

HOUSE OF REPRESENTATIVES
COMMITTEE TO INVESTIGATE THE ADMINISTRATION OF JUSTICE
Commonwealth of Pennsylvania
Harrisburg, Pennsylvania

MEMORANDUM

By Dale S. Thompson

Date July 11, 1974

FILE: Governor's Justice Commission

The Department of Public Welfare, Commonwealth of Pennsylvania, entered into a contract with Yoke Crest, Incorporated (the attached copy obtained on 7/10/74 from Tim Warfield of the Department, Room 303, telephone 7-1947).

This contract provides that Yoke Crest would, among other things, develop a single, centralized, State-wide information and referral system for drug and alcohol programs related to their abuse. This program was known as the Pennsylvania Clearing House on Information of Drug and Alcohol - "Pacida".

The contract was to run from December 1, 1972, to June 30, 1973, and not to exceed \$86,000 in expenses. The administration of the program was delegated to the Executive Director of Yoke Crest, Mr. Mitch Rigel. Included in the total budget was an amount of \$5,350.00 for overhead, not further explained.

Miss Sarah Sendlebach of the Department, Room 406, telephone 7-3760 made available the fiscal file on the contract on July 10. The file reflects the following payments to Yoke Crest, based upon General Invoices signed by M.K.Rigel, one of which is attached:

<u>Date</u>	<u>Overhead</u>	<u>Total Amount</u>
2-15-73	\$1,078.44	\$ 2,522.01
2-15-73	279.81	3,388.83
2-16-73		21,500.00
5-21-73	209.21	7,933.17
5-21-73	2,343.44	2,131.95
6-12-73	98.56	1,428.32
7-24-73	<u>1,340.54</u>	<u>33,495.38</u>
Total	<u>\$5,350.00</u>	<u>\$72,399.66</u>
Unspent Funds		<u>13,600.34</u>
		<u>\$86,000.00</u>

She advised this was a contract, not a grant. All the funds were Commonwealth, not Federal.

The audit work papers of the GJC indicate deposits in the general bank account of Alternatives, Inc. from the Pacida project as follows:

February 13, 1973	\$ 934.59
April 13	500.00
April 25	500.00
June 20	500.00
July 16	1,357.97
August 24	<u>892.03</u>
	\$4,684.59

It has not been possible to reconcile the above payments to Alternatives from Yoke Crest with the billings by Yoke Crest to the Welfare Department.

Larry Bienemann (telephone 3-8200) was contacted on July 10, 1974, and furnished the following information. It was Rigel's idea to charge Yoke Crest for certain "administrative expenses" in order to have more income to Alternatives and some of its employees. As a result, M.K. Rigel received \$4,421.71 and L. Bienemann received \$1,500 from Alternatives, Inc. as salary. Bienemann said there was no good rationale for this arrangement because both Rigel and Bienemann were both being paid their full salary from Yoke Crest until January 8, 1974, when both of them were transferred to the payroll of Alternatives. Bienemann said these double payments were definitely in violation of the contracts between the GJC and Yoke Crest and Alternatives, Inc. He continued that it would have been improper for Rigel and Bienemann to have 100% of their salaries charged to the GJC grants and also a part of their salary, or additional salary, paid for by the Pacida project.

During an investigation by the Pennsylvania Justice Department, Mr. Berard of the GJC indicated that Rigel had been authorized to work reduced hours for reduced wages, i.e., 50% of his time for 50% of his wages. The Justice report concludes Rigel was not paid an amount in excess of his total authorized salary from Yoke Crest. Larry Bienemann says this is not so; that Rigel's salary was not reduced until December 1973 or January 1974; and that Rigel, in effect, received two salaries for a period of time prior to that date. Attached is a listing of salaries or consultant fees paid by Alternatives, Inc.

He said there was no audit to the Pacida contract even though it was called for in the contract.

