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UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF KENTUCKY  
NORTHERN DIVISION at COVINGTON

- - -

UNITED STATES OF AMERICA, : Docket No. CR 11-70  
: :  
Plaintiff, : Covington, Kentucky  
: Friday, June 8, 2012  
versus : 9:00 a.m.  
: :  
RONALD E. WEINLAND, : :  
: :  
Defendant. : **Trial Day 5-B**

- - -

TRANSCRIPT OF TRIAL  
BEFORE DANNY C. REEVES  
UNITED STATES DISTRICT COURT JUDGE and a jury

- - -

APPEARANCES:

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Proceedings recorded by mechanical stenography,  
transcript produced by computer.

LITTLE - Cross

2

1 (Afternoon Session commenced at 1:18 p.m.)

2 THE COURT: Thank you. Any matters to take up  
3 outside the presence of the jury?

4 MR. McBRIDE: No, sir.

5 MR. WEBB: No, Your Honor.

6 THE COURT: Thank you. Mr. Cline, you have extensive  
7 cross-examination for Miss Little? Or Mr. Webb, I'm sorry.

8 MR. WEBB: It shouldn't be too long, Your Honor.

9 THE COURT: If you could bring the jury in. Trying  
10 to plan ahead a bit.

11 (The jury entered the courtroom at 1:19 p.m.)

12 THE COURT: The record will reflect that all members  
13 of the jury are present. The attorneys and defendant are also  
14 present in the courtroom.

15 Miss Little, of course, you're still under oath.

16 Mr. Webb, you may proceed with your questions.

17 MR. WEBB: Thank you, Judge.

18 CROSS-EXAMINATION

19 BY MR. WEBB:

20 Q. Good afternoon, Miss Little. Mr. McBride was asking you  
21 some questions about the Swiss bank account, and I'd like to  
22 follow up on a few of his questions. Could you explain your  
23 understanding of why the money was in Switzerland?

24 A. We moved it over there in case something happened in the  
25 U.S. in bank accounts here, the church wouldn't have any money

*LITTLE - Cross*

3

1 over here, that they would have money over there as, you know,  
2 or if, you know, my parents needed to be over there or go over  
3 there or anything like that to help with the church. So  
4 that's why that was there.

5 Q. And when you say help with the church, what is your  
6 understanding of how the money would have been used to help  
7 with the church?

8 A. If it was, you know, still an economic system hopefully  
9 over in Europe at that time, that they could still continue to  
10 work over there and wherever they could for as long as they  
11 could.

12 Q. Thank you. I want to shift now and talk about the  
13 diamonds and gold Mr. McBride talked about. Could you explain  
14 to the jury your understanding of why your mother carried  
15 diamonds and gold?

16 A. Because of what we believe, we don't know where they  
17 could be at any time. Something could happen in any place in  
18 the world. So basically, for security for them, to help them  
19 with maybe getting a place to stay or getting transportation  
20 to wherever they needed to be or anything like that.

21 Q. Thank you. Mr. McBride asked you some questions, and you  
22 reviewed a lot of credit card statements, and he asked you  
23 some statements about how you paid the credit cards. I want  
24 to talk about that.

25 Now, I believe you testified briefly about the process

*LITTLE - Cross*

4

1 you used to pay the credit cards. I would like to make sure  
2 I'm clear. I'd like you to take me through the steps that you  
3 would typically go through. Start when the credit card bill  
4 comes in the mail, and just walk me through the steps, if you  
5 would. Your understanding of how it works.

6 A. I think when I first started working there, the credit  
7 card bill would come in the mail, and I would write a check  
8 out to the credit card company. And then shortly after that,  
9 started doing it all on the internet. So then it was easier  
10 for me to check the balances and when they came due or if I  
11 needed to pay during the middle of the month, in case they  
12 might go over their credit limit, so I would just pay whenever  
13 it was necessary to pay that.

14 And that would come from their personal checking account,  
15 but I would put church money from their church credit cards or  
16 whatever over into their personal checking account and then  
17 pay the bills through that.

18 Q. And then after you paid the bill, did you -- I believe  
19 you testified you would give the credit card statement to your  
20 mother.

21 A. Yes.

22 Q. What was your understanding as to why you gave it to your  
23 mother?

24 A. Because she would then go through it and decide what was  
25 personal expense or what was -- or personal for them or a

*LITTLE - Cross*

5

1 business expense and then separate it from there. And then  
2 she's the one that would work it out from there. I didn't  
3 have much to do with that part.

4 Q. Okay. You testified a little earlier that I think Mr.  
5 McBride was asking you about why your father was renting a  
6 rental car in Texas. I believe you testified that your dad  
7 decides where and when to go for the church?

8 A. Yes.

9 Q. Do you -- is it your understanding that your dad makes  
10 the spiritual decisions for the church?

11 A. Yes.

12 Q. Could you describe, from your own personal knowledge,  
13 activities that you've seen your father engaged in on the  
14 spiritual side of the church?

15 A. As in like counseling with people?

16 Q. Counseling --

17 A. Okay.

18 Q. -- preaching, writing books, whatever comes to mind.

19 MR. McBRIDE: Your Honor, may we approach?

20 THE COURT: Yes.

21 (A sidebar conference was held out of the  
22 hearing of the jury:)

23 THE COURT: Mr. McBride?

24 MR. McBRIDE: Sir, what I'm concerned about here is I  
25 know that we inquired about the spiritual functions of the

LITTLE - Cross

6

1 church, Mr. Weinland's role in that. And I think that in  
2 terms -- we limited our direct to a discussion of how that  
3 impacts -- what those functions were and how that impacts  
4 expenses of the church. We're afraid if we get into anything  
5 else, we may violate your order to avoid the bolstering up of  
6 the beliefs --

7 THE COURT: I'm not sure how far we're going, Mr.  
8 Webb.

9 MR. WEBB: All I'm really asking is to explain her  
10 understanding as to what his duties are. I'm not planning on  
11 getting into the beliefs, because I'm trying to honor the  
12 utmost respect for Your Honor's orders.

13 THE COURT: All right.

14 MR. McBRIDE: We would not have an objection to that.

15 THE COURT: Very well. Objection is withdrawn.

16 MR. McBRIDE: Thank you, Your Honor.

17 (Sidebar conference concluded.)

18 THE COURT: Thank you, counsel. Mr. Webb, you may  
19 proceed.

20 MR. WEBB: Thank you, Judge.

21 BY MR. WEBB:

22 Q. What I was talking about, I want to go back to the same  
23 question I'd asked you. We were talking about how your father  
24 makes spiritual decisions, and what I'd like you to do is just  
25 describe his duties. You don't have to get into his beliefs,

*LITTLE - Cross*

7

1 just his duties as to what you've personally seen him do.

2 A. He travels to different areas to give sermons, live  
3 sermons in that area. And as far as the rest of us in  
4 different areas, we listen to the sermon over the internet at  
5 approximately usually the same time he's giving it, right when  
6 he's giving it. And then he counsels with different members  
7 of the church for a lot of, you know, reasons, personal or  
8 spiritual.

9 He also, he wrote the two books and just basically got  
10 the advertising going for that to get the word out about the  
11 message of God.

12 Q. Thank you. I didn't mean to interrupt you. Are you  
13 done?

14 A. Yeah.

15 Q. Do you know -- you mentioned the two books. Do you know  
16 what years your father wrote those two books in?

17 A. I don't remember.

18 Q. Now, thank you for telling me about the duties. Does  
19 your dad do any duties as bookkeeper?

20 A. No. He can write a check, but he normally doesn't do  
21 that at all.

22 Q. Okay. So he leaves that to you and your mother?

23 A. Um-hmm.

24 Q. Mr. McBride had showed you a bank record from the Church  
25 of God, Inc., from Bank Account 1060. I believe that was

*LITTLE - Cross*

8

1 Government Exhibit 10, page 66. I believe that's in evidence.

2 MR. WEBB: May I publish that, Your Honor, to the  
3 jury?

4 THE COURT: Yes, sir.

5 MR. WEBB: Could you highlight the top just for a  
6 moment.

7 Q. I want you to take a look at the time period here. You  
8 see where the time period says through 12/31/08?

9 A. Um-hmm.

10 Q. And you see where it says the Church of God, Inc.?

11 A. Yes.

12 Q. And up in the right-hand corner, where it has the last  
13 four digits of the account number, 1060?

14 A. Yes.

15 MR. WEBB: Could we enlarge the second part of it,  
16 please.

17 Q. Now, I believe Mr. McBride was asking you about these  
18 international wires that were coming in?

19 A. Um-hmm.

20 Q. Do you see those in the center of the page?

21 A. Yes.

22 Q. There are five thousand and some change, five thousand  
23 and some change. One is six thousand and some change. Are  
24 those sort of the typical amounts that would be wired in from  
25 the international churches?



*LITTLE - Cross*

9

1 A. Usually that much.

2 Q. Now, if you look right above that, there's an incoming  
3 wire transfer that looks like it's for \$400,296.44. Do you  
4 see that?

5 A. Yes.

6 Q. Do you know what that is?

7 A. No.

8 Q. Thank you.

9 MR. WEBB: Thank you for your assistance.

10 Q. Mr. McBride had asked you about your automobile use and  
11 what you did with the church. I want to talk a little bit  
12 about that. I believe you talked about picking up the mail  
13 over in Cincinnati. I want to make sure I'm clear on the mail  
14 picking up procedures, how often you do it. Could you  
15 describe that for the jury?

16 A. It's about every other day that I usually go to the post  
17 office and pick up the mail and then take that back home, open  
18 the mail, do the deposits, things like that. So it's about  
19 every other day that I go there. Sometimes it's more, every  
20 day, depending on if we're busy, you know, what time of year  
21 it is. So --

22 Q. Now, there's been a lot of discussion of books in this  
23 case. Did you ever haul any books in your car?

24 A. Yes, um-hmm.

25 Q. Why would you be hauling books in your car?

*LITTLE - Cross*

10

1 A. When I first started working there, I was in charge of  
2 mailing out all of the books and so we would have work parties  
3 at my parents' house. We would stuff envelopes with books,  
4 put labels on and everything, postage. And then I would get  
5 those big huge books together with books stacked inside the  
6 bags and take them, put them in the trunk and in the back seat  
7 of the car and everything and took it to the post office and  
8 mailed that there.

9 Q. Now, would you ever drive your car to the church  
10 services?

11 A. Yes.

12 Q. Would church members see you driving your car?

13 A. Every week, yes.

14 Q. To your knowledge, did your father drive his car to  
15 church services?

16 A. Yes.

17 Q. And would church members see your father in his car --

18 A. Yes.

19 Q. -- for church services? Now, focusing on 2007 and 2008,  
20 sticking with your car, who paid for your gas expenses while  
21 you were doing the church business in your car?

22 A. I did.

23 Q. I'm sorry?

24 A. I did.

25 Q. So you didn't turn in mileage expenses with the church?

*LITTLE - Cross*

11

1 A. No.

2 Q. So you didn't seek reimbursement from the church?

3 A. No.

4 Q. I want to make sure I'm clear on that. Now, I believe in  
5 talking about your car, did -- I'm talking about the BMW, did  
6 you own a car previously to the BMW?

7 A. Yes, a Pontiac Grand Am.

8 Q. And who paid for that car?

9 A. I did.

10 Q. Okay. Did you trade that car in on the BMW?

11 A. Yes.

12 Q. Do you remember how much they gave you for the car?

13 A. I think it was \$7,000.

14 Q. Okay. Yesterday, Mr. McBride showed you some checks that  
15 were going from your mother to you.

16 A. Um-hmm.

17 MR. WEBB: And if I could get some more assistance, I  
18 think it's Government Exhibit 24a. May I publish, Your Honor?

19 THE COURT: Yes.

20 MR. WEBB: Thank you. I think it's page 24, I'm  
21 sorry. You need that information, don't you? Could you  
22 enlarge the bottom half of the screen, please. Thank you very  
23 much.

24 Q. I would like you to take a look at the -- it's on my left  
25 side of the screen. Check Number 1012, dated 4/1/07 for \$200.

*LITTLE - Cross*

12

1 Do you see that?

2 A. Um-hmm.

3 Q. Do you see where it says pay to the order of Audra, and  
4 it appears to be from your parents?

5 A. Yes.

6 Q. Now, I'd like you to focus in on that memo line. See  
7 where it says 2nd?

8 A. Yes.

9 Q. Does that ring a bell with what that check could possibly  
10 be for? Could it be for a tithe?

11 A. That would make sense to me, second tithe, but I don't  
12 remember that at all.

13 Q. You just don't remember?

14 A. No.

15 Q. Thank you for looking at it.

16 MR. WEBB: Thank you for your help.

17 Q. I want to talk to you a little bit about your  
18 compensation from the church. We've been looking at checks,  
19 and I want to focus on some of those checks Mr. McBride went  
20 over with you. Do you recall, if your parents were at the  
21 church -- and I guess I have a question. Were your parents or  
22 was the church paying for your water bill, for example?

23 A. I'm really not quite sure. I paid out of their personal  
24 bank account, but I don't know if my mom did anything with  
25 that afterwards, if she had -- if the church paid for that

*LITTLE - Cross*

13

1 from that account. I'm not sure.

2 Q. Okay. So you don't have any personal knowledge as to  
3 whether the church reimbursed your parents or not?

4 A. No.

5 Q. Do you remember what the amount of that water bill was,  
6 average monthly?

7 A. Maybe between 15 and 20 dollars, maybe.

8 Q. Okay. Now, I believe there was a homeowners association  
9 fee. Was that also paid by your parents?

10 A. Yes.

11 Q. Do you remember how much that was on a monthly basis?

12 A. Started off at 178 and then went up to 180.

13 Q. The electric service, was that also paid for by your  
14 parents?

15 A. Yes.

16 Q. And do you remember the average amount of your electric  
17 bill?

18 A. No.

19 Q. The mortgage, was the mortgage also paid by your parents?

20 A. Um-hmm.

21 Q. And do you remember the amount of your mortgage?

22 A. A little bit over a thousand, I think.

23 Q. How long did they pay the mortgage; do you know?

24 A. I would guess a year and a half.

25 Q. Don't guess.

*LITTLE - Cross*

14

1 A. I'm not sure, then.

2 Q. Thank you.

3 A. Sorry.

4 Q. That's okay. I believe the sanitation was another item  
5 that was paid.

6 A. Um-hmm.

7 Q. Do you remember the monthly amount of the sanitation?

8 A. No.

9 Q. Did they also pay the emergency system that you had in  
10 your home?

11 A. Yes.

12 Q. Did they pay for your cell phone?

13 A. They paid \$50 of the cell phone.

14 Q. So \$50 for the cell phone.

15 A. Um-hmm.

16 Q. How about the internet service that you have.

17 A. Um-hmm.

18 Q. They paid for that?

19 A. Yes.

20 Q. Do you remember how much the internet service was?

21 A. I'm not sure.

22 Q. Looking for a range. If you don't know --

23 A. Maybe 60 -- I'm not sure.

24 Q. And finally the cable. Did they pay for cable?

25 A. Yes.

*LITTLE - Cross*

15

1 Q. Okay. And were there any other expenses that your  
2 parents paid for other than the ones that we've talked to?

3 A. Not that I can think of.

4 Q. Now, in this 2008 time period, do you remember what the  
5 amount of your checks were that you received from the church?

6 A. What I received was a thousand a month.

7 Q. So you received \$1,000 a month?

8 A. Um-hmm.

9 Q. When you -- sitting here today, when you think of the  
10 expenses that the church or your parents -- I believe you  
11 testified your parents were paying for the living expenses  
12 that I've just gone through, and the car, and the \$1,000 a  
13 month, did you feel like you were -- do you believe that's an  
14 adequate compensation for you?

