

EX-11

State of Pennsylvania)
County of Cumberland) ss.

Miss Beatrice Herman being first duly sworn by Chief Inspector E. B. Linnen on oath answers questions and gives evidence as follows.

Q. Please state your name and occupation.

A. Beatrice Herman, clerk at the Carlisle Indian School.

Q. How long have you been employed as clerk at the Carlisle Indian School?

A. Three years last January.

Q. Where are you employed?

A. In the Chief Clerk's office.

Q. You are then well acquainted with the Chief Clerk, S. J. Nori, and with Superintendent Moses Friedman.

A. Yes sir.

Q. In conversations you have had with Chief Clerk Nori during the past month or two with relation to conditions at the Carlisle Indian School, and with relation to accounts, moneys, vouchers, and with relation to the investigation which I have been conducting, have you had conversations with Mr. Nori and have you heard him make statements which would indicate to you that there was anything wrong with the accounts and vouchers, and would indicate to you what his attitude was and would be with relation to giving evidence in connection with same?

A. Well, Mr. Nori and I have spoken on these things all during the time you have been here, and at first, to my knowledge, there was not anything that I knew and I know that we had spoken about it that as far as we could find out everything was straight. I remember when you first came Mr. Friedman had called Mr. Nori in here and when he came out into our office, he told me that Mr. Friedman said "show everything" and that he said that was the only thing he could do; then within the last two weeks in conversations I had with Mr. Nori he referred to times when Mr. Friedman had told him to fix up things, and at first when he spoke about that, I did not know just exactly to what he referred, because I had remembered times that Mr. Friedman had handed him

expense accounts or something like that and said "fix this up," or something to that effect, and first I thought that was what he meant. After I heard a few other things that were going around I took the meaning out of it that this was what he had referred to, and then from other side remarks and things that had been said I took it for granted that the time would come when he would go against Mr. Friedman.

Q. You took it for granted that from what he stated that he had information which would be against Mr. Friedman.

A. Well, I did not know about the information, I could not say that.

Q. But you took it that his evidence would be against Mr. Friedman. Did you know that there was anything wrong with the accounts.

A. Yes sir. I knew it in an indirect way from having heard about it.

Q. From Mr. Nori?

A. No, he did not tell me.

Q. Did you have any personal knowledge of anything being wrong with the accounts?

A. I had no personal knowledge.

Q. Had you just heard rumors to the effect that there was something wrong.

A. Yes sir.

Q. Had Mr. Nori told you that there was anything wrong with them, or did you gain that information prior to taking his testimony, as a stenographer?

A. I had gained it prior to taking his testimony.

Q. From whom?

A. Well now, I don't remember just who told me. I had heard it different times, but only through rumors.

Q. Did you have any specific knowledge of it?

A. No, personally I did not, but I had heard that it came from Mr. Miller. He did not tell me directly though.

Q. In your work on the accounts and vouchers you simply followed

instructions given you by Chief Clerk Nori, did you?

A. Chiefly yes. Mr. Friedman had spoken to me different times and said if there was anything I noticed that was irregular or was not right, I should call his attention to it.

Q. How long ago was that?

A. I could not mention any particular time, but I guess it was about as soon as I had been here long enough to get hold of the work.

Q. Did you ever call his attention to anything you believed to be irregular?

A. Nothing that I can recall. I know that I have called Mr. Nori's attention to different things. I did not feel in the position I held that I was warranted in going above him and talking to Mr. Friedman, because I realized that I had a minor position.

Q. Then anything you thought was wrong and irregular you talked to Mr. Nori about it?

A. Yes sir.

Q. Have you ever seen Financial Clerk Miller give money to Chief Clerk Nori?

A. On numerous occasions.

Q. Was it always in cash, as you recall?

A.. No, not always, some personal checks, individual accounts.

Q. Have you ever seen Chief Clerk Nori turn over any cash or moneys to Superintendent Friedman?

A. No sir.

Q. I would like to know from Miss Herman all the information she has that would lead to a correct knowledge of Mr. Nori's integrity, truthfulness, honesty in his relations to the Superintendent as Chief Clerk.

A. Well, ever since I have been here I have noticed that Mr. Friedman has tried to check up Mr. Nori's work, say, for instance, at the end of a quarter, there would be a bunch of papers in here and he would say to me, "Have you gone over all these and are you sure they are right," and I would say I had gone over them as far as I could. For instance when the account currents were made out

and the miscellaneous sales receipts, he would not pass on them until Mr. Kensler would go over them and check them carefully with his account book to see if they were correct. I know in some instances he sent me down to the printing office to see if those things were correct. As far as the tickets and transportation is concerned he always had Mr. Meyer check that over.

I remember one time Mr. Nori in giving his testimony spoke about exceptions due to the scheming that he had to do. I don't understand that. I know we had many exceptions, but I don't know that they were due to anything that Mr. Friedman had done or had ordered. I know at the end of one quarter Mr. Nori said, "I am going to send in these vouchers just as you have finished them," and I said, "I will not be responsible for them." He said, "I used to check them up, but they may do it," and I know when the exceptions came there were in all about thirty-eight or forty pages. A great many exceptions had been due to overrun of authorities. Mr. Brown, the Inspector from the Indian Office, last fall, was here and he went over the books and suggested a number of methods to improve matters and to keep a close check on authorities and the expenditures that were made under them. As to the refunds that came into Mr. Friedman's hands through the mail, as far as I know, he always turned them over to Mr. Nori and told him to deposit them at once. I have heard Mr. Friedman tell Mr. Nori more than once not to hold any moneys but to deposit it at once. I remember Mr. Friedman writing a letter to the Auditor to that effect about nine or ten months ago relating to an instance where the check had been held for transportation for a long time, but Mr. Nori claimed that he had not been able to find out whether it was to be paid personally or how.

Q. Do you believe Miss Herman that Mr. Nori used any of these funds and converted them to his own personal use?

A. I have no knowledge of it. I could not say. I have no knowledge of anybody handing any money to Mr. Friedman, except Mr. Kensler when he came up with his sales from miscellaneous receipts. Mr. Friedman would then receipt to Mr. Kensler for them and then Mr. Friedman would turn them over to Mr. Nori and he would receipt for them from him. As far as I know the money for transportation was always handled between Mr. Nori and Mr. Miller. I know Mr. Friedman used to be very particular about freight bills. Sometimes goods and supplies were sent here collect and the proposals stated that they were to be sent f. o. b. Carlisle, and the railroad companies would send their bill here, and Mr. Nori would have to write to the companies furnishing the supplies to get the money to pay them, and I know that Mr. Friedman spoke about that on different occasions that he did not like that, and that he did not want to have anything to do with it. Sometimes the companies would remit in check or

stamps or something like that and Mr. Friedman thought that the companies ought to do that themselves. I don't know whether that has any bearing on this or not.

Beatrice Herman

Subscribed and sworn to before me at Carlisle, Pennsylvania,
on this twenty-first day of March, A. D. 1914.

E. P. Limmen

Chief Inspector.