Bienemann said he had no personal knowledge of Rigel's gambling - heard of it from Ann Banion. Rigel was gambling at Jimmie G's, on Hummel Street. Bienemann knows nothing about gambling at the Warner Hotel.

achments

Salaries and/or Consultant Fees Paid from Alternatives, Inc., Umbrella Account

<u>Date</u>	<u>CK</u>	<u>Bienemann</u>	<u>Rigel</u>
April 13, 1973	111	\$ 79.25	\$
April 25	118	79.25	
May 11	125	79.25	
May 21	128	79.25	
June 20	132	158.50	
July 6	134	79.25	
July 16	135		1,357.97
August 24	137		892.03
October 25	142		88.34
October 31	143	145.25	
November 8	145		767.00
November 8	146	396.25	
November 21	149		153.40
November 21	150	79.25	
December 27	154	158.50	
December 27	155		306.80
December 31	156	166.00	
December 31	157		372.80
January 31, 1974	161		483.37
		<u>\$1,500.00</u>	<u>\$4,421.71</u>

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HOUSE OF REPRESENTATIVES
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MEMORANDUM

By Dale S. Thompson 

Date July 15, 1974

FILE: Governor's Justice Commission

On July 15, 1974, Detective Del Santo advised that Jimmie G's last name is GRIFFIN and that he served a term in a federal prison for counterfeiting at which time he met MITCHELL K. RIGEL.

Jimmie runs a pool hall at 1224 Mulberry Street, Harrisburg. Del Santo did not know if the place had ever been raided, but it reportedly is a place where card gambling takes place. He reported he observes some individuals leaving the hall in the a.m. when he (Del Santo) is on the way to work. He suspects these individuals to have been gambling there as they are not interested in playing pool.

Mr. Del Santo said he had learned nothing about gambling at the Warner Hotel.

He will try to develop additional information.

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HOUSE OF REPRESENTATIVES
COMMITTEE TO INVESTIGATE THE ADMINISTRATION OF JUSTICE
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MEMORANDUM

By Dale S. Thompson

Date July 17, 1974

FILE: Governor's Justice Commission

On July 17, 1974, LAWRENCE E. BIENEMANN (783-8200) advised as follows:

- (1) The contract between the Department of Welfare and Yoke Crest, Inc., which contained \$5,350 for "Administrative Expenses," was charged \$4,684 by Alternatives, Inc. Yoke Crest, Inc. also had some Administrative Expenses, such as initial office supplies. Thus, about \$666.00 would have been expenses incurred directly by Yoke Crest, Inc. and billed to the contract.
- (2) Mitchell K. Rigel suggested that Mr. Bienemann receive a salary of \$79.25 every two weeks, for a total of \$1,500, from Alternatives, Inc. PACIDA income, because Bienemann had to review PACIDA billings, Yoke Crest, Inc. books relating to such charges, and other matters. Bienemann said that even though he was the recipient of this salary, there was no good rationale to do this. Bienemann did not work overtime to accomplish this work. He said that if he received a part of his salary from the PACIDA contract, he should not have received his full salary, as he did, from Yoke Crest, Inc. and, in turn, his full salary should not have been charged to Governor's Justice Commission grants by Yoke Crest.
- (3) Mr. Rigel's full salary was similarly improperly charged to Governor's Justice Commission grants by Yoke Crest, Inc. at Rigel's direction. Rigel told Bienemann that he, Rigel, had done a lot of work on the PACIDA plan before receiving the contract and he wanted to get some money out of it. The payments to Rigel were for different amounts and at irregular intervals. Rigel would just say, "Give me a check for 'X' number of dollars."

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July 17, 1974

- (4) Bienemann does not know why the salaries paid to himself and Rigel, in the total amount of \$5,921.71, exceeded the income received from the PACIDA contract. He speculated that it was probably because Rigel asked for the money and there was no attempt to reconcile salaries paid with income received from PACIDA.
- (5) Bienemann said he had heard that Rigel gambled at the Italian Club in Hershey in addition to Jimmy G's in Harrisburg, however, Bienemann was under the impression that Rigel's gambling at Hershey was at some time considerably prior to December 1973.

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Date July 23, 1974

FILE: Governor's Justice Commission

On July 22, 1974, Mr. WILLIAM G. NAGEL was interviewed in his office, Suite 1532, Penn National Bank Building, Chestnut and Broad Streets, Philadelphia, Pennsylvania, telephone No. 215:563-3263.

Mr. Nagel is Executive Director of the American Foundation, Inc. This is a privately endowed foundation established from the estate of EDWARD BOK. The Foundation is to carry out Mr. Bok's interest in civic concerns. His son, CURTIS BOK, was a Pennsylvania Supreme Court Judge; and his grandson, DEREK BOK, is President of Harvard University. Curtis Bok was interested in the prison system and improving correctional institutions in America. Consequently, the Institute of Corrections is looking into this subject. The Institute is a division of the Foundation and Mr. Nagel is its Director.