15 A. Yes.

16 Q. Do you believe that you were overpaid?

17 A. No.

18 Q. Now, Mr. McBride also talked about your duties as an  
19 elder in the church, and you are certainly younger than I am.  
20 I want to ask you about the youth of the church. Did you have  
21 any role in either counseling with or fellowshiping with,  
22 assisting the church with the youth that was in the church?  
23 And if yes -- I guess that's yes or no.

24 A. Yes.

25 Q. Could you please explain to the jury what you would do?

*LITTLE - Cross*

16

1 A. Depending on if they came to me personally, I would talk  
2 to them about things to help someone out. But a lot of times,  
3 I'm told by my parents to talk to somebody about an issue that  
4 they're having or that they want to talk about, things like  
5 that.

6 Q. Did you ever take them to dinner, for example?

7 A. Yes.

8 Q. Did you ever pay for their dinner?

9 A. Sometimes, yes.

10 Q. Now I want to talk a little bit about the time period,  
11 it's in '07 and '08, I'm not sure of the months. Do you  
12 recall when your brother was living with you?

13 A. (Nodding affirmatively).

14 Q. Do you recall the time period?

15 A. I believe we both moved in at the same time together,  
16 beginning of '07. And I'm not really quite sure when he moved  
17 out. Could have been a year, maybe a year and a half or so.

18 Q. Do you know what your brother was doing while he was  
19 living with you outside of the home?

20 A. He was going to Northern Kentucky University.

21 Q. Do you know what he was studying?

22 A. Had to do with computers. I'm really not quite sure.

23 Q. Okay. Now, I believe you mentioned earlier some of the  
24 things that your brother was doing for the church in that '07,  
25 '08 period. I want to make sure I've gotten the complete



*LITTLE - Redirect*

17

1 list. Could you just review those quickly with me?

2 A. He was editing the sermons and working on websites and  
3 updating them and things like that.

4 MR. WEBB: May I have just one moment, Your Honor?

5 THE COURT: Yes, sir.

6 MR. WEBB: Those are all the questions, Your Honor.

7 Thank you.

8 THE COURT: Any redirect, Mr. McBride?

9 MR. McBRIDE: Thank you, Your Honor.

10 REDIRECT EXAMINATION

11 BY MR. McBRIDE:

12 Q. Mrs. Little, I'll keep to just some clarifications on  
13 things Mr. Webb asked you about, if I may. Not only is my  
14 handwriting bad, my eyes are going. Forgive me. Mr. Webb  
15 asked you about credit card statements and indicated that --  
16 you indicated, I believe, correct me if I'm wrong, that when  
17 you're done with the statements, you give them to your mom?

18 A. Um-hmm.

19 Q. And your mom does some reconciliation with them. Okay.  
20 And I just want to make sure that we understand. Have you --  
21 and of course we're talking about '07 to '08. Did you ever  
22 reconcile the church books to see if expenses were being  
23 properly reimbursed by your mother?

24 A. No. Not by my mom, no.

25 Q. Well, by anybody else?

*LITTLE - Redirect*

18

1 A. No.

2 Q. Okay. And your mother was doing this in order to -- do  
3 you know what information your mother was using when she  
4 was -- let's assume for the minute she was determining what  
5 the personal expenses were. Do you know information she used  
6 or where she got it?

7 A. No.

8 Q. Did you mother ever tell you about the kinds of things  
9 that she was reimbursing the church for?

10 A. Not that I can think of, no.

11 Q. Do you know what accounts she placed the money in when  
12 she was reimbursing --

13 A. No.

14 Q. Do you know whether or not she ever reimbursed the  
15 church?

16 A. Yes.

17 Q. How do you know?

18 A. Because she's telling me she's giving a check to deposit.  
19 So I've seen them.

20 Q. So you've seen a check?

21 A. Um-hmm.

22 Q. Did she say this is a reimbursement check?

23 A. I know they were, so I -- she might have. I don't  
24 recall, though.

25 Q. It was unspoken?

*LITTLE - Redirect*

19

1 A. It could have been -- she could have said something, or  
2 it could have been -- I know she wrote them before.

3 Q. Do you know what accounts you deposited them in?

4 A. No.

5 Q. Were they Church of God accounts?

6 A. Yes, I have.

7 Q. Yes, you have. What does that mean?

8 A. Yes, I deposited them for the church and I deposited them  
9 in her personal account before.

10 Q. What's the biggest check you remember depositing?

11 A. I don't remember that.

12 Q. You think bigger than a thousand dollars?

13 A. Not that I can recall.

14 Q. Okay. How many times a month did your mother give you  
15 such a check?

16 A. I don't know. It's not -- I really don't know.

17 Q. Did she give you such checks more than once a month?

18 A. I remember how we do things now, it's about once a month.  
19 But back then, I don't remember that.

20 Q. Has it changed since back then?

21 A. Well, since everything was in her personal account, it  
22 has, yes.

23 Q. So since 2008, you're doing things differently?

24 A. Yes.

25 Q. But there's no question in your mind that some of the

*LITTLE - Redirect*

20

1 reimbursement accounts, checks from your mother went into  
2 accounts in her and your father's name, correct?

3 A. Yes.

4 Q. Okay. Mr. Webb asked you a couple of questions about the  
5 Swiss account. Do you know how much money was in the Swiss  
6 account?

7 A. No.

8 Q. Do you know what happened to the money in the Swiss  
9 account?

10 A. I was told it was brought back here to the States.

11 Q. Do you know how it was brought back here?

12 A. No.

13 Q. Could it have been transferred into a Church of God  
14 account?

15 A. Possibly.

16 Q. Is it possible that the account, the deposit Mr. Webb  
17 showed you, was that money being transferred back?

18 A. It's possible. I don't know, though.

19 Q. All right. And that would have been at the end of --  
20 that statement was at the end of 2008; was it not?

21 A. I think it was.

22 Q. Do you know when the IRS investigation of your father  
23 became apparent to your family?

24 A. No.

25 Q. You talked -- Mr. Webb asked you about your automobile

*LITTLE - Redirect*

21

1 use and that you had occasions when you used it for, I guess,  
2 your youth ministry and to go to church and that sort of  
3 thing. Is that fair?

4 A. Um-hmm.

5 Q. But you're a member of this church, and you are  
6 conducting spiritual activities in that role, correct?

7 A. Um-hmm.

8 Q. And you had a vehicle before that that you traded in?

9 A. Um-hmm.

10 Q. Was it traded in for the BMW?

11 A. Yes.

12 Q. Okay. Did you owe money on that vehicle when you traded  
13 it in?

14 A. No.

15 Q. How about before then?

16 A. I'm sorry, what was that?

17 Q. Before you traded it in.

18 A. Did I owe money on it?

19 Q. Um-hmm.

20 A. No.

21 Q. Who bought the car?

22 A. I did.

23 Q. How much did you pay for it?

24 A. My parents financed it under their name, and I paid them  
25 back a loan.

*LITTLE - Redirect*

22

1 Q. So your parents paid for it up front and they reimbursed  
2 you, or did you have a loan contract?

3 A. I don't know if they paid for it in full, but I paid  
4 every month for it and I paid them. I don't know if they paid  
5 it off to begin with or if they made monthly payments  
6 themselves. I'm not sure.

7 Q. Okay. With regard to the BMW, they were making the  
8 payments on it, though?

9 A. Yes.

10 Q. You weren't reimbursing them?

11 A. No.

12 Q. Okay. Mr. Webb asked you about your utilities and some  
13 of the other expenses that I think we saw were paid through  
14 that Bank of Kentucky account, correct?

15 A. Um-hmm.

16 Q. And you said your mortgage was about a thousand dollars a  
17 month?

18 A. Um-hmm.

19 Q. And you were receiving a thousand and one dollars a month  
20 in salary?

21 A. A thousand.

22 Q. A thousand in salary?

23 A. Yes.

24 Q. Okay. So if you're getting a thousand dollars a month  
25 for each from your parents, that's \$24,000, isn't it?

*LITTLE - Redirect*

23

1 A. I'm sorry, what?

2 Q. If you're getting a thousand dollars a month for a year,  
3 that's \$12,000, right?

4 A. Right.

5 Q. And if you're getting a thousand dollars a month for your  
6 mortgage paid, right, that's another 12,000?

7 A. I didn't get that money, though.

8 Q. It went to the bank, though, right? Paid for your  
9 mortgage?

10 A. Yes, out of their Bank of Kentucky account, yes.

11 Q. Was that during 2007?

12 A. Yes.

13 Q. Okay. So your W2 said \$18,000?

14 A. Right.

15 Q. Did the mortgage, was it included in your W2?

16 A. I don't know.

17 Q. We'd have to ask your dad?

18 A. Um-hmm.

19 Q. You don't know how he came up with that \$18,000, do you?

20 A. No.

21 Q. Mr. Webb asked you, going back to the car, he asked you  
22 about the mileage on your BMW when you were using it. You  
23 were using it for church activities. I think you told us you  
24 didn't claim any mileage, right?

25 A. No.

*LITTLE - Redirect*

24

1 Q. You did not?

2 A. No.

3 Q. Did you claim --

4 A. I didn't claim any mileage.

5 Q. Thank you. I'm sorry. Just wanted to be sure the  
6 record's clear. So you didn't claim any mileage for that, and  
7 is that because that's really a personal activity?

8 A. The church things that I'm doing?

9 Q. It's a personal activity. Not for the church. For you,  
10 it's a personal activity, right?

11 A. I was using the car for church business for the most  
12 part.

13 Q. I would agree with you that it's spiritual church  
14 business, right? Would you agree with me?

15 A. Uh-huh.

16 Q. But you weren't going to those activities as an employee  
17 of the church, were you?

18 A. Yes, that's what I was normally using the vehicle for.  
19 When I moved here, I didn't have any -- I didn't really have  
20 any friends that I knew or anywhere to go so I really hardly  
21 used that car for personal. It was all, you know, going back  
22 and forth to the post office, hauling books back and forth  
23 everywhere, things like that. That was all church business.

24 Q. I would agree with you that the -- if you had to ship  
25 books during the day, you come to the office, run errands,



*LITTLE - Redirect*

25

1 whatever they are. I would agree with you that is church  
2 business, but you did not seek reimbursement for that?

3 A. No.

4 Q. And that was up to you, right?

5 A. Right.

6 Q. But the car was in your parents' name, correct?

7 A. Yes.

8 Q. And the car was being paid for by your parents, correct?

9 A. Right.

10 Q. And the car's insurance was being paid for by your  
11 parents?

12 A. Yes.

13 Q. In fact, you were listed on the insurance as a driver for  
14 that car, weren't you?

15 A. I think so.

16 Q. Okay. So this car belongs to your parents, correct? And  
17 you use it, correct?

18 A. Correct.

19 Q. All right. So your dad is the pastor of the church,  
20 correct?

21 A. Yes.

22 Q. And he's an employee of the church, correct?

23 A. Yes.

24 Q. But that doesn't make his car belong to the church, does  
25 it?

*LITTLE - Redirect*

26

1 A. It's in his name. It's a church vehicle.

2 Q. It's in his name so legally, it's his car, correct?

3 A. Correct.

4 Q. Okay. Church doesn't have any cars, does it?

5 A. Legally, I guess not.

6 Q. Okay. The vehicle was really your car to use all the  
7 time, right?

8 A. Yes.

9 Q. Okay. So when you weren't doing church business, you  
10 used that car?

11 A. Yes.

12 Q. Okay. The errands that you ran from the office, once you  
13 got to the office at your parents' home, so on, back and  
14 forth, those were church errands, weren't they?

15 A. Um-hmm.

16 Q. And you were doing them within the course of your duties  
17 as the administrative assistant, correct?

18 A. Yes.

19 Q. All right. When you went to minister children, you were  
20 going as an elder, weren't you?

21 A. Yes.

22 Q. So that's not within the course of your duties as an  
23 administrative assistant, is it?

24 A. I guess not.

25 MR. McBRIDE: Thank you, Mrs. Little. Those are all

LITTLE - Recross

27

1 the questions I have on redirect.

2 THE COURT: Thank you. Let me see if there are any  
3 further questions.

4 MR. WEBB: I just have just a couple, Your Honor.

5 THE COURT: Yes, sir. You may proceed.

6 RE-CROSS-EXAMINATION

7 BY MR. WEBB:

8 Q. Miss Weinland, I want to talk about your mother. Is she  
9 a certified public accountant?

10 A. No.

11 Q. To your knowledge, has she had any formal tax training?

12 A. Not that I know of, no.

13 MR. WEBB: Thank you.

14 THE COURT: Any further questions on this point?

15 MR. McBRIDE: No, Your Honor.

16 THE COURT: Thank you, ma'am. You may step down.

17 Any objection to this witness being finally excused at this  
18 time? Is she subject to being recalled?

19 MR. WEBB: No objection, Judge.

20 MR. McBRIDE: No, sir.

21 THE COURT: Is she subject to being recalled?

22 MR. WEBB: No, sir.

23 THE COURT: Thank you, ma'am. You may step down.

24 You're finally excused.

25 Thank you. Mr. McBride, you may call your next

*PALMISANO - Direct*

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1 witness.

2 MR. McBRIDE: Thank you, Your Honor. The United  
3 States calls Special Agent Susan Palmisano.

4 THE COURT: Thank you.

5 SUSAN PALMISANO, GOVERNMENT'S WITNESS, SWORN

6 THE COURT: Thank you. Mr. McBride, you may proceed.

7 MR. McBRIDE: Thank you, Your Honor.

8 DIRECT EXAMINATION

9 BY MR. McBRIDE:

10 Q. Would you state your full name and spell your last name  
11 for the Court.

12 A. Susan Palmisano. P-a-l-m-i-s-a-n-o.

13 Q. And you are the case agent in this matter?

14 A. Right.

15 Q. How are you employed?

16 A. I'm employed as a special agent for the Internal Revenue  
17 Service Criminal Investigation Division.

18 Q. I'd like to ask you some questions about your  
19 professional and educational background. How long have you  
20 been a special agent?

21 A. Approximately 21 years.

22 Q. Could you -- and what are your current duties?

23 A. Currently, I'm assigned as a supervisory special agent in  
24 Lexington, Kentucky. So I supervise a group of special agents  
25 and task force officers.

*PALMISANO - Direct*

29

1 Q. And those special agents and task force officers, are  
2 they all criminal investigators?

3 A. Yes.

4 Q. Are there other individuals in the IRS that are referred  
5 to as agents that are not criminal investigators?

6 A. Yes. There's revenue agents.

7 Q. And how are they, just generally, how are they to be  
8 distinguished from special agents?

9 A. They conduct audits. They don't conduct criminal  
10 investigations.

11 Q. How long have you been a supervisory special agent?

12 A. Since January of 2011.

13 Q. And where were you located? Physically, where was your  
14 office as a special -- as a supervisory special agent?

15 A. I'm currently in Lexington, Kentucky. As a special  
16 agent, I was stationed in Florence, Kentucky for approximately  
17 20 years.

18 Q. All right. And while you were a special agent, before  
19 you were a supervisor, what were your duties?

20 A. To conduct investigations of violations related to the  
21 Internal Revenue Code and other related offenses.

22 Q. All right. And that would include violations of income  
23 tax, the income tax laws under the Internal Revenue Code?

24 A. Correct.

25 Q. Could you tell the ladies and gentlemen of the jury a

*PALMISANO - Direct*

30

1 little bit about your educational background? What degrees do  
2 you have?

