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Further Sandhills Probe Unlikely

By Sherry Matthews

Although a state audit showed over six months ago that approximately \$1.1 million in state tax funds was allegedly "misappropriated" by directors of the Sandhills Mental Health Center, no further investigation into the matter has been initiated or is expected, a spokesman for the Department of Human Resources(DHR) said this week.

The primary interest of DHR is to insure that state funds, which were misappropriated, are returned to the department, spokesman Bryant Haskins said.

Despite repeated recommendations that other agencies further investigate the mishandling of state, federal and local funds in a DHR audit, it is highly unlikely that a probe will be conducted or that any charges will be filed, authorities say.

The state tax funds will apparently be replaced with funds derived from local tax-supported projects.

According to the audit:

•Center employees funneled public money into corporations which they controlled.

•At least one worker resigned to become the director of one center-staff controlled corporation and was hired back by the center as a consultant at a higher salary.

•A center-staff controlled non-profit corporation was paid rents which constituted a profit.

•Construction costs for a new Moore County center building were inflated by center employees and lower bids were ignored by the staff.

"The center has agreed to pay back the money we feel they owe the state," Haskins said.

"We are only interested in getting the state's money back. Any further investigation or charges will be left up to the center and the county," Haskins added.

"As far as I know, there is no investigation going on," present Sandhills Center Director Michael Watson said.

Watson replaced Dr. Steven Dingfelder, who resigned in May following the state's audit.

Dingfelder was allegedly in violation of state conflict of interest statutes.

"There are no trial charges being filed against Dr. Dingfelder or the center," Watson said.

"We have agreed to pay the state. I think that is all we will be required to do," he added.

Funds derived from local tax supported activities will be used to pay off the mishandled state tax funds, Watson said.

Two weeks ago, Watson and other Sandhills directors agreed to repay \$229,000 that the state audit claims was misused by the center in 1982 and 1983.

About \$120,000 is scheduled to be paid back to the state over the next three months, with the balance paid in July 1985 under a payback schedule proposed by the state Division of Mental Health's regional office, Watson said.

"We arrived at a compromise

that seemed to suit everyone involved," Haskins said.

"We intend to pay back the money we owe," Watson said.

"The payback will come out of our fund balance appropriation... money we earn through contracts," Watson said.

"It's not going to be easy," he added.

Despite the \$229,000 payback agreement, there is another \$800,000 in state funds that have not been accounted for.

"That money was not a misallocation of funds," Haskins said.

"Most of it came from the purchase of lands for the center," he added.

"We just transferred the land back to the center. That took care of the vast majority of exceptions we found in the audit," Haskins said.

"This is not the first health center to have to pay back money," Haskins said.

"We always find some excep-

tions in the audits we do," he added.

"The Sandhills Center just turned out to owe us one of the largest sums of money," Haskins said.

"Once the money has been paid back, our investigation will be complete," Haskins said.

The state audit, which was completed in July, showed "several exceptions" involving "conflict of interest" violations by the Sandhills area director, business manager and an Employee Assistance Program (EAP) consultant.

According to the audit, all three Sandhills employees were "active in the operation of Growth Institute, Inc."

Growth Institute, a "for-profit" organization was incorporated on December 11, 1981 with the Center area director and a Center staff psychologist listed as corporate stockholders, according to the audit.

Audit records show that the original purpose of the corpora-

tion, "as explained by the area director," was to "control outside private practices of Center employees."

The audit disclosed that:

•The area director was president, board member and "authorized check signer" for (Growth Institute).

•The Center's EAP consultant was executive director, stockholder and "authorized check signer" for Growth Institute.

•The Center's business officer was Growth Institute's bookkeeper.

The audit recommended that "further investigation into Growth Institute be initiated."

The audit also found that "contractual arrangements and transactions" were entered into "without legal basis or state approval" relating to the Center's EAP program.

The EAP program was set up at the center to provide mental health education that would assist

(See SANDHILLS, page 9A)

Around Town

By Sam Morris

The weather is still cold and we have just had only one month of winter. The forecast is for the temperatures to rise into the 50s for the remainder of the week. Now this suits me fine for my golf game is getting rusty. It has been several years since I have missed as much golf as this year.

Let's hope that the next two months of winter will feel like spring!

Mrs. Ellen Willis of the Home Extension Service was by the office last week and said that the Home Extension ladies were the caterers for the reception for Judge Warren Pate last week.

We stated in this column that Mrs. Willis was in charge and we regret the error.

Monday, January 16 was my birthday and I received a card from my good friends Sam and Barbara Hiser. They now live near Greenville, S.C. and Sam is now retired.

A note on the bottom of the card said, "Time marches on as we recently became great grandparents. Sam and I are enjoying retirement. He really has retired from his field."

Thanks for the note and I know that your Hoke County friends will be glad to know you are both getting along fine.

Mary Myers works in the composing room here at Dickson Press. She also draws the cartoons that appear each week on the editorial page of *The News-Journal*.

The Myers family lives on Third Avenue near Hoke High School. They have lived in Raeford for approximately two years. Her husband is Staff Sergeant Gordon C. Myers, and he is stationed at Fort Bragg.

Recently SSgt. Myers received the Bronze Star Medal for his participation in action in Grenada. He was Survey Party Chief, Headquarters and Service Battery, 1st Battalion (Airborne), 319 Field Artillery.

This award is given for exceptionally meritorious achievement in support of the action against a hostile force.

We congratulate SSgt. Myers for his outstanding service for his country and we are proud to have people like them make their home in Hoke County.

The feeling I had about the Raiders winning the Super Bowl must have been right.