The Bok Foundation has two concerns: (1) Maintaining the Mountain Lake Sanctuary in Florida at no cost to anyone except the Foundation and (2) to look into and be interested in Edward Bok's social concerns. The subjects of inquiry of the Foundation change from time to time. At one period, its concern related to international peace; later, its concern dealt with delivery of medical services in the United States. For the past ten years, the Foundation's concern has related to correctional institutions. In Mr. Nagel's opinion, the broad aspects of criminal justice cannot be separated from the correctional problems; consequently, the Foundation has a broad general interest in criminal justice.

Mr. Nagel furnished a copy of his biography for information and use of the Committee.

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July 23, 1974

In speaking of the problems of the Governor's Justice Commission, Mr. Nagel advised that some of the problems related to the federal law requirements. Representation of local elected officials is required on the local councils. Consequently, in his opinion, there appears to be a superabundance of people who did not know the criminal justice system. More knowledgeable individuals are needed on the councils.

He said the Governor's Justice Commission was "born a bastard." He said Governor SHAFER created a Crime Commission with five members to investigate corruption rather than implement change. Then the LEAA program came along and he used the Crime Commission and the same five individuals to administer the LEAA program in the state. The administration in this manner was not broad enough and the Governor's Justice Commission was subsequently split off from the Crime Commission. Eleven members of the Commission are now separate from the members of the Crime Commission.

Probably one of Mr. Nagel's chief criticisms of the Governor's Justice Commission is that it has never been a true planning agency in a fundamental way. He says the criminal justice system in the state is much bigger than the Safe Streets Act as it applies to Pennsylvania. The state criminal justice agencies spend many, many times more than the \$30 million channeled through LEAA into the state. It is really an example of "the tail of the dog trying to affect the activities of the dog and, in this case, the dog doesn't want to hold still," i.e., the court system, the State Police, the Bureau of Correction, Probation and Parole, and others in the system go their own way. Consequently, the Governor's Justice Commission has had to spend the \$30 million it gets each year from LEAA with the hope that they can maximize the influence of the entire criminal justice system in the state.

The Governor's Justice Commission is not legislatively mandated and it has no clout. Mr. Nagel believes that the Governor's Justice Commission needs to be the sole planning agency for criminal justice within the state. It should set goals and standards, establish priorities, and coordinate its efforts among the criminal justice agencies in the state which, in turn, would have to be guided by the broad general plans and policies of the legislated planning agency.

The administration of the \$30 million from LEAA could be done by this state criminal justice agency as a part of their much broader statewide responsibilities.

He believes that this broad state planning agency could be established within LEAA guidelines and the identity of the persons serving at the state and regional level could be appropriately designated. He believes the state agency should consist of not more than eleven or twelve individuals, with a commission of seven or nine being better if possible. The number of members of the regional council should not exceed twenty. It is imperative that the statewide agency receive input from a local level. Included in the appointees at the state level should be members of the State Legislature; however, these individuals should be qualified in the criminal justice field and have adequate time to devote to this responsibility.

He reiterated that the state planning agency for criminal justice in the Commonwealth should transcend the LEAA contribution. He would include the Attorney General, the head of the new proposed Department of Corrections, the Secretary of Public Welfare, the head of the administrative office of the courts, a representative of police agencies of the Commonwealth (not necessarily the Commissioner of the State Police), members of the State Legislature, and three or four public members. Within the public members, the poor people and/or minority groups should be represented. They are the ones imposed upon by crime and generally make up the bulk of the criminal population.

A very high priority of responsibility for the state planning agency would be the establishment of standards and goals. The agency should have the clout to establish these goals and then to develop procedures for implementation thereof.

Mr. Nagel spoke concerning the issue of consolidation of small police departments within the state. He says there are approximately 1400 law enforcement agencies within the state, the largest number of any state within the United States. It was his opinion that if a municipality cannot justify a full-time, round-the-clock, adequate coverage police department, then it should seek consolidation. Further, members of the police department should be adequately trained and prepared for their job; otherwise, he generally subscribes to the idea of a local police force.