3 A. I obtained my Associate degree in accounting in 1986. I  
4 obtained my Bachelor's of Science degree in accounting from  
5 Xavier University in 1989. And then I obtained my Master's in  
6 accountancy in 2005 with a minor in taxation.

7 Q. Where did you receive your Master of Accountancy from?

8 A. Northern Kentucky University.

9 Q. How did you get into that program?

10 A. I applied for a -- or I applied for a scholarship through  
11 the IRS. They were offering a pilot scholarship program for  
12 Master's degrees, and I was awarded one of the scholarships.

13 Q. Was this a competitive program?

14 A. Yes.

15 Q. How many slots were available?

16 A. There were 25 slots, and there were in excess of 350  
17 applicants nationwide.

18 Q. And these were only IRS employees?

19 A. Correct.

20 Q. How many special agents received one of the slots?

21 A. I believe I was the only one.

22 Q. And I'm sorry, remind me again. What year did you  
23 receive that degree?

24 A. 2005.

25 Q. Could we talk now a little bit about your training and

*PALMISANO - Direct*

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1 experience. Tell the ladies and gentlemen of the jury what  
2 training you have related to the investigation of tax cases.

3 A. When you're hired as a special agent, you're put through  
4 a training program that is five to six months long in Glencoe,  
5 Georgia. And the first aspect of that training, I believe,  
6 it's about three months, maybe about two and a half. It's  
7 more law enforcement geared. You're doing a lot of criminal  
8 law type courses and enforcement type courses. You learn how  
9 to handle a firearm and other things of that nature that's  
10 specific to law enforcement officers.

11 The second phase of that training is more geared towards  
12 the IRS criminal investigations functions, where you're  
13 learning how -- different methods of proof to prove financial  
14 crimes and the types of offenses that we investigate.

15 Q. All right. I'm going to ask you a couple of questions  
16 for a few explanations of that. This facility in Glencoe,  
17 what is it called?

18 A. Federal Law Enforcement Training Center.

19 Q. Also known as FLETC; is it not?

20 A. Correct.

21 Q. Is that an IRS -run facility?

22 A. No, the U.S. Treasury runs that facility.

23 Q. And do they train only treasury and sub-agency officers  
24 or agents?

25 A. They train a lot of different agencies, but federal

*PALMISANO - Direct*

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1 employees primarily. I think they do have some state law  
2 enforcement officers that may train there too, specific  
3 forces, but primarily federal.

4 Q. And how long has that facility been in existence; do you  
5 know?

6 A. I think for decades.

7 Q. Now, you said that the training you received initially  
8 had two phases, and the first phase was generally law  
9 enforcement oriented. Could you describe what, if any,  
10 training you received in search and seizures and arrests, just  
11 generally, on the law enforcement side of the house?

12 A. Well, generally, they go through some of the legalities  
13 that you have to follow in order to obtain search warrants,  
14 seizure warrants, how to make arrests, how to enter buildings,  
15 to execute search warrants. Really, law enforcement type  
16 skills.

17 Q. Is there also personal security training related to that?

18 A. Yes.

19 Q. All right. And that would include your weapons training?

20 A. Correct.

21 Q. All right. Now, the second phase -- how long is that  
22 first phase?

23 A. It's been a while. I think it's about two and a half  
24 months.

25 Q. The program may have changed since you took it?



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1 A. Right. And it has.

2 Q. In this second phase, can you lay out the progression of  
3 the course work that you did for the investigative end of  
4 the -- the IRS-specific investigative training you received?

5 A. The first phase of the training for the IRS part, we  
6 dealt with preparation of tax returns and different tax  
7 issues, very specific to individuals, some to corporations,  
8 things that you would typically see on tax returns and how to  
9 interpret them and things of that nature.

10 The second phase was -- and you have to understand too  
11 that everyone that is hired with the IRS to be a special agent  
12 is required that they have an accounting background. So  
13 you're coming to the training with that knowledge and some,  
14 you know, would have experience and skills that they've  
15 already obtained.

16 Then the next portion of that training, they would teach  
17 you methods of proof and how to conduct an investigation of  
18 financial matters and how to conduct investigations when  
19 you're reviewing books and records of corporations or  
20 individuals, and you would -- they taught you different  
21 methods of proof, different ways of proving a case if there  
22 was a violation.

23 Q. Would you elaborate on the methods of proof that you  
24 receive training on?

25 A. Back then, they taught the specific items method of

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1 proof, net worth method of proof, and bank deposits method of  
2 proof.

3 Q. Could you give us a very general, maybe two-line  
4 description of each of those?

5 A. Specific items method of proof, you go through and  
6 it's -- there's, you know, an actual item, like an actual  
7 payment to an individual that was maybe not reported on their  
8 tax return. So it would be a very specific item.

9 Net worth, you would determine their value of assets and  
10 what their net worth is from year to year. So if the value of  
11 their assets would increase from year to year, that's a way  
12 that you would indicate that their income has increased from  
13 year to year and what that income is.

14 The bank deposits would be a -- that particular method of  
15 proof would be proving the, I guess, basically the cash flow  
16 coming into their accounts and going out as a way of showing  
17 what their income is.

18 Q. All right. With regard to the specific items method of  
19 proof, were you trained in a procedure, or are there a set of  
20 parameters that you follow through that training to -- when  
21 you're determining the specific items method of proof in  
22 looking at a case? What do you do? What are the right steps  
23 you're supposed to follow?

24 A. Well, and actually, to answer that question, it's both.  
25 There was actual, you know, they had references and we did

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1 different training modules and things like that to kind of  
2 show you the steps that you would go through. And then we had  
3 a hands-on type application where they actually gave us a set  
4 of facts and things like that. And then we had to apply it  
5 based on the skills that we had learned in the training  
6 modules.

7 Q. So the training included not only classroom instruction,  
8 but sort of practicums?

9 A. Yes.

10 Q. And those were, did they simulate real-world  
11 investigations?

12 A. Yes.

13 Q. In the specific items of proof method, what sort of  
14 documentation were you trained to review?

15 A. Specific items can be a number of different things. So  
16 it can be checks, it can be payments that are made on behalf  
17 of another individual where the individual that it's paid on  
18 behalf of receives a personal benefit from it. It can be cash  
19 payments. It can be where a corporation buys an asset for the  
20 individual. So specific items can be many, many different  
21 things.

22 Q. Could it include charges on credit cards?

23 A. Absolutely.

24 Q. Bank deposits?

25 A. Checks, yeah.

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1 Q. Nominee accounts?

2 A. Right.

3 Q. What's a nominee account?

4 A. A nominee account is an account that is owned or placed  
5 in the name of another individual or entity that is actually  
6 for the benefit of someone else. It's a mechanism that I have  
7 seen individuals use to hide or disguise the true ownership of  
8 an asset.

9 Q. All right. Going beyond your training at Glencoe, did  
10 you attend any other institutions for training? And if so,  
11 describe those. If not, did you receive any other IRS  
12 training after your time at Glencoe?

13 A. On an annual basis, the Criminal Investigation Division  
14 offers continuing professional education weekly, I guess,  
15 training. And that's done -- it's mandatory that you attend  
16 those and it's pretty much every year. We've missed a year or  
17 two throughout my tenure, just due to budget issues. If the  
18 IRS funding is low, that's one area they cut.

19 But then they will do other forms of that CPE by either  
20 offering us course material or doing it more so on a local  
21 basis, something like that, versus everyone maybe in a field  
22 office getting together.

23 So pretty much on an annual basis, they update your  
24 skills. Then we also receive, you know, on just a very  
25 routine basis, updates, different things, case law or

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1 different methods that you utilize now. Because, you know,  
2 the manner that individuals conduct financial transactions has  
3 changed to some extent with the use of debit and credit cards  
4 and the internet payments, electronic forms of payments. The  
5 methods of proof have -- we've gained additional methods of  
6 proof. So those have been pushed out to the field.

7 Q. And as a special agent, did you do any training on behalf  
8 of other agents?

9 A. Yes. I was -- I did receive training to be an on-the-job  
10 instructor. And with that, it kind of teaches you how to help  
11 a new agent that comes on, how to walk them through the  
12 process and become a fully trained case agent, special agent.

13 And typically, the on-the-job instructor program, you'll  
14 have a trainee mirror you for approximately two years after  
15 they complete their training in FLETC. And part of that  
16 process is you walk them through every step of an  
17 investigation, and possibly a couple investigations. And then  
18 also, you expose them to your investigations and the steps and  
19 processes that you take so that way, they have some exposure  
20 to a higher level of investigation.

21 Q. And have you done that with individuals?

22 A. I've done that with several agents.

23 Q. Okay. Where is the -- or where and when did you receive  
24 the training for the -- to be able to conduct the on-the-job  
25 training?

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1 A. I received that training in Atlanta, Georgia.

2 Q. And that was a formal course put on by the IRS?

3 A. Correct.

4 Q. How long was that course?

5 A. It was possibly ten days. Possibly two weeks. I can't  
6 recall.

7 Q. Okay. Could you describe to the ladies and gentlemen of  
8 the jury your experience in analyzing financial records to  
9 detect fraud schemes?

10 A. My experience. I have conducted, in my 21 years with the  
11 IRS, 20 as a special agent, I pretty much exclusively, I've  
12 worked Title 26 violations, which Title 26 is the tax code.  
13 And so we refer to them as Title 26.

14 And from that experience, I developed skills on how to  
15 interpret and analyze various books and records, bank  
16 accounts, investment accounts, how to track assets, how to  
17 track the flow of funds going into accounts and out of  
18 accounts, how to document various asset purchases in different  
19 ways that individuals may purchase assets, how to uncover  
20 assets in accounts in nominee names.

21 Q. Before this case, did you have any cases in which you  
22 investigated circumstances where expenses that were paid on  
23 behalf of somebody were not reported as income by that person?

24 A business, somebody running a business, something of that  
25 nature?

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1 A. Yes.

2 Q. Would you explain the methods that you used to determine  
3 in those cases those expenses that were then later unreported?

4 A. You have to go through the -- if expenses are paid  
5 through a business or a corporation and they're expenses of an  
6 individual, personal expenses of an individual, you have to  
7 also analyze the books and records of that corporation and  
8 then track those specific transactions to determine the nature  
9 of them.

10 You do that by, obviously, isolating those transactions.  
11 But then you have to verify them. And you do that by talking  
12 to individuals that have knowledge of those transactions.  
13 Many times, you're talking to individuals within the  
14 corporation to be able to determine what in the corporation is  
15 an actual business expense and what is not.

16 Q. So do you look at the structure of the organization?

17 A. Yes.

18 Q. What's the significance of the structure of the  
19 organization with regard to determining expenses?

20 A. You have to understand how a business functions, and you  
21 have to understand, from those functions and operations, what  
22 would be plausible business expenses. And you have to talk to  
23 individuals that are directly related to those operations that  
24 would have knowledge of what would be a proper business  
25 expense and what would not.

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1 Q. In the context of your experience and training, what is  
2 commingling assets?

3 A. Commingling is when you do not keep personal and business  
4 affairs, transactions, records separate.

5 Q. In doing those investigations, were you familiar with  
6 the -- did you become familiar with not only the functions,  
7 but the mission of the organization?

8 A. I'm sorry. Could you repeat that?

9 Q. It's a bad question. Let me reask it. Did the mission  
10 of the organization impact the nature of the expenses --

11 A. Yes.

12 Q. -- in your investigation in the past?

13 A. Yes.

14 Q. How so?

15 A. Well, the mission of an organization would be, obviously,  
16 what their operations were geared towards. So if you, you  
17 know, having a foundation for the mission, you understood what  
18 they were -- what their goals were. If they were trying to  
19 produce a product or if they were trying to provide a service,  
20 then you would understand what costs were associated with  
21 producing that product or providing that service.

22 Q. All right. In light of the understanding of the mission  
23 and the function of the organization, of a corporate entity or  
24 a business, how would you distinguish or what guidelines did  
25 you use -- would one typically use to distinguish personal



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1 from business expenses?

2 A. Well, business expenses would have to be ordinary and  
3 necessary in order to further the mission of an organization,  
4 and they also, they cannot be extravagant or lavish.

5 Q. And so it's dependent on the circumstances of the  
6 business, the organization and the entity, correct?

7 A. Correct.

8 Q. All right. Are you familiar with the methods that  
9 businesses typically use to account for personal versus  
10 business expenses?

11 A. Yes.

12 Q. Okay. What do you understand -- what do you typically  
13 see in your investigations with businesses?

14 A. Typically, they keep -- their books and records are  
15 separate from any personal expenses that a corporate officer  
16 may have. They have separate accounts. It's unusual to see  
17 where there's commingling; where, you know, you may have  
18 personal expenses being paid out of a corporate account.  
19 That's not done.

20 A corporation will keep their records separate. They  
21 will adequately record their transactions. They typically  
22 will have a bookkeeper or someone of that nature that  
23 maintains their books and records, their financial  
24 transactions, reconciles their accounts on a regular basis.  
25 Many corporations will have accountants that will also

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1 possibly do some audits or things of that nature to ensure  
2 that there are safeguards where people cannot embezzle money  
3 or pay personal expenses through corporate accounts and funds,  
4 things of that nature.

5 Q. And when you're evaluating those things, are you looking  
6 at the records that are contemporaneously made with the period  
7 of time you're investigating?

8 A. Yes.

9 Q. I'd like to turn now to your investigation of this  
10 matter.

11 A. Okay.

12 Q. Did you investigate Mr. Weinland for tax code violations?

13 A. Yes.

14 Q. All right. How did your investigation -- when did your  
15 investigation commence?

16 A. I believe I probably opened the investigation sometime in  
17 June of 2008, as far as opening it to a full subject  
18 investigation. I initially received information --

19 MR. CLINE: Objection to the hearsay, Your Honor.

20 THE COURT: Overruled. I believe she's explaining  
21 when she might have began her investigation, not the full  
22 investigation; is that correct?

23 THE WITNESS: Yes.

24 THE COURT: You can explain the basis for that.

25 THE WITNESS: Okay.

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1 A. In April of 2008, April, possibly the beginning of May, I  
2 received information from a financial institution as a result  
3 of the Bank Secrecy Act. And the financial information I  
4 received had to do with various financial transactions that  
5 were going in and out of Mr. Weinland's accounts and that of  
6 the Church of God accounts.

7 So I obtained that information. I was reviewing that  
8 information. Part of that review, seeing the flow of money, I  
9 also pulled Mr. Weinland's tax returns and reviewed his tax  
10 returns to determine if the flow of money going into personal  
11 accounts would be consistent with what was recorded on the tax  
12 returns.

13 I also did public records research and other -- gathered  
14 other information that was available through public sources to  
15 determine if it warranted an investigation, and I determined  
16 that it did. And so I opened a full investigation in the end  
17 of June, I believe.

18 Q. Okay. And what did you do initially as part of your --  
19 once you opened the full investigation, what did you do first?

20 A. The first thing typically that you do, which is a  
21 standard procedure, is contact the individual that is under  
22 investigation, advise them that they're under investigation.  
23 And that's what I did on July 2nd of 2008.

24 Q. Let me ask you some questions about that. Why do you  
25 typically talk to the person subject to the investigation

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1 first?

2 A. To advise them that they're under a criminal  
3 investigation.

4 Q. Are you required to do that by IRS policy?

5 A. Yes. It is standard procedure, and we have a --  
6 actually, we have 30 days from the time we open an  
7 investigation to notifying the individual that they're under a  
8 criminal investigation.