Last Friday afternoon as I left
(See AROUND, page 2A)



Possible toxic waste site

In this area behind the Big Star Truck Stop, Department of Human Resources and local health officials have begun testing for possible PCB-laced soil. Lab

tests indicate that 10.2 parts per million of the cancer-causing substance was found in the soil.

New Toxic Dumps Found

By Sherry Matthews

State and local health authorities are investigating two new Hoke County sites which were apparently used as illegal dumps for hazardous waste.

Preliminary tests taken from both sites, which are located along U.S. Highway 401 north of Raeford indicate that low levels of cancer-causing Polychlorinated Biphenyls (PCB) were dumped.

However, other sources close to the investigation say that health officials are more concerned about lead concen-

trations suspected to have been dumped in the area.

Authorities were unsure Tuesday who might be responsible for the apparently illegal dumping.

A soil analysis taken from one site, located at the old Big Star Truck Stop on Highway 401 just outside of Raeford, thus far shows low level readings of PCB's.

Another site, behind Virgil's Restaurant on Highway 401 is being tested for possible contaminating lead, DHR Solid and Hazardous Waste spokesman Richard Gay confirmed Tuesday.

Test results from lead samples taken at the Virgil's site have not been completed yet, Gay said.

The Big Star site contained PCB concentrations of 10.2 parts per million while the Virgil's site contained less than .8 parts per million, he said.

The federal Environmental Protection Agency (EPA) considers 49 parts per million hazardous while some other state laws put the safe level at 10 parts per million.

A "storage tank" holding over 500 gallons of oil, was also tested, according to Gay. (See TOXIC, page 9A)

Board Of Ed Member Has Low Marks

By Sherry Matthews

During the last calendar year, a member of the Hoke County Board of Education had the worst attendance of any elected official in the county, a recent check of meeting records showed.

School Board Vice Chairman Mina Townsend had the worst record, missing seven of the board's 21 regular and special meetings held between January 1 and December 31.

Townsend, who had not filed

for re-election as of Monday, attended about 66% of the meetings.

On the other side, County Commission Chairman John Balfour, commission member Neil McPhatter, school board Chairman Bill Cameron, board member Bobby Wright and city councilman Joe Upchurch, all had perfect attendance during the year.

Although he missed more meetings than Townsend, Hoke Commissioner James Albert Hunt had the second worst record in the

county, making only 75% of the sessions held.

During the year, Hunt missed eight of 32 meetings and was late a total of six times.

School board member Ruth McNair finished third, attending 85% of the time.

McNair was present at 18 of the board's 21 meetings.

City Councilmen Graham Clark and Benny McLeod tied for the fourth lowest attendance records (See OFFICIALS, page 9A)

Youth Receives 12 Years In Jail For Armed Robbery

By Sherry Matthews

A Raeford youth, charged with a July armed robbery, was sentenced to 12 years after pleading guilty and turning "state's evidence" in Hoke Superior Court last week.

Despite the testimony against him, a second Hoke County teen, charged with the same July armed robbery, was found "not guilty" after his case was tried before a jury.

Ka'Seen Geonti Sterling, 19, of Lamont Street, received a 12-year sentence after pleading guilty to the July armed robbery at Huffman's Grocery, located at Rt. 3, Raeford.

Sterling, who apparently confessed to county authorities following his arrest in September, could have received up to 40 years for the robbery.

Willie Tyrone McPhatter, 19, who was also arrested and charged with the Huffman armed robbery, plead not guilty to the charges.

A jury of five men and seven women acquitted McPhatter last Wednesday of those charges despite testimony from Sterling that the defendant was involved with the robbery.

The defense offered no witnesses and McPhatter did not take the stand in his own behalf.

Sheriff's reports indicated that a man wearing a toboggan over his face and armed with a pistol entered the store and demanded money from the owner.

Murder, Drug Probes Stalled

State and local law enforcement authorities have uncovered "no" new leads in the month-old investigation into the slaying of a Raeford business man, Senior State Bureau of Investigation (SBI) agent Frank Johnson said Tuesday.

"We are still working," he added.

Although no arrests appear to be forthcoming, Johnson said he was still "optimistic" that the case will be solved.

Raeford Police Chief Leonard Wiggins also said he believes a murderer will be found.

"The case is still our top priority. I think we will come up with something," Wiggins said.

"We are not just sitting around. We are working toward solving this case," Johnson said.

Since the December shooting, SBI agents, city police, highway patrol and rescue squad members set up a roadblock at the intersection (See MURDER, page 3A)

Between \$40 and \$50 was taken during the incident, reports show.

McPhatter was released after court Wednesday, while Sterling has been committed to the North Carolina Department of Corrections as a youthful offender.

In an unrelated case, a Burlington man was given a three-year active sentence after pleading guilty to possessing \$521 in stolen goods.

Joseph Anthony Weatherford, 31, plead guilty to having 60 cartons of cigarettes, 30 cans of beer and a battery charger reported to have been stolen from Parks Grocery Store on Highway 211.

Superior Court Judge James H. Pou Bailey ordered Weatherford confined for three years but recommended "immediate" work release.

Weatherford could have received up to 10 years on the charge, records show.

Two Sandhills Youth Center inmates also received active sentences last week in Superior Court after pleading guilty to felonious escape charges.

Ricky Lee Amons, 20, and Gregory Fisher, 18, both received one-year sentences.

Both Amons' and Fisher's sentences are to begin at the expiration of the sentence they are presently serving, Judge Bailey said.



Inside Today

Cold survival

Many Hoke residents rely on wood or oil burners to keep the family warm. We take a look at their lives and how they survive in sub-20° weather on page one of Section B in today's News-Journal.