In Mr. Nagel's opinion, Colonel Barger is entirely out of line in making speeches and having members of his staff work against police consolidation where it is logical. He believes that Colonel Barger, as a member of the Governor's Justice Commission which has approved the general idea of consolidation, should be required to follow that policy even though as an individual he may differ with that policy. Mr. Nagel cited the West Shore communities adjacent to Harrisburg as a potential for gaining significant improvements in police coverage by consolidation.

He also thought the idea of the Governor's Justice Commission turning down requests for funds for radios without adequate consolidation to be proper. However, there is a problem when the State Department of Transportation turns around and has the funds and the willingness to grant funds for the radios without consolidation.

Mr. Nagel said this dichotomy of opinions within state agencies and officials is very confusing to local police departments and local officials.

While Mr. Nagel has not thought a great deal about the subject, he believes that the Commissioner of the State Police should not be a member of the Governor's Cabinet. He thought the Commissioner of the State Police should be insulated from the political arena. He cited the efforts of the President to politicize the FBI through the appointment of Pat Gray. He said it is a frightening thing if a political national police force was established in that way. The same thing can happen at the state level.

He advised he had not devoted thought to the idea of an organization which might contain both the State Police and the Crime Commission. He thought one solution might be to establish a Department of Criminal Justice within the Commonwealth. The State Police could be a part of this, as could the Crime Commission. Under this arrangement, the Attorney General would not necessarily head up the Department of Criminal Justice. He should not be an operational figure, but he should be an unbiased attorney for the Governor and the state. The head of the Department of Criminal Justice would be an appointed official, however, others under him should have civil service status. They should be appointed for their competence rather than their political position. The statewide planning agency for criminal justice could also be under this Department of Criminal Justice and, at some future time, it could encompass the proposed Department of Corrections.

In thinking more specifically of the Crime Commission, Mr. Nagel thought that it should have complete independence. He thought that perhaps it should be a completely separate entity reporting to the State Legislature, the Chief Justice of the Commonwealth, and the Governor. It should not be a part of the State Police; it should function in an intelligence role.

He said that if the Crime Commission is a direct part of the executive office then the executive office has the opportunity to soft pedal corruption in order to give itself a better image. He said quite emphatically that there is nothing more important today than to establish faith in the government of this country. This need is greater today than at any time in history. It is applicable at all of the local, state and federal levels. Thus, the Crime Commission would be raised above the Governor's level and it would "report to the people." He says we could put up with crime, but the country will fail if there is corruption in government.

In regard to the Office of the Special Prosecutor, he said he had gone along with funds for this office, however, he was very disturbed that the Legislature had not approved money for the continuance of the office. He says this gives the appearance to people that the Legislature is not pursuing justice and is not interested in weeding out corruption. The Legislature and the people should do everything possible to weed out this corruption.

Mr. Nagel approves of the proposed plan for the new Department of Corrections. He was one of the instigators of the idea a number of years ago. At the present time, the corrections problem is too scattered. The Bureau of Correction runs the prisons and their present thinking is to get the prisoners into the community, such as the half-way houses and other methods. However, upon occasion, the Probation and Parole office says that certain individuals should not be paroled and placed into the local community, yet the Bureau of Correction would do it - not as a parolee as such, but as a step towards release into the community. Thus, they have very basic philosophical differences. The two departments have a large amount of duplicative efforts.

Also, the juvenile institutions are under the control of the Public Welfare Department. In other words, the entire issue of incarceration and subsequent release into the community needs to be put together where it can be properly organized and run efficiently. Generally, he is satisfied with the proposed legislation; however, there have been a lot of compromises which had to be made to get meaningful legislation. Amendments can be made later on if necessary.

He advised that he is really not informed about the problem and issue of prosecuting attorneys. However, he knows that there are counties in the state with less than 10,000 people and such counties cannot afford county attorneys and courts and it just doesn't make sense to have them. He said that county attorneys are dependent upon detente with county commissioners who can make their staffs smaller and inactive. Consequently, it is logical to see that the county attorneys should be insulated from this type of influence. Regional attorneys and courts are a logical result of facing up to this problem.