9 Q. All right. And when you meet with this person, do you  
10 meet with them alone?

11 A. No. We have to bring another agent with us as a  
12 witnessing agent.

13 Q. Okay. And when you conduct -- when you conduct the  
14 meeting with the individual, how do you identify yourself?

15 A. I would show them my credentials and my badge and let  
16 them know that I am a special agent with the IRS criminal  
17 investigation division.

18 Q. And why do you do that?

19 A. We have to ensure that they make the distinction that  
20 this is not a civil audit, that it's a criminal investigation.

21 Q. All right. And are you required by IRS policy to do  
22 that?

23 A. Yes.

24 Q. Do you have your credentials with you?

25 A. Yes, I do.

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1 Q. Would you show the ladies and gentlemen of the jury your  
2 credentials, and I assume they're the ones you showed Mr.  
3 Weinland?

4 A. Yes.

5 Q. Would you hold them up and show the jury?

6 A. Yeah. It has my picture so that way he knows that I am  
7 an IRS employee.

8 Q. Hold up your badge. Okay. And as an IRS agent, do you  
9 carry a weapon?

10 A. Yes, I do.

11 Q. When you interviewed Mr. Weinland on July 2nd, did you  
12 have a weapon?

13 A. Yes, I did.

14 Q. Where was it?

15 A. In my purse.

16 Q. Okay. Did you ever show it to him?

17 A. No.

18 Q. Okay. You mentioned that you did interview Mr. Weinland  
19 on July 2nd, correct?

20 A. Correct.

21 Q. Where did that interview take place?

22 A. I went to his home in Union, Kentucky, Triple Crown  
23 subdivision.

24 Q. You saw the pictures that have been admitted into  
25 evidence. Was that the same location that you went to?

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1 A. Yes.

2 Q. And you mentioned Special Agent Valentine was with you.  
3 Was anybody else present during the interview?

4 A. Laura Weinland was also present in the home. Initially,  
5 she was in the house somewhere else, but she did join us at  
6 the table on occasion, and she also made copies and so she got  
7 up and made copies at one point as well. She was present for  
8 probably the majority of the interview.

9 Q. When you interviewed Mr. Weinland, did you identify  
10 yourself as you described earlier?

11 A. Yes.

12 Q. All right. And what did he say to you in terms of -- did  
13 he say he would speak to you?

14 A. Yes, he did. He offered us into his home, and he has a  
15 dining room table right after you enter into the home, and he  
16 asked us to take a seat at the dining room table.

17 Q. Was Mr. Weinland courteous?

18 A. Yes, he was.

19 Q. And Mrs. Weinland was courteous also; was she not?

20 A. Yes.

21 Q. All right. Did you explain to Mr. Weinland why you were  
22 there?

23 A. Yes, I did.

24 Q. All right. Did you ask Mr. Weinland about his  
25 employment?

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1 A. Yes. I asked him -- obviously, I explained the purpose  
2 of why we were there and asked him if he agreed to speak with  
3 us, and he said yes. And then I told him that I was there to  
4 investigate his tax matters and that I wanted to talk to him  
5 about the tax returns that he had filed with the IRS.

6 And as a part of that process, I began asking him about  
7 his income and what he did. And Mr. Weinland told me that he  
8 was pastor and president of the Church of God since  
9 approximately 1997.

10 Q. Okay. Did he tell you what his source of income was, how  
11 he was paid by the church?

12 A. He told me the source of income to the church was tithes  
13 and offerings and that members of the church would submit  
14 their tithes and offerings to a post office box in Cincinnati.  
15 He told me that he received a salary from the church, and for  
16 the years 2004 -- I advised Mr. Weinland that he was under  
17 investigation for the years 2004 and I believe 2008.

18 And he told me that he received \$5,900 in salary each  
19 month from the Church of God during the years 2004 and 2007.  
20 He told me in 2008, he increased his salary, his monthly  
21 salary payment to \$8,750 per month. I believe that's correct.

22 Q. Okay. Before you started questioning him, did you read  
23 him his rights?

24 A. I read him his non-custodial rights, as required by IRS  
25 guidelines.

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1 Q. And he acknowledged that he understood them?

2 A. Yes.

3 Q. All right. After you talked about income, did Mr.  
4 Weinland talk to you about a parsonage allowance?

5 A. Yes, he did. When he was explaining his salary amount,  
6 he told me that he reports 50 percent of his salary. He  
7 reduces his salary by \$35,400 a year for his parsonage  
8 allocation. He also told me that that is something that he  
9 has done since, I believe, 1982, when he was with Worldwide  
10 Church of God as an associate pastor.

11 Q. By that time, had you reviewed his returns for 2004  
12 through 2007?

13 A. Yes. That's actually what caused that conversation. I  
14 asked him to identify the tax returns, 2004 -- well, can I  
15 have my notes to refresh my recollection because I'm not quite  
16 sure if it was -- if I showed him 2003 through 2005 or 2004  
17 and 5 as far as the tax return.

18 MR. McBRIDE: Let me have them handed to you.

19 MR. CLINE: Your Honor, I have no objection as long  
20 as we can have the notes.

21 THE WITNESS: You already have them.

22 MR. CLINE: Is it just the memo?

23 MR. McBRIDE: It's the memo of interview.

24 THE COURT: You'll be allowed to view what the agent  
25 reviews during her examination.



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1 MR. CLINE: Thank you.

2 A. Yes. It's the years 2003, 4 and 5. I had those returns  
3 with me, those tax returns with me and I asked him to identify  
4 his signature on each of the forms, the individual tax  
5 returns.

6 Mr. Weinland then, he told me that he had prepared his  
7 individual tax returns for the years 2003 through 2007. I  
8 asked him if he had copies of his 2006 and 2007 tax return,  
9 and he said that he did, and Miss Weinland went down and made  
10 copies of the 2006 and 2007 tax returns, and she provided  
11 those copies to me.

12 Q. All right. There should be a binder up there with what's  
13 been previously marked as Government Exhibit Number 3. Do you  
14 see that up there?

15 A. I don't think it's up here.

16 MR. McBRIDE: It may be in the basket.

17 Q. Could you turn to that exhibit, please. Do you recognize  
18 that document?

19 A. Yes.

20 Q. What is it?

21 A. It's Form 1040 individual tax return for 2006 for Ronald  
22 and Laura Weinland. It's a joint tax return.

23 MR. McBRIDE: Your Honor, the United States moves  
24 Government Exhibit 3 be admitted.

25 THE COURT: Hasn't it been previously?

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1 MR. CLINE: I thought it was in. If it's not, we  
2 don't object.

3 THE COURT: I believe it has. If not, it's admitted  
4 at this point and you may display if you wish to do so.

5 MR. McBRIDE: Thank you, Your Honor.

6 Q. Special Agent Palmisano, is this Government Exhibit  
7 Number 3 the return Mr. Weinland gave you?

8 A. Yes.

9 Q. All right. And here it shows his income at \$35,400; is  
10 that correct?

11 A. Correct.

12 Q. All right. Thank you. After Mr. Weinland provided you a  
13 copy of his 2006 return, what happened next?

14 A. I went through some of the -- I went through all of the  
15 tax returns that I had with me and asked him to verify that it  
16 was his signature on the tax returns, and he verified his  
17 signature on the returns.

18 And then Mr. Weinland, we began talking about some of the  
19 line items on the tax return, that being his salary. That's  
20 when he provided me with his salary information. And then we  
21 began to talk about the parsonage allowance or the reduction  
22 in his income and how he determined that.

23 And he told me that the parsonage allowance included his  
24 expenses that were associated with his residence, to include  
25 his mortgage, his mortgage payment, his taxes, utilities, and

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1 maintenance and repair type expenses for his home.

2 Q. All right. Is the way that Mr. Weinland was taking the  
3 parsonage allowance, based on your experience, did that seem  
4 to be an appropriate way to take the allowance?

5 A. It can be, yes.

6 Q. So nothing unusual about that in particular?

7 A. No.

8 Q. After you reviewed those specific items, what did you  
9 discuss next with Mr. Weinland?

10 A. I asked Mr. Weinland about assets that he had and bank  
11 accounts. Also, if he had any other -- let me back up a  
12 little bit. The first thing I did was asked him if he had any  
13 other sources of income outside of the Church of God and his  
14 salary there.

15 Q. What did he say?

16 A. He told me that he did not.

17 Q. Okay.

18 A. I asked him specifically if he had any loans,  
19 inheritances, gifts, things of that nature. He told me he did  
20 not.

21 Q. After the discussion of his income, what did you discuss  
22 with him next?

23 A. I asked him about his bank accounts, where he banked, and  
24 where the church banked.

25 Q. Did he tell you where he banked?

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1 A. Yes, he did.

2 Q. What did he tell you?

3 A. He told me that his primary personal accounts were at  
4 Fifth Third and that he also had accounts at PNC Bank and the  
5 Bank of Kentucky. He told me that previously, when he lived  
6 in the Toledo area, that he banked at Sky Bank, Charter One  
7 Bank, and Fifth Third.

8 Q. Okay. What did -- did you ask him where the church  
9 banked?

10 A. Yes.

11 Q. What did he --

12 A. He told me that the primary church accounts were also  
13 held at Fifth Third and that he had additional church accounts  
14 at PNC Bank, National City, and Bank of Kentucky.

15 Q. Did Mr. Weinland mention any overseas accounts to you?

16 A. Yes. As part of talking about how tithes and offerings  
17 are received in the church and how the church operates, Mr.  
18 Weinland was explaining to me that they had funds from  
19 international congregations of the Church of God and that  
20 there were funds in overseas accounts that he did not have  
21 signature authority on but had control because he was the  
22 minister.

23 And I asked him if he had any international accounts that  
24 he did have signature authority on, and he told me that he did  
25 have a personal account in Switzerland that he had direct

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1 signature authority on.

2 Q. Did he explain that account any further?

3 A. Yes.

4 Q. What did he say?

5 A. He told me that it was -- he held a personal bank account  
6 in Switzerland that he made four annual deposits into in the  
7 amount of \$100,000 each, where he had a total of \$400,000 in  
8 the account. I asked Mr. Weinland how the money was deposited  
9 into that account, and he told me that he physically took  
10 checks to the -- to Switzerland and deposited them into the  
11 account there.

12 When I began questioning him about that account and when  
13 he told me regarding the hundred thousand dollar deposits for  
14 over a four-year annual period, he then told me that it was  
15 not his -- funds for him, but he put the money there for the  
16 church. The Church of God.

17 Q. Did he further explain that? Did he explain what the  
18 church needed it there for?

19 A. No, not really. No.

20 Q. Did at that time you talk about his end time theology?

21 A. No.

22 Q. After you discussed the accounts with Mr. Weinland, did  
23 you talk to him about the organization of the church and its  
24 function?

25 A. Yes. We were kind of doing that a little bit throughout

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1 the whole conversation. We were talking, you know, I was  
2 trying to get an understanding for how the church operated so  
3 I could understand, you know, all the money that was coming  
4 into his accounts, where the money was coming from, and what  
5 the actual operations of the church were.

6 Mr. Weinland was reluctant to talk about the church and  
7 was -- I don't want to say confrontational, but he was --  
8 became a little bit argumentative when I started asking him  
9 more so about the church

10 He asked me if he was under investigation, why I was  
11 asking about the church. And I explained that there was a  
12 relationship between him and the church, and so I would have  
13 to look at the financial transactions of the church to get a  
14 better sense of his financial picture.

15 Q. How long did this interview last?

16 A. An hour and 20 minutes, hour and 25 minutes.

17 Q. And what time of day did it take place?

18 A. I arrived at his residence approximately 10:55 a.m.

19 Q. Were there any other items or matters during the  
20 conversation or the interview with Mr. Weinland that you had  
21 that were significant to your investigation?

22 A. Yes. We did talk about the credit cards, his travel  
23 expenses. As he was explaining how the church operated, he  
24 told me that he traveled extensively, and that the majority of  
25 the expenses were put on his personal credit cards, the

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1 American Express and Citibank. He told me that those accounts  
2 were personal accounts and that he would fund those accounts  
3 from the Church of God funds.

4 Q. So he told you the credit card accounts in his name were  
5 paid for by Church of God accounts?

6 A. Yes. The credit card bills were paid from personal  
7 accounts with funds written from the Church of God accounts,  
8 and he told me that Laura Weinland typically paid the credit  
9 card bills.

10 Q. Did he mention any reimbursement for personal expenses to  
11 the church?

12 A. No.

13 Q. Anything else from your interview with Mr. Weinland?

14 A. Yes. I was attempting to determine what types of books  
15 and records were maintained for the church, and so we began  
16 talking about that and if he had records that recorded the  
17 tithes and offerings that he had received.

18 And he began telling me that he had recently changed over  
19 computer software and wasn't sure. He may have some problems  
20 getting the books and records. He told me that an individual  
21 by the name of Greg Chipps from Michigan had recently revamped  
22 their computer and software, and that they had been having  
23 some problems.

24 I provided Mr. Weinland with a summons for the corporate  
25 book and records of the Church of God.

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1 Q. Before you gave Mr. Weinland the IRS summons, did you --  
2 did he tell you what sort of records, other than the records  
3 related to tithing, that he had?

4 A. No.

5 Q. Was providing Mr. Weinland with the IRS summons for the  
6 records the conclusion of your meeting?

7 A. Yes, it was.

8 Q. All right. Ultimately, did you receive the records that  
9 you had summonsed?

10 A. No, I did not. Not under summons. I received them three  
11 weeks prior to trial. So approximately, what, I guess now  
12 four weeks ago.

13 Q. Approximately how many documents or pages of documents  
14 did you receive?

15 A. Approximately 14,000 pages.

16 Q. In general categories, what did those documents consist  
17 of?

18 A. Receipts, ledgers.

19 Q. Handwritten ledgers?

20 A. Handwritten ledgers, bank statements, other credit card  
21 statements that had markings with like maybe categorizing  
22 expenses for a couple of the years, trying to think.

23 Q. The bank records, were there bank records and credit card  
24 records?

25 A. Yes. Not all the bank records. Obviously, they were



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1 aware I had a good majority of them at that point.

2 Q. Well, let's move on past the interview with Mr. Weinland.  
3 Did you gather bank records? Were you able to identify what  
4 banks the Church of God used and what banks Mr. Weinland used  
5 based on the interview?

6 A. Yes.

7 Q. And did you obtain the records?

8 A. Yes, I issued summonses for all of those records.

9 Q. And those were bank records of the Church of God,  
10 correct?

11 A. Correct.

12 Q. Bank records for Mr. Weinland, correct?

13 A. Yes.

14 Q. And credit card records for Mr. Weinland?

15 A. Yes. Mr. and Mrs. Weinland, yes.

16 Q. Have those documents been entered as exhibits in this  
17 case?

18 A. Yes, they have.

19 Q. All right. Other than the records, what investigative  
20 steps did you take -- well, let me ask it this way. The  
21 process of gathering the records, was that a lengthy process  
22 or a quick process?

23 A. That was a lengthy process. There were multiple accounts  
24 for not only Mr. Weinland but also for the Church of God as  
25 far as the bank records. And then going back a period of five

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1 years, 2004 through 2008, it's a lot of volume of records.  
2 Plus there were multiple accounts from, you know, each entity  
3 or each bank. And then also, the credit card records, there  
4 were quite a few credit card accounts as well.

