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COMMONWEALTH OF PENNSYLVANIA

OFFICE OF THE ATTORNEY GENERAL
HARRISBURG

FOR IMMEDIATE RELEASE
Thursday, March 7, 1974

RECEIVED
EXECUTIVE OFFICE
MAR 7 1974
GOVERNOR'S JUSTICE
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NEWS RELEASE
CONTACT: Clifford Denton
(717) 787-4530

Yoke Crest, Inc., a Harrisburg organization to rehabilitate prisoners, has been ordered to make several administrative changes "as a prerequisite" for continued federal and state funding, a state Justice Department official announced today.

Peter Brown, first deputy attorney general, said the Justice Department has completed a three-week investigation and audit of Yoke Crest's financial records. "We found no evidence of any criminal misconduct of any present members of the Yoke Crest staff," he said.

However, Brown said, Attorney General Israel Packel has advised Yoke Crest's board of directors that they must impose "certain fiscal and administrative controls as a prerequisite of continued state and federal funding."

Yoke Crest is getting \$153,630 this year---approximately half of which is federal money administered by the Governor's Justice Commission. The remaining half is comprised of matching state money and contributions.

As a result of the Justice Department investigation, Brown said Yoke Crest's board of directors has agreed to the following:

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...Appoint three officers with the Attorney General's approval-- an executive director, an administrative director and a clinical director. (Yoke Crest's former director Mitchell Rigel resigned January 8. Since then? the acting director has been Mrs. Martha Kunkel.)

...Allow an auditor from the Governor's Justice Commission to oversee on a frequent basis all Yoke Crest's business and financial transactions.

...Establish a business office at Yoke Crest's Front Street facilities that will house all the organization's records. (Previously, these records were located at a Lower Allen Township site.) *

...Satisfy claims that the organization owes some \$15,000 in payroll deduction taxes to the Internal Revenue Service.

...Provide more supervision of residents in the rehabilitation center.

Brown noted that "Yoke Crest has achieved notable success in the field of rehabilitation. This work can go forward, now that the organization has agreed to implement sound business practices and administrative controls."

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*Alternatives, Inc was at 15:00 Spangler's Mill Rd.
Lower Allen, Twp - (clerk 2-17-1987)*

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

MEMORANDUM

By Dale S. Thompson

Date June 26, 1974

FILE: Governor's Justice Commission

On June 26, Mr. CHRIS MARTIN and Mr. DICK ROBERTS, LEAA, Philadelphia, telephonically furnished the following information.

The LEAA audit report of April 19, 1972 has not been finally settled. It is still open.

Mr. SANTARELLI, Administrator of LEAA in Washington, was to make a speech in Harrisburg, Pennsylvania, on April 15. In preparation of that speech, LEAA made inquiries of the Governor's Justice Commission about a number of things. One type of item they wanted to know about were projects which were experiencing problems and which might be the subject of comment in the speech. CHARLES MORAN, Deputy Director of the Council in Harrisburg, was contacted and referred Dick Roberts to MITCH AKERS, Acting Regional Director of the South-central Council. Akers was asked about projects which were experiencing troubles. He reported that the Yoke Crest/Alternatives projects were in trouble and had received some adverse publicity. He said that TOM BERARD was handling the matters and suggested that Mr. Berard be contacted.

Upon personal contact with Berard either the first or second week in April, Berard told Roberts that "Yes, the Yoke Crest/Alternatives projects were experiencing problems, however, the Governor's Justice Commission was on top of the situation." Their people had been and were presently looking into the situation which was pretty much a dead issue at that time. He said the Commission had been able to account for all but a few thousand dollars of funds and a prosecution was not likely. He also reported that the record-keeping had been exceedingly poor; but that because of a clear cut lack of intent, there probably would not be criminal prosecution. He also reported that MITCH RIGEL had been forced to resign.

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Chris Martin advised that he was in JOHN SNAVELY's office sometime after the April 15 speech, at which time Snavely was asked to meet with Rigel's wife or attorney or someone immediately; however, he indicated that he could not do it that day. Snavely briefly reported to Chris Martin that they were having trouble with the grants and he was to meet with them in order to resolve the situation. This was not any more than a passing comment to Chris Martin by Snavely concerning the proposed meeting.

With the exception of the above two contacts concerning the Alternatives/Yoke Crest cases, no other information has been furnished by the Governor's Justice Commission. LEAA has not received any written reports of any kind from the Commission.

Mr. Martin pointed out that it is LEAA policy that each SPA must appropriately clear up any problem grants. This means getting back any dollars due the program, as well as reporting it to proper authorities.

Mr. Martin also reported that any lack of dollar match could either be handled on a project basis or on a broad program basis; however, if the match was required on a specific grant as a result of a contract, then the contract would have to be modified to permit a match resolution other than on the project basis. He was not totally familiar with this particular financial problem and indicated he would have NEAL BERG contact the writer on this issue. It should be noted that modifying the contract would be impossible since it has been cancelled.

On June 26, Neal Berg, LEAA, was in Harrisburg and telephoned me. He explained the way in which the Alternatives, Inc. Grant DS 423 73A could be handled in regard to the lack of match on the part of Alternatives, Inc.

Generally, each grant has a specific match which the recipient has to contribute; however, if desired, the SPA can require match in each program area in total rather than by a specific grant. This is the broadest type of match.

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I explained to him the situation concerning this grant and the way it was cancelled, especially the lack of any match on the part of Alternatives, Inc. He said that it is within the discretion of the SPA that they can waive the match in this particular grant if some other grant in this same program area is overmatched. If the SPA does not want to do this, then the Attorney General could take the grant recipient to court in an effort to recover the match. It is a very unusual situation when this is done.

It should be noted that this is in effect the same information which Tom Berard had previously furnished to me.