probably.

Q. You have been informed by anybody as to the amount the shortage was?

A. No, not officially, what the correct gallons were.

Q. Have you any idea? Did Captain Orr give you an idea?

A. An idea. Around two thousand gallons, they thought, at the time.

Q. Do you think an allowance of two percent of your total gallons gone through the pump would be adequate and liberal to allow for normal shrinkage, and for what occasional failures there might have been on the part of your men to fix up slips?

A. No, I don't believe it would, sir, because we have had a little trouble with that pump.

Q. What kind of trouble?

A. Well, we have had a leaking pump, and we have had motor trouble. We have had a lot of motor trouble with that pump.

Q. What would be the result, insofar as the gasoline is concerned?

A. Well, that leaking of course would mean quite a lot.

Q. Where does the gasoline go when it leaks out?

A. It leaks out right into the box; goes right down in there and evaporates.

Mr. Ryan: How long has that been going on?

A. I just found that the other day. I was looking around. There was some packing in there. I don't know whether or not you gentlemen are familiar with that line of business, but there is a packing in there. It's supposed to be tight, and the gasoline cannot run out. Well, the pump is seven years old now. It's getting quite worn; pretty hard to keep it tight.

Q. Have you reported that condition?

A. No, I have not.

Q. Think you ought to have a new pump?

A. I think we ought to have a new pump.

Q. Don't you think you ought to take it up with Captain Orr; make those facts known to him?

A. Yes.

Q. You intend to do that?

A. Oh, yes.

Q. Since this so-called change-over took place recently, has Captain Orr been giving the departmental garage more personal supervision?

A. Yes, he has.

Q. And has there been an apparent change in the amount of authority exercised by Mr. Lewis?

A. I don't know how to answer that.

Q. Let me put it this way. Has Captain Orr been doing things which previously Mr. Lewis did?

A. I don't know, sir, about that. I don't quite understand the question. I understand, but I don't know how to answer it.

Q. You have seen more of Captain Orr lately?

A. I have seen more of Captain Orr lately, and he has had more conversations with us about the garage.

Q. Actually, at the present time, since the change-over, Mr. Lewis does not seem to have much authority, does he?

A. No, I should say not. Of course we still feel he is our boss yet. What he says, what he does, why, I really can't contradict him; tell him what to do on that.

Mr. Webber: Mr. Lewis, ever since he has been there, has always owned a car of his own of some kind or other, has he not?

A. Well, now let me see.

Q. Certainly practically all the time he has?

A. Of course I don't know whether he owned that -

Q. Always been around there with a personal car he was driving?

A. Yes.

Q. Well, has he during that time made any use of state cars in addition to his own car?

A. He has driven state cars, yes, sir.

Q. Has it happened frequently?

A. Quite frequently, yes.

Q. Did he start doing that right from the beginning of his having the job up there?

A. No, he did not. He had a Hudson car at the time. I can't really tell you how much space there was when he drove that car. He did drive his own car there quite a while. I wouldn't say just how long; I can't remember.

Q. Then he began occasionally to drive state cars?

A. Yes.

Q. Did that increase as time went on?

A. Very much so.

Q. Do you know whether he fixed up gasoline slips when he used state cars and put gasoline into them?

A. I cannot say, sir.

Q. At least you could not say whether he did?

A. At least I could not say whether he did or not.

Mr. Ryan: You don't have any copies of these slips you bring over ~~XXXX~~ to the State House office that you retain at the garage?

A. No, sir.

Q. You take the original to the office here?

A. Yes.

Q. Supposedly they are kept on file at this office, what is now Captain Orr's office?

A. Yes.

Mr. Webber: As far as the men are concerned, putting gasoline into these state cars, certainly there is nothing for them to gain, or it is not going to help any individual who might be a friend of theirs in any way if they neglect to fix up the slips?

A. Not a bit, sir.

Q. Simply a matter of carelessness; no question of dishonesty, where they were not going to use the cars themselves?

A. No, sir.

Q. So you think that this shrinkage allowance should, in fairness, should be allowed, perhaps, to run higher than two percent?

A. I should think so.

Q. Very much higher? Do you have any estimate at all?

A. I should say about five percent.

Mr. Ryan: Five gallons in a hundred?

A. Well, that might be a little high.

Q. You mean you think that that percentage you spoke of would run back over the last two years or so - year after year at the same rate?