5 Q. All right. Did you commence interviewing individuals in  
6 this case prior to obtaining all of the records?

7 A. Some, yes.

8 Q. All right.

9 A. It's a -- that's an ongoing process.

10 Q. All right. Did you interview individuals who were  
11 members of the church?

12 A. Yes.

13 Q. All right. What was the purpose in your interviewing  
14 those individuals?

15 A. Well, I was trying to determine the structure of the  
16 church and the operations of the church and the mission of the  
17 church to have a better understanding of the financial flow,  
18 basically, or the pattern of income coming in, the expenses,  
19 the relevant expenses going out, the mission so I would  
20 understand how the church operated.

21 Q. Based on your review of records, your interview with Mr.  
22 Weinland and your other interviews, what became your  
23 understanding, in general terms, of the hierarchy and  
24 operations of the church?

25 MR. CLINE: Excuse me a second. Your Honor, may we

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1 approach a moment?

2 THE COURT: Yes, sir.

3 (A sidebar conference was held out of the  
4 hearing of the jury:)

5 MR. CLINE: Your Honor, I'm going to object at this  
6 point based on lack of personal knowledge and hearsay. She  
7 can certainly summarize records that are in evidence. My  
8 understanding is she's a summary witness. But to the extent  
9 she's recounting things she learned from others out of court,  
10 I object to that lack of personal knowledge and also hearsay.

11 MR. McBRIDE: Judge, in addition to being a summary  
12 witness, this is also a case agent, and what she's doing is  
13 explaining the process by which she investigated, and her  
14 understanding is integral to the steps she took in this  
15 investigation.

16 MR. CLINE: May I just say one more thing, Your  
17 Honor?

18 THE COURT: Yes, sir.

19 MR. CLINE: I don't have any problem with her  
20 explaining the process, which she's been doing up to this  
21 point. But when she starts to say what she learned from  
22 talking to people outside of court, I think we get into  
23 hearsay and lack of personal knowledge.

24 THE COURT: Question is based upon her review of  
25 records, her interviews, what is her understanding of the

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1 hierarchy. I think that's an appropriate question, and the  
2 objection will be overruled.

3 (Sidebar conference concluded.)

4 THE COURT: Thank you. Objection is overruled. If  
5 you like, you can have the question re-read or repeat the  
6 question.

7 MR. McBRIDE: Thank you, Your Honor. Can I have the  
8 question read, please.

9 (The record was read by the court reporter.)

10 A. My understanding of the structure of the church was that  
11 Mr. Weinland was the, as he told me, the president and pastor  
12 of the church, that he ran the church, he was the primary  
13 decision maker. I also gained the understanding that there  
14 were several elders in the church that assisted with the, some  
15 of the operations of the church such as the processing of the  
16 books, sending out tapes, things of that nature, and that they  
17 were primarily responsible for renting the halls and the other  
18 congregation areas.

19 Those elders were interviewed. They consisted, at that  
20 time, Terry Wrozek in Michigan, Johnny Harrell in Georgia,  
21 Ralph Dowd in Cincinnati, and then I also interviewed Steve  
22 Dalrymple, which I learned was a paid contractor of the  
23 church.

24 Q. Did you understand the church, based on your  
25 investigation, to be a worldwide operation?

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1 A. Yes. Based on Mr. Weinland's statements and then also  
2 from conducting those interviews, yes.

3 Q. What were the activities of the church that supported the  
4 worldwide spread of the congregation?

5 A. I learned that Mr. Weinland traveled to the various areas  
6 and provided a weekly sermon. I learned that Mr. Weinland was  
7 the author of two books and that those books were advertised  
8 and sent out to individuals free of charge, and that there  
9 were various costs associated with that and the manner that  
10 that was done and by whom. That was primarily Mr. Dalrymple.

11 I also learned that the church would record the sermons  
12 and would ship copies of their sermons to various members that  
13 did not have access to either the internet or there was not a  
14 local congregation or something to that effect so that way,  
15 that they could receive his sermon on a weekly basis.

16 Q. In addition to traveling to the congregations, did you  
17 learn that there were holy days that Mr. Weinland traveled to  
18 to perform his service as a minister?

19 A. Yes.

20 Q. Once you obtained the records -- well, let me run through  
21 an inventory. What records did you find or accounts did you  
22 find with regard to the Church of God? What were the  
23 accounts?

24 A. I found numerous bank accounts at -- and I would have to  
25 actually look at the list. But I found numerous bank

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1 accounts, checking accounts, savings accounts under the Church  
2 of God name, and those accounts were held at Fifth Third Bank,  
3 I believe the PNC Bank, Huntington Bank or Sky Bank. At that  
4 time, I think it was Sky Bank, Bank of Kentucky, and possibly  
5 National City.

6 Q. Now, what indicated to you that these records were, in  
7 fact, Church of God accounts?

8 A. They were named as such.

9 Q. The name on the account was Church of God?

10 A. Correct.

11 Q. All right. Where did you find, to the extent you can  
12 recall, what -- where did you find accounts for Mr. Weinland,  
13 what banks, and if you can recall what type of banks or what  
14 kind of accounts?

15 A. I found checking accounts, savings accounts for Mr.  
16 Weinland pretty much at all the same banks that the Church of  
17 God had. I think there may have been one or two differences.  
18 But primarily, they were all the same banks. And he had  
19 multiple personal accounts at those banks as well.

20 And then I also found credit card accounts from American  
21 Express, Citibank, MBNA, GM, MasterCard. He had a Discover  
22 card, and I think there was one more.

23 Q. Did you find any lines of credit that he had, other than  
24 the credit cards and his mortgage?

25 A. Well, his mortgage and then the three car loans, auto

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1 loans from Chase.

2 Q. With regard to the bank accounts, who were the  
3 signatories on the Church of God accounts?

4 A. Mr. Weinland and Mrs. Weinland and then also Audra  
5 Weinland, Audra Little, was on a good portion of the accounts.  
6 I didn't receive signature cards, necessarily, on all of them.  
7 But I confirmed that when I spoke with Audra as well.

8 Q. And who were the signatories on the accounts in the  
9 Weinlands' name?

10 A. The same.

11 Q. So --

12 A. Laura Weinland, Ronald Weinland and Audra Weinland.

13 Q. Were you able to gather any information about the  
14 ownership of the Swiss account?

15 A. No.

16 Q. Why not?

17 A. That information is not available to the U.S. You have  
18 to get it through a very tedious process to obtain that  
19 information and it's at the control, really, of the other  
20 country where that account is located on whether they're going  
21 to provide that information or not.

22 Q. Did you conduct an analyses of the bank accounts and  
23 credit card accounts?

24 A. Yes.

25 Q. All right. I'd like to kind of split the two, the bank

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1 accounts and the credit card accounts.

2 A. Okay.

3 Q. What did you do with the bank accounts and the data on  
4 the bank accounts?

5 A. I took the bank account statements, the checks and the  
6 deposits for all of the personal accounts, and I entered that  
7 information into a database. Then as part of the function of  
8 that database, I would reconcile those monthly statements to  
9 make sure that everything was entered into the database  
10 properly.

11 Q. So what was the purpose of reconciling your database with  
12 the accounts?

13 A. To make sure that the database was accurate.

14 Q. So that you made no mistakes?

15 A. Correct.

16 Q. Did all of the months, all of the statements reconcile?

17 A. Yes.

18 Q. What kind of database was that?

19 A. It's called a financial account analysis. It's a  
20 standard software program that's utilized by IRS criminal  
21 investigation for that very purpose.

22 Q. And who maintains the database?

23 A. The IRS.

24 Q. It's kept in the normal course of the IRS business,  
25 correct?



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1 A. Absolutely, yes.

2 Q. Made available to you for your investigative purposes?

3 A. Yes.

4 Q. Once you had entered -- so did you enter every check and  
5 deposit on all those accounts for all the years?

6 A. On the personal accounts, yes.

7 Q. What about the church accounts?

8 A. The church accounts, I entered all the statements and all  
9 the checks and many of the deposits for the various accounts  
10 for, I believe, it was two of the voluminous deposited  
11 accounts where primarily the lock box, the PO box that the  
12 church maintained for their tithes and offerings, they  
13 deposited those funds into those accounts.

14 I did not input into the database all those individual  
15 tithes and offerings.

16 Q. Is that because you were really concerned about what was  
17 going through the personal accounts?

18 A. Correct.

19 Q. Did the few deposits that you didn't put in, did that  
20 impact your analysis negatively?

21 A. No.

22 Q. Didn't have any relevance?

23 A. Not really, no. I looked through all those items, but I  
24 did not include them in the database.

25 Q. But all of the information that are on the statements was

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1 in your database?

2 A. Yes.

3 Q. Once you had entered all the data and reconciled it, what  
4 did you do with that data?

5 A. I began running queries on the data to have a better  
6 understanding of the flow of money and the money going into  
7 the accounts and the money going out of those accounts and  
8 how -- I also used it to identify, enter account transactions  
9 so if you've got funds going from the personal account to  
10 another personal account, obviously that's not a taxable  
11 event.

12 I also looked at those accounts to determine if there  
13 were any other deposits that were made that would have been  
14 from nontaxable sources.

15 Q. Once you did that for the bank accounts, Church of God  
16 and Mr. Weinland, what did you do with the credit card  
17 accounts?

18 A. Credit card accounts, did the same thing, but in a  
19 different format. I used an Excel spreadsheet, and I  
20 entered -- I obtained the credit card statements and I entered  
21 line by line all the transactions for all the credit card  
22 statements into the Excel database.

23 Q. Did you take any steps to ensure that the data was  
24 accurately entered?

25 A. Yes. You go through and you -- the top of the

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1 statements, it will say what the charges are for that  
2 particular period, and you verify that you've captured all  
3 that in the data that you input.

4 Q. So you reconciled the account?

5 A. Basically, yes. A little bit different manner than you  
6 do it, yes.

7 Q. You made sure every statement was accurate?

8 A. Yes, and that all transactions were included.

9 MR. McBRIDE: Your Honor, I see it's 3:00. I think  
10 it's a good time for a break.

11 THE COURT: A little before 3:00. It's a good time  
12 for a break for the Court.

13 MR. McBRIDE: I apologize.

14 THE COURT: I wanted to make sure you were at a good  
15 stopping point in your questions. Ladies and gentlemen, we'll  
16 take our afternoon break at this time. We'll take a 15-minute  
17 recess. Please keep in mind the admonition you've been given  
18 several times in the case. Don't discuss the case among  
19 yourselves while we're in recess. The jury will be excused  
20 for 15 minutes.

21 (The jury left the courtroom at 2:51 p.m.)

22 THE COURT: Thank you. Counsel, anything to take up  
23 outside the presence of the jury?

24 MR. McBRIDE: No, sir.

25 MR. CLINE: No, Your Honor.

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1 THE COURT: Thank you. We'll be in recess for 15  
2 minutes.

3 (Recess from 2:52 p.m. until 3:06 p.m.)

4 THE COURT: Thank you. Anything to take up outside  
5 the presence of the jury?

6 MR. McBRIDE: No, sir.

7 MR. CLINE: No, Your Honor.

8 THE COURT: You can bring the jury in.

9 Mr. McBride, do you expect your direct will go  
10 through the close today?

11 MR. McBRIDE: Judge, I'm going to try to -- I don't  
12 believe I'll go any later than 4:30, Your Honor. I'm going to  
13 try to get it done sooner than that.

14 THE COURT: That will be fine.

15 (The jury entered the courtroom at 3:08 p.m.)

16 THE COURT: The record will again reflect that all  
17 members of the jury are present. Counsel is also present, as  
18 is the defendant. Special Agent Palmisano has returned to the  
19 witness stand.

20 Mr. McBride, you may continue.

21 MR. McBRIDE: Thank you, Your Honor.

22 BY MR. McBRIDE:

23 Q. You testified earlier you had taken all the data from the  
24 bank accounts, put them into a database and you had taken the  
25 data from the credit card accounts and put it into a database,

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1 and I think you told us an Excel spreadsheet, correct?

2 A. Correct.

3 Q. And you have received some additional documentation from  
4 Mr. Weinland's counsel, correct?

5 A. Yes.

6 Q. Did you incorporate that information from any statements  
7 that you received in credit card accounts or statements, bank  
8 accounts into your database?

9 A. As much as I could.

10 Q. You've updated with the information they provided you?

11 A. Correct, I tried to, yes.

12 Q. Have you prepared some schedules related to the bank  
13 accounts?

14 A. Yes.

15 Q. All right. I'd like you to look in the book. You have a  
16 binder up there. Look for what's been previously marked as  
17 Government Exhibit Number 70.

18 A. That's not in this book.

19 Q. It may be in one of the others. Do you recognize that  
20 document?

21 A. Yes.

22 Q. What is that document?

23 A. It's basically a check register for the Church of God  
24 accounts.

25 Q. Did you create that document from the data in your IRS

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1 database?

2 MR. CLINE: Your Honor, excuse me one second. I  
3 apologize. Could I have that exhibit number again?

4 MR. McBRIDE: Seven-zero.

5 MR. CLINE: 70, I apologize.

6 MR. McBRIDE: May I ask again, Your Honor?

7 THE COURT: Yes.

8 Q. Is that document generated by you from the data you put  
9 in the IRS database?

10 A. It's basically what I do is run a query of the database  
11 to extract all the checks for all the church accounts.

12 Q. And does that document accurately reflect the query that  
13 you ran?

14 A. Yes. I actually, I isolated the relevant transactions so  
15 it's not really a composite of every check.

16 Q. Very good. And this is based on the data that was  
17 provided in discovery and in the reciprocal discovery,  
18 correct?

19 A. Yes.

20 MR. McBRIDE: Your Honor, I ask that Government  
21 Exhibit 70 be admitted.

22 THE COURT: Any objection?

23 MR. CLINE: No objection.

24 THE COURT: Exhibit 70 will be admitted, and you may  
25 display portions of it to the jury, if you wish.

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1 MR. McBRIDE: Yes, Your Honor.

2 (Government Exhibit No. 70 was  
3 admitted into evidence.)

4 Q. Very briefly, Special Agent Palmisano, would you tell the  
5 ladies and gentlemen of the jury what the first page of this  
6 document is? We can see that it has 19 pages. We will not go  
7 through those.

8 A. All right. It's just basically, it's very similar to a  
9 check register. It identifies all the items. There are  
10 individual checks for debits from the various Church of God  
11 accounts. You can see in the top header there's account  
12 number that identifies the specific account, the date that the  
13 check was written, the date that the check was cleared, the  
14 name of the payee. And then the memo text represents any  
15 items that would have been written in the memo line of a  
16 particular check and then the check account.

17 These items are grouped by payee. So the beginning one,  
18 you see group name, American Express. You can see when you  
19 look in the column, that American Express is represented  
20 several different ways. American Express Co. for company,  
21 American Express EXPR, or just American Express. So you try  
22 to group those similar names.

23 Q. So just, for example, for the year 2004, from all the  
24 Church of God accounts, there was a total of, ending 2004 of  
25 \$20,644.11; is that correct?

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1 A. Yes, in checks.

2 Q. And then each payee is grouped together like that by  
3 year?

4 A. Yes.

5 Q. And that's for all the payee groups that you found within  
6 those records, correct?

7 A. Correct.

8 Q. All right. Thank you. I ask you now to turn to  
9 Government Exhibit Number 72. What is that document?

10 A. Checks from the personal accounts.

11 Q. This was again from your database, correct?

12 A. Yes. I ran this same type of query as I did for the  
13 Church of God accounts. And this report represents that  
14 query.

15 Q. And is this again based on data or documents that were  
16 provided to Mr. Weinland's counsel in discovery and reciprocal  
17 discovery to us?