In regard to the \$2 million awarded by the Governor's Justice Commission to the probation and parole program in the state, he offered the following comments: He said that RICHARD W. LINDSEY headed up the Board. He was aggressive and modern in his thinking, but abrasive. He recognized that a fortress prison is doomed to failure and that more money should be spent for alternatives to prison. He asked for considerable money to increase his staff, train them, and reduce the case load each handled, develop a research unit in order to

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guide the probation and parole office, special money for decentralization of the operations of the board (since these would be located in communities where the prisoners came from), and specialized units for drug addicts and special problems. All of these were worthy projects and, accordingly, Mr. Nagel endorsed them and \$2 million was finally awarded by the Governor's Justice Commission.

Mr. Lindsey was supposed to furnish periodic progress reports on the use of the funds, however, Mr. Nagel has a feeling that the funds were not able to be integrated into the program properly.

He cited Mr. Lindsey's problems as being unpopular with the Legislature. He said that PAUL GERNERT was the former head of the board and he was liked by the legislators, but that it was time for a change and the board ought to be moving towards the future. Gernert fought his dismissal by Governor Shapp. When Lindsey was up for confirmation, the Senate voted 18-0 not to confirm him. This was not a vote against Lindsey; it was a vote against Gernert's ouster. Both Shafer and Shapp supported Lindsey and, as a result, the Legislature refused to do anything in terms of appropriations for the board which would make it operate better.

Because of Lindsey's position, his relationship with the Parole Board was so corroded that he became ineffective in his work. Consequently, Mr. Nagel believes that the \$2 million was not possibly well spent. He said the Governor's Justice Commission does not consider exact counties in which the board would make awards. Lindsey wanted to be confirmed so badly that he may have made awards in certain counties where he thought he could gain some strength for his confirmation.

Mr. Nagel advised that to the best of his knowledge, the Governor's Justice Commission has not been generally subject to overt political pressure. In his experience, there have been relatively few cases where pressure might have been indicated. He pointed out that J. SHANE CREAMER, a known Democrat, was appointed Executive Director of the Crime Commission and Governor's Justice Commission by a Republican Governor. RINKOVICH was a Republican, but appointed to the Governor's Justice Commission during the Shapp Administration. These are examples of the bi-partisanship of the Commission.

Mr. Nagel said that most of the instances in which he felt political influence might be evidenced related to Allegheny County projects. He said Allegheny County was less progressive than all of the other regions and they lacked good

planning. Consequently, the award of some of the funds was delayed and this caused considerable problems. One of the projects related to the construction of a youth center in the county. He and two other members of the Commission had been appointed to a committee to study the issue. They did this and recommended against the project. At the next Commission meeting, at which all three members of the committee unfortunately were not there, the Commission approved the project. Mr. Nagel had thought that prior to the meeting it was a dead subject. He does not know how Mr. Thornburgh fits into the Allegheny situation. He assumes he is a Republican, however, he may have been playing local politics.

Mr. Nagel was aware of the Barbwire project as furthering a desire to get input from users of the criminal justice system. This was to abridge a communications gap. He does not know how the project worked out. He said that whenever a former convict is engaged in projects of this type, it must be recognized that he is an unstable person and he is a good con man. Consequently, he must be removed from "handling the finances" and his con man attitude should be recognized.

Mr. Nagel believes that there is a crying need today to legislate a way in which to speed up criminal trials. He says it is beneficial to the general public for any sanctions to be applied quickly. It is not proper for people accused of a crime to be on bail and on the streets for any long period of time up to two years. They are "milked" by lawyers. There is an uncertainty in their mind as to what is going to happen which affects employment and other activities they are engaged in and they become more criminally prone. Also, there is the problem of a defendant being in jail for a long period of time waiting trial and, subsequently, the charge against him being dismissed or found to be innocent. In Connecticut, criminal trials must be handled in a three month period.

During the conversation with Mr. Nagel, it appears that he is a "law and order" man.

He reports that the University of Illinois has a school partially funded by LEAA. It does statewide master planning in the criminal justice area. It has three divisions, namely, corrections, police and courts. He says the Associate Director is Dr. EDITH FLYNN who is very capable. One of Mr. Nagel's former employees, JAY FRIEDMAN, is Administrator for technical assistance. These two might be able to furnish any possible information we want regarding statewide master planning. He said the school has a tremendous library on criminal justice matters. A copy of its acquisition list is attached.