

“ According to the statements of Mr. Ogden and Mr. Phillips, heretofore mentioned to you, and subsequently confirmed by them in writing as well as verbally, the use of the public money commenced as early as the close of 1829, or the beginning of 1830: the practice being to transfer at the commencement of the week, to the treasury of the United States, no more than the amount received previous to Saturday morning; and thus to replace successively from the subsequent receipts the sums withdrawn, so that the deficiency might not appear. Though the sums thus replaced, after they were taken, can form no part of the balance now charged against Mr. Swartwout, which consists only of sums never returned, yet we endeavored to obtain from Mr. Phillips the items of this sort from the commencement. We were unable to do so. * * * *

“ THE EVIDENCE, THEREFORE, IN REGARD TO THE MONEYS THAT WERE WITHDRAWN AND REPLACED, IS FOUND IN THE VERBAL COMMUNICATIONS MADE TO US BY MR. OGDEN AND MR. PHILLIPS, which were given in our previous reports to you, and in their letters and written statements, of which copies will be found among the documents transmitted to you herewith. * * * *

“ The ‘*tonnage duty*’ is the first fund in which the deficit exists. It amounts in the aggregate to \$2,271.39. Of this, there occurred in the year 1830, \$622.34; in the year 1831, \$546.33; in the year 1833, \$823.17; and in the year 1835, \$279.35. None of these sums are found to be debited in the cash account of Mr. Swartwout. In the year 1836, however, there is a debit to that account of \$488.15, for correction of errors, leaving the whole amount of tonnage duty received and unaccounted for \$1,783.24. *It may be that this deficit has arisen from errors which have crept into the account during the five years through which it extends.* The amount is so small as to give color to the supposition.

“ The ‘*forfeitures and penalties*’ belonging to the United States constitute the second fund in which there is a deficit. It amounts in the aggregate to \$39,823.12.

“ Of this, there occurred—

In the year 1832, the sum of.....	\$29,632 46
In the year 1833, the sum of.....	3,674 04
In the year 1834, the sum of.....	1,173 09
In the year 1835, the sum of.....	5,343 53
	—
	\$39,823 12

“ The sum above stated belonged to the United States, as their portion of various penalties and forfeitures, and was received by Mr. Swartwout. It was not, however, debited in his own cash account; and though admitted in his accounts rendered to the treasury, it has never been paid over.