18 A. Yes.

19 MR. McBRIDE: Your Honor, I ask that Government  
20 Exhibit 72 be admitted.

21 THE COURT: Any objection to that exhibit being  
22 admitted?

23 MR. CLINE: No, Your Honor.

24 THE COURT: Exhibit 72 will be admitted. You may  
25 display it at as well.



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1 MR. McBRIDE: Thank you, Your Honor.

2 (Government Exhibit No. 72 was  
3 admitted into evidence.)

4 Q. Again, Agent Palmisano, only look at this one page.  
5 Could you briefly describe the categories and the data  
6 reflected therein?

7 A. It's the same format as the previous one, but these are  
8 again checks from all the personal accounts of Mr. and Mrs.  
9 Weinland. At the top, you have date written, date cleared,  
10 the check number, the payee name, the memo text if there was  
11 anything written in the memo line of the particular check, the  
12 account number, and the check account. And these are also  
13 grouped by individual payee.

14 Q. Very good. So, for example, for the first one, for the  
15 year ending 2005, there were \$5,800 of charges on the Weinland  
16 credit card accounts for A Sprinkle Above?

17 A. Correct.

18 Q. All right. I ask you now to -- did you further break  
19 down the credit card transactions? Or, I'm sorry, did you run  
20 a query on the credit card transactions as you had with the  
21 bank account transactions?

22 A. I didn't really run a query, but I, I guess, compiled all  
23 the information into one document. When I initially entered  
24 all the information into the Excel spreadsheets, it was by  
25 account. Then I merged all of those accounts into one

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1 document.

2 Q. Okay. I'd like you to look at what's been previously  
3 marked as Government Exhibit Number 73. What is that?

4 A. This is an analysis of the credit card transactions that  
5 were expensed.

6 Q. Is this the result of a query you ran from the data you  
7 had entered in the IRS --

8 A. This is actually all the data.

9 Q. All the data?

10 A. Yes.

11 Q. Very good. And was this data based on information  
12 provided in discovery and in reciprocal discovery?

13 A. Yes.

14 MR. McBRIDE: Your Honor, I ask that Government  
15 Exhibit Number 73 be admitted.

16 MR. CLINE: Your Honor, may we approach on this one?

17 THE COURT: Yes, you may.

18 (A sidebar conference was held out of the  
19 hearing of the jury:)

20 THE COURT: Yes, Mr. Cline.

21 MR. CLINE: Your Honor, may I hand you a page from  
22 this exhibit so you can see what I'm talking about? We have  
23 no objection to this exhibit except for two columns, if I may  
24 point them out to Your Honor. The personal and business  
25 columns over on the left-hand side. Those we object to,

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1 because in our view they are improper lay opinion testimony.  
2 She's not an expert, hasn't been noticed or qualified as one.  
3 Those are not rationally based on the witness's perception  
4 under Rule 701, and they're also based on technical  
5 specialized knowledge which she has recounted at some length  
6 in her testimony. So we object to those two columns and to  
7 testimony about them.

8 THE COURT: All right. Mr. McBride?

9 MR. McBRIDE: Your Honor, these are common sense  
10 determinations made by the agent. She understands, has  
11 investigated the organization. She has a background in  
12 accounting. She is looking at the organization based on the  
13 investigation, the way it operates, and that they are based on  
14 her understanding of that. It is -- if it is lay opinion, it  
15 is a perfectly acceptable lay opinion and there's an adequate  
16 foundation for it.

17 In fact, it is really just a common sense analysis of  
18 what the expenses are based on the understanding of the  
19 expenses.

20 THE COURT: I would tend to agree with you. If you  
21 would like to ask her that question to lay a better foundation  
22 for the document, and then admit the document at that point if  
23 she gives that explanation as to how she determined or how she  
24 placed various items in those two columns. It would, of  
25 course, be subject to cross-examination.

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1 MR. McBRIDE: Yes, sir.

2 THE COURT: I would agree with the analysis at that  
3 point.

4 MR. McBRIDE: Yes, sir.

5 THE COURT: So I'll overrule the objection, provided  
6 that you do ask the question as to those columns.

7 MR. McBRIDE: I will, sir.

8 THE COURT: And the objection will be deemed renewed  
9 and the Court would overrule it.

10 MR. CLINE: I don't need to repeat it, Your Honor?

11 THE COURT: No. I think we've covered the issue here  
12 at the Bench. I do understand the basis of your objection and  
13 the response of the government.

14 MR. CLINE: Thank you.

15 (Sidebar conference concluded.)

16 THE COURT: Thank you, Mr. McBride. You may proceed.

17 MR. McBRIDE: Thank you, Your Honor.

18 BY MR. McBRIDE:

19 Q. Special Agent Palmisano, in your analysis or your  
20 compilation and queries you ran and came up with Government  
21 Exhibit Number 73, did you also make determinations as to  
22 personal versus business expense on that document?

23 A. Yes.

24 Q. On what did you base those determinations?

25 A. Based on the knowledge and information I obtained from

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1 discussing the church operations with the individuals that  
2 were involved in those operations, from interviewing the  
3 various witnesses that have also testified here this week, and  
4 also from obtaining and reviewing some of the other  
5 documentation that was provided in reciprocal discovery, as  
6 well as information and documents that I obtained from some of  
7 the various vendors and merchants that are contained, related  
8 to the transactions that are contained in this.

9 Q. Were these determinations based on those factors that  
10 you've outlined just a minute ago?

11 A. Yes.

12 Q. Did you rely on any specialized knowledge in making those  
13 determinations?

14 A. No.

15 MR. McBRIDE: Your Honor, I ask Government Exhibit  
16 Number 73 be admitted.

17 THE COURT: Exhibit 73 will be admitted at this time.  
18 It may be displayed to the jury if you wish to do so.

19 MR. McBRIDE: Thank you, Your Honor. We're just  
20 going to allow that to be admitted.

21 (Government Exhibit No. 73 was  
22 admitted into evidence.)

23 Q. I'd like to draw your attention now to Government Exhibit  
24 Number 74. What is Government Exhibit Number 74?

25 A. It's an extraction from the prior spreadsheet or

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1 database.

2 Q. What data did you extract?

3 A. The items that were not determined to be business.

4 Q. Very good. And was this based on your factors you  
5 outlined before, related your investigation into the structure  
6 or function and organization of the church?

7 A. Yes.

8 Q. Was it also based on the data and information that was  
9 provided in discovery and pulled from the same database?

10 A. Yes.

11 MR. McBRIDE: Your Honor, I ask that Government  
12 Exhibit Number 74 be admitted.

13 THE COURT: Objection be the same?

14 MR. CLINE: Same objection, yes, sir.

15 THE COURT: Objection will be overruled. Government  
16 Exhibit Number 74 will be admitted as well.

17 (Government Exhibit No. 74 was  
18 admitted into evidence.)

19 MR. McBRIDE: Thank you, Your Honor. May we publish  
20 it, Your Honor?

21 THE COURT: Yes, sir, you may.

22 Q. All right. Could you explain how you have arranged or  
23 how this document is organized, Special Agent Palmisano?

24 A. Basically, I took all the items from the credit card  
25 statements and entered them into a database, and I entered the

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1 date of the transaction from the statement, the merchant that  
2 was listed on the statement, the location and itinerary  
3 information if that was provided on the statement, a  
4 description of the charges also that was provided on the  
5 statement, and the amount of the transaction.

6 Also, for the description of charges, if that was not  
7 provided on the statement, I would determine -- I grouped  
8 similar types of expenses, and I may have given it a name just  
9 for grouping purposes.

10 Q. Okay. For instance, this first group, there's 131 pages  
11 of this. So we'll not go through it, but I'd like to talk  
12 about the categories of description of charges. So this first  
13 one is airfare, correct?

14 A. Correct.

15 Q. All right. And is any of this airfare attributable, from  
16 your review of the documents, to Mr. Weinland?

17 A. No. The majority of the airfare here, I'd say, probably  
18 99 percent of it is for Laura Weinland, Audra or Jeremy, other  
19 family members. There may be one or two air flights for Mr.  
20 Weinland that a witness would have told me was personal if he  
21 took a vacation. But I think I probably went ahead and  
22 excluded that from this computation, probably gave him all of  
23 his airfare.

24 Q. What fact from your investigation caused you to include  
25 Mrs. Weinland's airfare in this category?

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1 A. I was told by numerous individuals to include Mr.  
2 Weinland.

3 MR. CLINE: I apologize, Your Honor, for  
4 interrupting. With the exception of Mr. Weinland, I object to  
5 what other people told her as hearsay.

6 THE COURT: All right. I'll sustain it.

7 Q. Is Mrs. Weinland an employee of the church?

8 A. No.

9 Q. Is that the basis for the inclusion of her travel in this  
10 document?

11 A. Yes.

12 Q. What -- you have that document in front of you. Would  
13 you turn to the next general category and tell us what that  
14 is? I'd like to just go through the general categories.  
15 There's only five or six.

16 A. Art.

17 Q. Art. What falls into that category?

18 A. Various purchases from galleries. There were receipts  
19 that I received in reciprocal discovery. And on several of  
20 the items listed under art are tapestries and things of that  
21 nature. Things that are not jewelry.

22 Q. And these items are not items that are -- or these are  
23 items that would be displayed in one's home?

24 A. Yes.

25 Q. Did you determine where many of these items were?



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1 A. Majority were purchased in Las Vegas.

2 Q. Are they displayed in the Weinlands' home?

3 A. I've seen tapestries on the wall when I was there, yes.

4 Q. And there is no church building or church facility for  
5 the Church of God - Preparing for the Kingdom of God, is  
6 there?

7 A. No.

8 Q. What's the next category?

9 A. Next category is automobile.

10 Q. Okay. Did you include expenses related to Mr. Weinland's  
11 BMW in that category?

12 A. No.

13 Q. Why not?

14 A. Mr. Weinland uses his vehicle, from what I understand,  
15 from everything that I've learned during the investigation, he  
16 uses that to a large extent for his church businesses and so  
17 his vehicle, although there is a component to it that would be  
18 personal, for him I allowed or I gave him, excluded that from  
19 my computations. So basically, he was given a credit for his  
20 vehicle.

21 Q. Is he an employee of the church?

22 A. Yes, he is.

23 Q. Is the money paid for Jeremy's automobile included that  
24 vehicle category?

25 A. Yes. I believe part of the down payment for his vehicle

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1 is included, and also part of the down payment for Audra's  
2 vehicle is included.

3 Q. What about the payments for Audra's vehicle?

4 A. They're not included in the credit card spreadsheet, but  
5 they are included in the check registers.

6 Q. Fair enough. Next category, please.

7 A. There's some cash. It's not a significant sum. It's, I  
8 think the total's about a thousand dollars. The next  
9 significant category is education.

10 Q. Okay. What was included in the education?

11 A. Charges for Owens Toledo, Owens University or college.  
12 Owens Toledo book store and bursar. Cincinnati State College  
13 and Northern Kentucky University College.

14 Q. Who attended those colleges?

15 A. Jeremy Weinland.

16 Q. Was he an employee of the church?

17 A. From what I understand, he was a contractor in the year  
18 2008.

19 Q. Does the church have a program to educate its employee --  
20 its contractors and employees?

21 A. No.

22 Q. What's the next major category, please?

23 A. Entertainment.

24 Q. What's included in entertainment?

25 A. It's a lot of different -- a lot of different items are

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1 included in entertainment.

2 Q. Well, is any food included in there?

3 A. No, it's recreational type activities; movies, tours.

4 Also, Mr. Weinland, there's charges for the Princess cruise.

5 Also, he took a Mediterranean cruise. There's charges for  
6 that Mediterranean cruise and monies that he expended on the  
7 cruise ship.

8 Q. Okay. What's the next major category?

9 A. It would be fees and services.

10 Q. And what's included in fees and services?

11 A. Again, that has multiple types of items. Dry cleaning,  
12 cable, items for pet clinic, pet resort, emergency systems,  
13 which is his security system, either his or Audra's, Insight  
14 cable, TruGreen Chemlawn for lawn applications.

15 Q. What's the next major category?

16 A. Food and beverage.

17 Q. And how did you include items in food and beverage?

18 A. The food and beverage category has local food purchases  
19 and local establishments and, also, food purchases at local  
20 restaurants in the Las Vegas area. Any food purchases that  
21 Mr. Weinland would have incurred while he was traveling were  
22 given to him as a credit so they would not appear here. There  
23 may be, again, a few isolated items that would have been  
24 associated with if he was on a vacation or something that was  
25 identified as personal.

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1 Q. Are there any other major categories?

2 A. Insurance.

3 Q. What sort of insurance is included in this analysis?

4 A. State Farm insurance. There's auto, homeowners, also  
5 medical insurance would be included for Mr. Weinland and Laura  
6 Weinland, Audra and Jeremy Weinland.

7 Q. Any other major categories?

8 A. Jewelry.

9 Q. What sort of items are included, or what vendors?

10 A. Merchants, I can read some of these off. Percy Marks  
11 Fine Gems, McGivern Jewelers, Berger & Son Fine Jewelry, Jared  
12 Galleria Jewelry, Elegant Fine Jewelry, Fossil, Diamond Land,  
13 Osterman Jewelers, Kay Jewelers. A few others.

14 Q. Any other significant categories?

15 A. Yes, lodging. This includes only pretty much only  
16 lodging in Las Vegas.

17 Q. Why did you include the lodging in Las Vegas?

18 A. It was my understanding that Mr. Weinland would travel  
19 there during the week, and it was for personal purposes.

20 Q. And are there any other major categories?

21 A. Medical.

22 Q. What sort of things are included in the medical?

23 A. Fees for chiropractor, pharmacy services, Lenscrafters,  
24 ears, nose, throat specialists. A lot of dental for him and  
25 his family members to include Laura Weinland, Audra and

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1 Jeremy.

2 Q. The next significant category, please?

3 A. Personal services.

4 Q. What does that category include?

5 A. That includes a lot of spa charges to spas and hair  
6 salons, tanning salons, a tailor.

7 Q. Next major category?

8 A. Retail. And those are a lot of retail vendors, a lot of  
9 clothing stores and home goods stores.

10 Q. Read the merchandisers, please.

11 A. Tommy Bahama, a lot of Tommy Bahama. Victoria's Secret,  
12 TriVita, Nordstrom's.

13 Q. Could you look at the next major category, please?

14 A. Utilities. That includes charges from Owen Electric,  
15 Bavarian Trucking and Sanitation District, Cincinnati Bell.

16 Q. Next category, please? Is that it?

17 A. Yes, that's it.

18 Q. Very good. All right. Once you had made your  
19 determinations of business versus personal expenses, did you  
20 take any -- what steps did you take to try to verify that you  
21 had the categories correct or you had the items in the correct  
22 category?

23 A. Well, first, I -- after I compiled all the information  
24 from the credit card statements, I determined what appeared at  
25 face value to be a business expense. Then in order to

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1 determine what was business, what was personal, I conducted  
2 the interviews of the elders and other members in the church  
3 that were directly related to the operations of the church,  
4 such as renting the halls, shipping the tapes, shipping the  
5 books, things of that nature. And then also statements  
6 related to the office operations of the church and then Mr.  
7 Weinland's travels.

8 And then from that information, I determined what was a  
9 business expense for the Church of God. And then any items  
10 that were not -- that included I interviewed Mr. Dalrymple,  
11 because he seemed to have a pretty significant responsibility  
12 in relation to shipping the books and the operations of the  
13 church here locally. And I spoke with him about some of the  
14 various transactions. I made the business categorization at  
15 that time.