A. Well, that would be a hard question to answer because, as I say, that old pump has been bad, and whether it has been registering the gallons correctly or not I would not know.

Q. Did you ever test that pump?

A. I had it tested a little while ago, about a month ago, and she was pumping I think it was four hundred cubic inches, that is what they read it, more than five gallons.

Q. What does that mean?

A. That takes in a lot of figures.

Q. Was it giving quite a lot over?

A. A fractional part of a pint over.

Q. When was the last time it was tested before?

A. I don't believe it was ever tested before.

Q. Who tested it?

A. The Standard Oil Company.

Mr. Webber: Now, Mr. Wood, has there been gasoline put into the Secretary of State's car?

A. That's right, sir.

Q. And apparently without any gasoline slips being made out?

A. Not to my knowledge, sir.

Q. What about the central mailing room car? Who put the gasoline into that?

A. Just recently.

Q. Well, the auditors showed issued to the Secretary of State's car and the central mailing room car, estimate 900 gallons. Can you explain why it would be necessary for the auditors to have to estimate the gasoline on those particular cars?

A. I don't know, sir, why they would. We took those cars in just like we would our own; supposed to make out car record slips just like on our own cars.

Q. They set up requisition of table and estimate, so many thousand gallons. You would not know what that table of requisitions would be?

A. No, I would not, sir. They probably would downstairs, but I do not.

Q. You have no idea what would ~~KK~~ lead the auditors to treat these usual run of requisitions different from the issues to the Secretary of State's car and the central mailing room car?

A. Yes, you see we have to charge that department for that gasoline. We had to send a bill to the Secretary of State for those gallons.

Q. You keep the slips just the same?

A. Just the same.

Q. Though you do not have any idea why they should have had to estimate; why they could not get an exact amount from the daily service slips?

A. I cannot see why.

Q. There is a small item of "Requisitioned at garage, 46 gallons". Do you have any idea what they mean by that?

A. I think when the auditors came that morning there was some gasoline had been pumped and the slips was there.

Q. And had not come to the office?

A. And had not come to the office, as yet.

Q. So that there is not any practice on the Secretary of State's car or the central mailing room car that is any different, as far as records are concerned, except the way you bill them afterward? There is no such thing as their getting gasoline without requisition, any different from anybody else?

A. Of course they never presented a requisition for the gasoline.

Q. They are entitled to have it?

A. That is what the orders was, to take care of the Secretary of State's car and the mailing room truck, as we call it. The mail truck has just come under our supervision, just very recently since this change-over, but we have maintained the Secretary of

State's car for two years or more; two years anyway.

Q. Who, apparently, makes the chief use of the Secretary of State's car - S-1111?

A. The Secretary himself, sir. Of course there is times when he will send somebody up for the car; very seldom, though.

Mr. Ryan: For instance, who would he send?

A. Well, I forget his name now.

Mr. Webber: Mr. Fowler, a uniformed officer?

A. Once, I believe. Once or twice it was Mr. Fowler. The man that takes care of the plates; the man that takes care of the plates. I forget his name now. He used to come up and get it quite a lot.

Mr. Ryan: Did Mr. Fowler have a car at the garage which he brought in to get gasoline?

A. No, Mr. Fowler has his own car.

Q. That was not serviced at your department?

A. No, sir.

Mr. Webber: No other department got gasoline at the Highway Garage? That's right?

A. Yes, sir.

Q. Do you know why an exception was made of the Secretary of State's car?

A. Well, I think the Secretary liked our service up there.

Q. A matter of personal preference on his part. He would rather do business with you?

A. I think that's what it was.

Q. That's all, and we are very much obliged to you. What is your feeling about the general operation of the garage? Do you feel that it is run, on the whole, pretty efficiently?

A. Very efficiently.

Q. You feel that it is costing the state very much money?

A. I think we are running about as cheap as anybody can run, cars. All we get is four cents a mile for them. I think it saves the state money over what they can do outside.

- Q. Think it saves the state money over what they can do outside?
A. Quite a lot of money.

I certify that the foregoing is a
true transcript of my notes.

Letha B. Brown

INVESTIGATION OF THE HIGHWAY DEPARTMENT

I N D E X

Witness:	Page
Lucius D. Barrows	1
Harold F. Hopkins	15
Vincent P. Ledew	46
Benjamin West Lewis	135
Edwin H. Root	157
Thomas Wood	183
Stillman Woodman	214

44

183
214

397