16 Then after I did that, I went back to Mr. Dalrymple and I  
17 asked him to review, and I provided all the items that had not  
18 been determined to be business, and I brought a spreadsheet of  
19 those items to Mr. Dalrymple, and I asked him to review each  
20 page and to identify any items that were on those pages that  
21 could have been related to Church of God operations and their  
22 business expense.

23 And there were several items that he determined --

24 MR. CLINE: Forgive me. I apologize. It's kind of  
25 the same objection, Your Honor. I just want to make it

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1 periodically so you're aware.

2 THE COURT: I'm going to overrule the objection.  
3 This is her verification after she's already placed these  
4 items on the list. So this is not being offered for the truth  
5 of these witnesses, but for her purposes of verifying  
6 information. So overruled.

7 MR. McBRIDE: Thank you, Your Honor.

8 THE COURT: You may continue.

9 A. So I made the adjustments at that time. I also attempted  
10 to interview Audra Little, since she -- I learned that she was  
11 the bookkeeper for the Church of God to further verify.

12 Q. Were you able to ultimately interview Miss Little?

13 A. Ultimately, I was, yes.

14 Q. And was she able to assist you in verifying some of the  
15 business expenses?

16 A. Yes.

17 Q. Could you describe that process?

18 A. I again went through, I showed her the same items with  
19 the adjustments for Mr. Dalrymple that had not been determined  
20 to be business expenses based on those interviews and  
21 information I had gathered to that time frame. And I showed  
22 her each of those expenses in those expense categories that we  
23 just talked about and asked her to review that information and  
24 to identify any items that were, indeed, church related  
25 expenses.

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1 From the information she provided, I made further  
2 adjustments.

3 Q. All right. And then what did you do that process with  
4 any other individual with knowledge of the church operation?

5 A. No.

6 Q. Okay. After you had compiled that information, did you  
7 later also review the reciprocal discovery provided by the  
8 defendant?

9 A. Yes.

10 Q. Did you use that information to attempt to further verify  
11 the items that you had put in the categories?

12 A. Yes.

13 Q. Could you explain that process?

14 A. Well, some of the items that they provided were receipts  
15 and so I reviewed those receipts and made sure I had the  
16 proper categorization for them, although you have to  
17 understand there were volumes of receipts. There was no way,  
18 within the time frame I was given, that I could go through  
19 each receipt and verify if it matched. Although in general,  
20 from this process, I became very familiar with what were  
21 appropriate business expenses and what were not, and the  
22 receipts seemed to fully support my analysis at that point.

23 I also did receive another credit card statement for the  
24 December 2008 period, and so I adjusted the spreadsheet to  
25 include those expenses, although they were not paid by the



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1 Weinlands until January of 2009. I gave him credit for those  
2 items. It amounted to about \$200,000.

3 Q. So that worked in Mr. Weinland's favor in regard to your  
4 analysis, correct?

5 A. Absolutely.

6 Q. Were those all of the steps you took to verify your  
7 categorization of business versus personal expenses?

8 A. Yes.

9 Q. Did you have an opportunity to then look at the payment  
10 of the credit cards and the other expenses the Weinland had in  
11 your investigation?

12 A. The payments to?

13 Q. Did you take a look at the Church of God accounts to see  
14 where that money was going?

15 A. Yes.

16 Q. Okay.

17 A. I had to, since Mr. Weinland had told me and I'd seen  
18 that the credit card accounts were being paid by checks from  
19 his personal checking account, I had to look at the source of  
20 those funds. Obviously, Mr. Weinland had told me that he  
21 received a salary of \$5,900 a month and of \$8,750 a month in  
22 2008. The payments that were being made to the credit card  
23 accounts were very large, and so obviously, his income did not  
24 support those payments. So I had to determine where those  
25 funds were coming from.

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1 And so from reviewing the deposit items into this  
2 personal accounts, I noted that there were large checks from  
3 the Church of God accounts that were being deposited into his  
4 personal accounts.

5 Q. All right. And were you able to -- well, turn to  
6 Government Exhibit Number 71, please. When you get to what's  
7 been previously marked as Government Exhibit 71, please tell  
8 us what that is, if you recognize it.

9 A. It's a schedule of deposits from Church of God accounts  
10 into the personal accounts of Ronald Weinland.

11 Q. How did you create that document?

12 A. I extracted information from my database that I created  
13 with all the deposit items that we spoke of earlier. I  
14 extracted the specific checks and payments that were deposited  
15 into Mr. Weinland's personal accounts.

16 Q. And this is based on the data and documents that were  
17 provided in discovery and reciprocal discovery, correct?

18 A. Yes.

19 MR. McBRIDE: Your Honor, the United States moves to  
20 enter Government Exhibit Number 71.

21 MR. CLINE: No objection.

22 THE COURT: Exhibit 71 will be admitted and may be  
23 displayed, if you wish.

24 MR. McBRIDE: Thank you, Your Honor.

25 (Government Exhibit No. 71 was

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1 admitted into evidence.)

2 Q. Special Agent Palmisano, would you explain how you  
3 formatted this document and what the data means?

4 A. Okay. I extracted various deposit items that went into  
5 the personal accounts, and the information that was contained  
6 in the database included the date that the deposit item was  
7 written. So if there was a check deposited into the account,  
8 it was the date of the check, the date that it was deposited,  
9 the check number if it was, indeed, a check, the source of the  
10 deposit. And if there was a memo line in the check that was  
11 deposited, that would be in the memo text field. The account  
12 number, the account that the item was actually deposited in,  
13 and the item amount.

14 Q. If we look at the top one, you have payments for the  
15 Church of God with the total amount for the year ending 2006  
16 of \$3,000; is that correct?

17 A. Correct.

18 Q. You did that for each year for each of these  
19 classifications?

20 A. Yes. There's really only, I believe, probably four  
21 classifications. There's payments for Church of God, cash,  
22 church payments, and then salary.

23 Q. Okay. I'd like you now to turn to Government Exhibit 79.

24 A. Okay.

25 Q. What is that document?

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1 A. Schedule of Unreported Income.

2 Q. Did you generate this document?

3 A. Yes, I did.

4 Q. How did you compile this document?

5 A. From the previous spreadsheets and database queries that  
6 we've talked about, I compiled -- I took the totals from some  
7 of those items, the yearly totals, and that's what makes up  
8 this field. The various fields on this schedule.

9 Q. All right.

10 MR. McBRIDE: Your Honor, I ask to admit Government  
11 Exhibit Number 79.

12 THE COURT: Any objection?

13 MR. CLINE: Same objection as before, Your Honor.

14 THE COURT: All right. And you said you compiled the  
15 document in the same manner?

16 THE WITNESS: Yes.

17 THE COURT: Objection's overruled. The exhibit will  
18 be admitted and may be displayed if you wish.

19 MR. McBRIDE: Thank you, Your Honor.

20 (Government Exhibit No. 79 was  
21 admitted into evidence.)

22 Q. Would you explain this document to the ladies and  
23 gentlemen of the jury?

24 A. Yes. What I did is you can see the column that's marked  
25 particulars. I took, by year, the amounts that I identified

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1 from the deposits that were going into Mr. Weinland's personal  
2 accounts and that's what appears under the first item.  
3 Deposits from Church of God accounts to personal accounts,  
4 just cash deposits. They were directly taken from the exhibit  
5 that we just looked at. So for the year 2004, there was a --  
6 it's difficult to see these numbers here. They're small.  
7 \$49,813.17 were cash was deposited into Mr. Weinland's  
8 accounts. Then in 2005, there was \$150,702 of cash for a  
9 total of \$200,515.23.

10 The next item are checks and transfers from Church of God  
11 accounts. Those were either checks that were written to  
12 Ronald Weinland or Laura Weinland or transfers from Church of  
13 God accounts. And a large majority of those items, in the  
14 memo line of the text, it would say for November expenses or  
15 September expenses or American Express.

16 And the totals are, for each year, are on this  
17 spreadsheet. So for 2004, there was \$208,218. 2005,  
18 \$196,125. 2006, \$241,211. For 2007, \$798,783. And for the  
19 year 2008, there was \$2,351,193 that were deposited from  
20 Church of God accounts into Mr. Weinland's personal account.

21 Q. So if I read that correctly, your analysis of the  
22 documents indicates that during the years 2004 through 2008,  
23 \$3.7 million went from Church of God accounts into Mr.  
24 Weinland's personal accounts; is that correct?

25 A. Yes, just under \$3.8 million.

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1 Q. And then the line below are the salary amounts, correct?

2 A. Correct. The next item, Item Number 2, are Church of God  
3 payments deposited into Mr. Weinland's personal accounts.  
4 There's two items there. And these items were very -- they  
5 were specific items. They were one checks for -- the first  
6 one's loan repayment. The Church of God made a loan to a  
7 member of the church, Donna Katz, and Miss Katz repaid the  
8 loan, and that loan was deposited into Mr. Weinland's personal  
9 account.

10 Also, there was a vehicle sale of the 2003 Cadillac. The  
11 Cadillac was -- the Weinlands paid off the Cadillac, but the  
12 church reimbursed them, and that number is included in the  
13 checks and transfers from Church of God accounts. So the  
14 church basically paid for the vehicle.

15 When Mr. Weinland sold the 2003 vehicle to Mr. Deye, who  
16 testified here, he deposited those funds into his personal  
17 account.

18 I checked his personal accounts, checks and transfers to  
19 see if he transferred those proceeds into the church accounts,  
20 and he did not. So he is -- that is considered income to him,  
21 since those were really church funds, since the church owned  
22 the vehicle.

23 The third item is just a total of those two, those first  
24 two categories.

25 The fourth --

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1 Q. I'm sorry. Go ahead.

2 A. The fourth item are personal expenses that were paid for  
3 by Church of God accounts. So that would have been direct  
4 payments out of the church accounts for personal items. All  
5 of the American Express accounts were held by Mr. Weinland  
6 personally, and he was reimbursed for any church expenses in  
7 addition to personal expenses that were paid or expended out  
8 of those accounts. So if the church made a payment to his  
9 American Express accounts, that would have been income to him.  
10 The same is true with the Citibank card.

11 Also, the Church of God accounts made payments to Anthem  
12 Blue Cross and Blue Shield for him and his family's medical  
13 insurance. So that was a personal item that was paid for with  
14 church funds.

15 Then in 2008, the Weinlands paid off the BMW loan for  
16 Jeremy's vehicle at Chase, and so that is personal income to  
17 Mr. Weinland. He chose to pay the vehicle off.

18 So that's total payments that the Weinlands received for  
19 them or on their behalf from the Church of God accounts.

20 Then I reduced those amounts by any church-related  
21 expenses that the Weinlands would have paid for from their  
22 personal accounts. And that would include the church expenses  
23 that were put on their personal credit card accounts.

24 So the first item is the totals by year for the church  
25 expenses that were made on the credit card accounts. And the

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1 total, total for 2004 was \$195,948 in business, church related  
2 expenses on their credit card accounts. For 2005, the total  
3 was \$183,986. For 2006, \$133,122. 2007, \$405,018. And for  
4 2008, it was \$2,061,342. The total business expenses on  
5 credit cards for the five-year period were \$2,979,417. That  
6 was deducted from the funds that were deposited into his  
7 personal account.

8 Q. They were all credits back to Mr. Weinland, so to speak?

9 A. Correct.

10 Q. And then what's the -- what is below?

11 A. The next several items relate to the vehicles that Mr.  
12 Weinland had owned during the years. The first item are  
13 payments that were made to Charter One for the Cadillac  
14 purchase. Again, since the reimbursement for that Cadillac  
15 were included Item 1B, the checks and transfers from Church of  
16 God accounts, I had to reduce or take that out, back that out  
17 of the computations.

18 Then the Weinlands purchased the 2005 GMC Envoy, which  
19 was -- and they paid that off for \$32,000. Again, the church  
20 did reimburse them for that payment, and that is included in  
21 Line 1B as well. So I had to back that out. That vehicle was  
22 given to Mr. Dalrymple in 2007 so that was a church vehicle.

23 The BMW payment, down payment for Mr. Weinland's vehicle  
24 was \$12,000 in 2007.

25 Q. Special agent, are you on page 2?



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1 A. I'm on page 2.

2 MR. McBRIDE: Would you advance to page 2, please.

3 Q. So you are here, correct, top line?

4 A. Yes.

5 Q. Please continue.

6 A. So I gave him a reduction of \$12,000 for the down payment  
7 and I also reduced the amount of unreported income by the  
8 monthly payment for that vehicle as well.

9 Then from that, in addition, I excluded or I decreased  
10 the amount of unreported income by the wages that were  
11 included in the first category, salary payments. And also,  
12 this is the amount that was reported on his tax return, 35,400  
13 for the years 2004, 5, 6 and 7. And then the amount \$60,576,  
14 that's what he reported as his salary on his filed Form 1040  
15 for 2008.

16 Then I also subtracted from that the reduction in his  
17 allowance or the reduction in his salary that he is given for  
18 a parsonage allowance.

19 Q. Basically, half his salary?

20 A. Yes.

21 Q. Okay.

22 A. The total adjustments to income are then totaled on  
23 Line 9, and then I subtracted that from the income sources and  
24 that provided the, computed the total unreported income for  
25 each of the years.

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1           So for the year 2004, there's \$58,159 that was not  
2           reported on Mr. Weinland's tax return. Year 2005, \$155,207.  
3           2006, \$136,505. 2007, \$372,023. For the year 2008, \$331,778.

4           Q. Did you create any summary exhibits to reflect the data  
5           from your various compilations?

6           A. Yes.

7           Q. I'd like you to look at Government Exhibit Number 76.  
8           What is that document?

9           A. This is actually a schedule identifying the manner that  
10          the unreported income was spent. So it's basically the  
11          disposition, what we refer to as the disposition of unreported  
12          income or unreported proceeds.

13          Q. Why did you create that document?

14          A. Because I wanted to show that the money that Mr. Weinland  
15          received, he spent that money on personal items that further  
16          verifies that he received that for personal benefit.

17          Q. How did you go about creating that document?

18          A. Well, I took the information that I had received during  
19          the investigation, basically, from my analysis. The checks,  
20          the deposits into his accounts, the items that were written  
21          out of his personal accounts, the items that he purchased with  
22          his credit card that were not considered to be church related,  
23          and I totaled those by year and put them on the -- this  
24          spreadsheet.

25          Q. So the data comes from your databases that you had

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1 populated earlier, correct?

2 A. Yes.

3 Q. And that was based on information provided in discovery  
4 and in reciprocal discovery, correct?

5 A. Correct.

6 Q. And is that a fair and accurate representation of the  
7 summary that you created through the computer?

8 A. Yes.

9 Q. All right.

10 MR. McBRIDE: Your Honor, I ask that Government  
11 Exhibit Number 76 be admitted.

12 MR. CLINE: Same objection.

13 THE COURT: Objection overruled. Exhibit 76 will be  
14 admitted.

15 MR. McBRIDE: May we publish, Your Honor?

16 THE COURT: Yes, sir.

17 (Government Exhibit No. 76 was  
18 admitted into evidence.)

19 Q. Would you describe the data in this document, please?

20 A. Okay. The first item is personal credit card  
21 expenditures. These are the items that were identified as not  
22 being church related expenses, and many of them we had went  
23 over with the categories. I do have a summary schedule that  
24 kind of gives you some of the totals of those items.

25 Q. Is that Government Exhibit 77?

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1 A. 78.

2 Q. Please turn to Government Exhibit 78. These are the  
3 categories listed in this document, Government Exhibit 76,  
4 correct?

5 A. Yes.

6 Q. All right.

7 A. Well, okay.

8 Q. When you get to 78, would you take a look at it?

9 A. Yes.

10 Q. Tell us how you create -- what that document is and how  
11 you created it.

12 A. The categories for the personal credit card expenses were  
13 tallied, and those amounts are what are comprised of the  
14 personal expenditures that were on the exhibit that we were  
15 just looking at.

16 Q. So this one supports the one we just looked at?

17 A. Yes.

18 Q. You created this from your databases in the same manner  
19 as you did the others, based on the same information, correct?

20 A. Correct.

21 MR. McBRIDE: Your Honor, I ask that Government  
22 Exhibit 78 be admitted.

23 MR. CLINE: Same objection.

24 THE COURT: The objection will be overruled. It's  
25 admissible under Rule 1006 of the federal rules. You may

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1 display it to the jury if you wish.

2 MR. McBRIDE: Thank you, Your Honor.

3 (Government Exhibit No. 78 was  
4 admitted into evidence.)

5 Q. So this is your categories and totals, correct?

6 A. Correct.

7 Q. All right. So on the left, you have description of the  
8 personal charges as you categorize them, correct?

9 A. Correct.

10 Q. And then the totals of expenditures in each of these  
11 categories?

12 A. Yes.

13 Q. So by way of explanation, when you have \$103,174.96,  
14 that's the amount of airfare for family members and vacations  
15 that you determined for the period of 2004 to 2008, correct?

16 A. Correct.

17 Q. And we have each of those categories we talked about,  
18 artwork, educational expenses, entertainment, fees and  
19 services, food and beverage, insurance, jewelry, lodging,  
20 medical and dental, personal services, retail, and then other,  
21 looks like auto, cash, taxes, utilities, correct?

22 A. Correct.

23 Q. And the total amount spent during that period of time was  
24 \$593,584.14, correct?

25 A. Correct.

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1 Q. All right. And those include -- do these totals include  
2 credit cards as well as checks that were written?

3 A. These were all credit cards.

4 Q. These are all just credit cards?

5 A. Yes, these are all credit cards.

6 Q. Do you have a -- turn to Government Exhibit Number 77.

7 A. Okay.

8 Q. What is that, how did you compile it?

9 A. This gives another analysis to the credit card  
10 expenditures, giving the percentage of personal and church  
11 related expenses that were made by the credit card.

12 Q. How did you compile that document?

13 A. I took it actually from the same database, the same Excel  
14 spreadsheet, and I broke it down by year and then just gave  
15 the percentage that was personal to the total and the  
16 percentage that was business to the total for each individual  
17 year.

18 Q. Using the same information and documentation we've been  
19 talking about?

20 A. Yes. It's just a different, a different way of analyzing  
21 the data.

22 Q. It's a fair and accurate representation of your analysis  
23 of the data?

24 A. Yes.

25 MR. McBRIDE: Your Honor, I ask that Government

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1 Exhibit, I think we are on --

2 THE COURT: 77.

3 MR. McBRIDE: Thank you, Your Honor, 77 be admitted.

4 THE COURT: Same objection?

5 MR. CLINE: (Nodding affirmatively).

6 THE COURT: Objection will be overruled. Exhibit  
7 will be admitted.

8 (Government Exhibit No. 77 was  
9 admitted into evidence.)

10 MR. McBRIDE: May we publish?

11 THE COURT: Yes, sir.

12 Q. So would you just explain each category or each column  
13 briefly, Special Agent Palmisano.

14 A. I broke it down by year, 2004 through 2008, and then the  
15 total personal credit card charges to the total church credit  
16 card charges and then just, it's a formula you put in the  
17 spreadsheet regarding the percentage of personal to the total  
18 of the purchases on the credit cards for that year.

19 And so for 2004, 33% of credit card purchases were  
20 personal and 67% of them were church related. For 2005, 38%  
21 were personal and 65% were church related. In 2006, 46% were  
22 personal and 54 were church related. 2007, 29% were personal  
23 and 71 were church related. In to 2008, 5% were personal and  
24 95% were church related.

25 If you look at the totals, you can see they're somewhat

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1 consistent in the personal as far as the amount, where the  
2 church, in 2008, they purchased a lot of Google advertising so  
3 that kind of deflates the personal percentage.

4 Q. All right. I'd like you to look now at --

5 MR. McBRIDE: We're not going to admit it, Your  
6 Honor.

7 Q. But I'd like you to look at Government Exhibit Number 65.  
8 I believe it's 65. Do you recognize that?

9 A. Wait a minute.

10 Q. I think this one we will --

11 A. I'm sorry, what?

12 Q. 65.

13 MR. CLINE: May I confer with counsel for a moment,  
14 Your Honor?

15 THE COURT: Yes, sir, you may.

16 MR. McBRIDE: Your Honor, may I retrieve that exhibit  
17 to show it to counsel? We did not provide him a copy.

18 THE COURT: Yes, sir. Mr. McBride can grab that.

19 MR. McBRIDE: Thank you. May I also grab 66, since  
20 we'll talk about it?

21 THE COURT: Yes, sir.

22 MR. McBRIDE: Your Honor, we'll defer admitting  
23 these, and we'll provide copies and do this tomorrow. It will  
24 save some time.

25 THE COURT: Very well.



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1 MR. McBRIDE: Thank you, Your Honor.

2 Q. All right. Special Agent Palmisano, I want to ask you  
3 about the Swiss account.

4 A. Okay.

5 Q. Were you able to determine in your investigation or  
6 review of documents whether -- what checks were deposited into  
7 the Swiss account?

8 A. Yes. I'm looking at Government Exhibit 76. And on that  
9 exhibit, I have identified the checks, the cash withdrawals  
10 that were made out of Mr. Weinland's accounts or checks that  
11 were written to Mr. Weinland, and two of those items were  
12 checks that were written to Mr. Weinland that were endorsed  
13 and negotiated in the bank, the UBS Bank in Zurich,  
14 Switzerland.

15 Q. Do you know from what account those were drawn against?

16 A. Account ending in -- my eyes are going. 8993.

17 Q. Would be that a personal account of Mr. Weinland's; do  
18 you know?

19 A. Yes.

20 Q. When you -- I'm going to try and cover a few items to  
21 make sure we haven't missed them. When you spoke to Mr.  
22 Weinland, you interviewed him in July. Do you remember that?

23 A. Yes.

24 Q. Did he tell you who prepared his tax returns?

25 A. He told me that he returned his 2003 through 2007 tax

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1 returns. At that time, his 2008 return had not been filed.  
2 Wasn't due yet.

3 Q. Did he eventually file a tax return?

4 A. For 2008, yes.

5 Q. Do you know when it was filed?

6 A. I believe it was filed the end of 2010, beginning of  
7 2011. It was not processed by the IRS until January of 2012.

8 Q. All right. And had Mr. Weinland, for the 2008 tax year,  
9 filed an extension?

10 A. Yes, he did.

11 Q. Had that extension expired by the time he filed it?

12 A. Yes, a year earlier.

13 MR. McBRIDE: Your Honor, may I have just a moment,  
14 please?

15 THE COURT: Yes, sir.

16 MR. McBRIDE: I think I'm coming to the end here.

17 Q. In your review of the credit card accounts, were you able  
18 to sort of look at the pattern of payment by the Weinlands on  
19 those accounts?

20 A. Pattern of payment, yes.

21 Q. Were they all paid off in full every month?

22 A. They were paid in full every month.

23 Q. And were they paid by check, based on the records?

24 A. Yes. They were either paid by check or transfer,  
25 electronic transfer out of the personal accounts.

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1 Q. Were there any, to your recollection, did you see any  
2 electronic transfers either between accounts or that sort of  
3 thing?

4 A. To the credit card accounts?

5 Q. Correct, just the credit card accounts.

6 A. Yes. I mean, from his personal accounts, yes, his  
7 payments to them, yes.

8 Q. He paid off electronically. Any other source, other than  
9 Mr. Weinland's accounts?

10 A. No. Other than the few that we identified from the  
11 church accounts.

12 MR. McBRIDE: Your Honor, I believe those are all the  
13 questions I have at this time of special Agent Palmisano.

14 THE COURT: All right. Thank you. Counsel, would  
15 you like to begin on Monday morning as opposed to at this late  
16 hour?

17 MR. CLINE: I think that would be best, yes, Your  
18 Honor.

19 THE COURT: We've had a full week so we'll go ahead  
20 and break a few minutes earlier than ordinary, counsel.

21 Ladies and gentlemen of the jury, as we break for the  
22 weekend, first, I do want to remind you that we'll start back  
23 promptly at 9:00 on Monday morning. Of course, as you go home  
24 tonight, I'm sure you'll be having several people asking you  
25 what you've been doing in federal court all week. As you

1 know, you can't discuss the case with them.

2 As I've told you several times, you can't discuss the  
3 case among yourselves and you cannot discuss the case with  
4 friends, family members or anyone else. Regardless of any  
5 pressure that family members might put on you, you are not  
6 allowed to talk about the case. It would be a violation of  
7 your duty and of the oath that you took to do that.

8 Of course, if you were to violate your oath as a  
9 juror, you could be subject to the penalties of sanctions or  
10 contempt, if that were to happen. I'm sure it will not, but I  
11 do want to remind you not to talk with anyone about the case.

12 Also, you should never allow anyone to approach you  
13 to discuss the case. If that should happen, you should report  
14 that to the Court promptly. Don't read, watch or listen to  
15 any accounts of the case if there should be any. Of course,  
16 avoid all contact with parties, lawyers and witnesses in this  
17 matter. Don't attempt to do any type of research or perform  
18 any investigation on your own while we are in recess, and  
19 don't engage in any conversations on social media networks  
20 about this case.

21 And, of course, don't make up your mind about the  
22 case until it is finally submitted to you.

23 With that admonition, the jury will be excused until  
24 9:00 a.m. on Monday morning.

25 (The jury left the courtroom at 4:14 p.m.)

1 THE COURT: Thank you. Special Agent Palmisano, you  
2 can step down at this time. Leave those materials, unless  
3 you'd like to take your notes.

4 You'll need to show opposing counsel the notes you  
5 were reviewing during the testimony earlier, if you could do  
6 that before cross-examination will begin next week.

7 THE WITNESS: Okay.

8 THE COURT: Are there any issues we need to take up  
9 outside the presence of the jury?

10 MR. CLINE: Not from the defense, Your Honor.

11 MR. McBRIDE: No, Your Honor.

12 THE COURT: Any issues about jurors we need to take  
13 up at this point?

14 MR. CLINE: I would say, Your Honor, not yet. We've  
15 been watching the juror who is problematic, and I suspect  
16 he'll continue to be problematic, but we'll raise it at the  
17 appropriate time.

18 THE COURT: Well, here's the problem. Any action  
19 that, any statements or any other activity by the juror at  
20 this point, if you want to raise it as an issue, you need to  
21 raise it, because if you wait until the last minute and say  
22 oh, gee, we'd like to have him removed at this point, that has  
23 to be based on activities from this point until the time you  
24 would raise the issue. So I just want to warn you about that.

25 MR. CLINE: Well, then, Your Honor, in light of that

1 admonition, I think I saw him, in addition to talking to  
2 people on either side of him during the trial that others have  
3 seen as well as I saw, it looked to me like he was sleeping  
4 this afternoon as well.

5 I think we would ask to remove him at this point. I  
6 hate to do that, but --

7 THE COURT: I didn't observe him nodding off. I  
8 watched several of the jurors, they had their heads down at  
9 several points, but the screens are low in the jury box, so  
10 it's hard for me to determine if they're listening with their  
11 eyes closed or just looking down.

12 Mr. McBride, what is your position with respect to  
13 this particular juror?

14 MR. McBRIDE: Your Honor, I don't know whether he was  
15 listening with his eyes closed, as were other jurors. That  
16 may not be grounds. But it is imperative that Mr. Weinland  
17 gets a fair trial, and I do have concerns about that  
18 witness [sic] and his conduct and the ability of the other  
19 witnesses [sic] to concentrate on the evidence during court  
20 session while, honestly, Judge, he's distracted me a couple  
21 times. So I would not oppose him being stricken.

22 THE COURT: All right. As you know, I've been  
23 concerned about this particular juror, not necessarily whether  
24 he's nodding off or looking down, but I'm concerned about his  
25 continuing need, I guess from his standpoint, to speak out to

1 everyone in the courtroom.

2 So I will sustain the request made by both the United  
3 States and counsel for the defendant to remove Juror Number  
4 238. He'll be replaced by the first alternate. I believe the  
5 first alternate is 254. Counsel, I haven't noticed anyone  
6 else nodding off. As you know, I've attempted to take breaks  
7 fairly frequently in the case.

8 If either side believes that that is a problem as we  
9 go forward, please call it to my attention. If we have to do  
10 jumping jacks in the courtroom, we'll certainly do that to  
11 keep everyone awake. Both sides in this case are entitled to  
12 a fair trial, and I'll do everything in my power to make sure  
13 that that happens.

14 MR. CLINE: Thank you, Your Honor.

15 THE COURT: All right. Anything else that we need to  
16 take up outside the presence of the jury?

17 MR. McBRIDE: No, sir. Thank you.

18 THE COURT: I assume everyone would be in agreement  
19 that the clerk of the court will contact Juror Number 238 and  
20 advise him that he will not need to return to court on Monday.  
21 And I'm going to excuse him finally from this jury panel,  
22 Madam Clerk. If you could make arrangements to contact him  
23 immediately, he will not need to return.

24 Thank you, everyone. Have a good weekend as best you  
25 can. I know there's a lot of preparation to do, and there's

1 quite a bit of the case left to go. Let me just check,  
2 though, briefly about -- and I'm not going to hold anyone to  
3 these time periods. But Mr. McBride, I would assume after we  
4 finish with examination of this of witness, you may have one  
5 other witness?

6 MR. McBRIDE: One more witness, Your Honor.

7 THE COURT: Approximately an hour to two hours; is  
8 that fair?

9 MR. McBRIDE: At most, Your Honor, yes.

10 THE COURT: So it may be that the government will be  
11 closing -- this is going to depend on the length of  
12 cross-examination -- on Monday. At this point, Mr. Cline, I  
13 assume you'll be conducting the cross-examination, at least  
14 for this witness.

15 MR. CLINE: I will be.

16 THE COURT: Any idea about length at this point? I  
17 know you're going to go through your notes to try to pare  
18 things down.

19 MR. CLINE: It will get shorter with the weekend to  
20 work on it. I would guess an hour.

21 THE COURT: That's helpful, and then you'll have your  
22 witnesses lined up if we get to that point on Monday.

23 MR. CLINE: We will.

24 THE COURT: Thank you, counsel.

25 MR. CLINE: Thank you, Your Honor.



1 THE COURT: If there's nothing else to take up, we'll  
2 be in recess until 9:00 a.m. If there are issues to take up,  
3 I'll be traveling back on Sunday, and I'll be here early on  
4 Monday morning. So if you could alert me at 8:30 if we have  
5 other issues we need to take up.

6 MR. CLINE: We'll do that.

7 THE COURT: Thank you.

8 (Proceedings concluded at 4:20 p.m.)

9 - - -

10

11 C E R T I F I C A T E

12 I, LISA REED WIESMAN RDR-CRR, certify that the  
13 foregoing is a correct transcript from the record of  
14 proceedings in the above-entitled case.

14

15 \s\ Lisa Reed Wiesman  
16 LISA REED WIESMAN, RDR-CRR  
17 Official Court Reporter

June 9, 2012  
Date of Certification

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GOVERNMENT EXHIBITS

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