

The News-Journal

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50¢

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Hoke's top stories are on the web
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McPhatter indicted

Former county manager allegedly stole \$269,000



Bernice McPhatter

By VICTORIANA SUMMERS
Staff writer

Following a 10-month State Bureau of Investigation probe, a grand jury on Monday handed down indictments against former county manager Bernice McPhatter for two counts of embezzlement and 64 counts of forgery. In a case that has "shaken" Hoke government and taxpayers, Shirley Rush, former finance director and Hoke's current assistant transportation director, was also indicted on one felony count of "assessory after the fact" in the embezzlement, said District Attorney Kristy M. Newton.

"The total amount of money for which Mrs. McPhatter has been charged with embezzling is \$269,347.90," Newton said. "For what I would call straight theft, we have an amount of \$246,247.90."

"For amounts she obtained through unauthorized travel stipends, it would be \$23,100. At this point, there is no indication that anyone else was working with her. If they were, they did not leave a paper trail."

"There is always a possibility that more people were involved, but the proof does not show she acted with anyone else."

McPhatter, of 1242 Phillipi Church Road, was released on a \$100,000 bond during a bail hearing. She reportedly surrendered after the State Bureau of Investigation obtained a warrant for her arrest in connection with the allegations on Monday.

However, she was arrested again Tuesday by the N.C. Department of Revenue. In separate state accusations, McPhatter was charged with four felony counts of evading state income taxes for 1997-2000, according to spokesman Kim Brooks. McPhatter appeared before a Hoke magistrate, and was released after paying a \$5,000 secured bond. She is scheduled to make her first court

appearance on August 23 in Wake County District Court.

Rush surrendered to authorities on Tuesday. Her bond was set at \$15,000, and she used her home for collateral. County commissioners met behind closed doors Monday evening but so far have taken no action regarding Rush. Although not active in the department, Rush still officially carries the title of Hoke's finance director, an official said.

During the massive investigation, Newton said, a paper trail was uncovered of 76 checks allegedly written by McPhatter "to herself." The amount of the largest check exceeded \$25,000, which was written on December 10, 1999. One check was for \$10,000; six checks ranged between \$7,000 to \$10,000; four checks varied between \$5,000-\$7,000; 37 checks were between \$2,000 and \$5,000; 10 checks were from \$1,000-\$2,000; and eight checks were each under \$1,000.

Forgery

McPhatter reportedly wrote some checks out to vendors used by the county, leaving two attached carbon

copies with the names of the firms for accounting records. On the top check that could be deposited or cashed, she reportedly erased the vendor's name and substituted her own name, according to another official. It was unclear if matching invoices existed to back up the disbursements, a county official said.

In another surprise disclosure at the press conference, Newton said McPhatter had allegedly forged the signatures of several prominent former and current county (See INDICTED, page 9A)



From left: John Joseph, district attorney investigator; Janie Pinkston, assistant SBI special agent in charge; Kristy M. Newton, district attorney.



District Attorney Kristy Newton explains potential levels of sentencing for embezzlement and forgery offenses.

Judge sets Monday for state to address Hoke education

Manning calls state 'arrogant' and orders immediate plan, Hoke's Strickland says it's money that's needed

By KEN MACDONALD

A judge has given the state until Monday to "fish or cut bait" in the latest development of the eight-year battle by Hoke and other low-wealth counties for equal education funding.

Wake Superior Court Judge Howard Manning wrote the state is giving "lip service" to complying with his order to take steps to provide a basic,

sound education for at-risk students, but has elected to "hunker down and hope that the Court will choose to do nothing while the State continues to 'do nothing.'"

Manning ordered the state to deliver by Monday in "plain English" the plan it proposes to provide Hoke with "leadership and guidance" so it can "reallocate and focus its existing resources."

His latest order came in an 18-page letter writ-

ten Thursday to State Superintendent Michael Ward, State Board of Education Chairman Philip Kirk and Deputy Attorney General Thomas Ziko.

It followed a complaint by Hoke's counsel, Robert Spearman, that the state apparently has no intentions of complying with Manning's previous orders to take responsibility for educating at-risk children. Spearman contended the state has responded by proposing new studies and suggesting

that programs already in place meet its obligations.

"The State is simply repeating arguments it made at trial in 1999," Spearman wrote on August 7. "The Official Response looks more like an effort to defer a remedy indefinitely."

Manning agreed. He called the state's contention, for example, that existing workshops and conferences available to teachers and administrators (See MANNING ORDER, page 10A)



A storm on Saturday brought lightning and heavy damage to the home of Ivery and Ruth McNair.

Lightning sets McNair home on fire

By PAT ALLEN WILSON
Editor

Retired businesspersons Ivery and Ruth McNair and their dog, Sparky, escaped from their home at 511 Oakwood Avenue Saturday afternoon after a lightning strike caused it to go up in flames.

Lightning struck two trees in the back yard, said Raeford Fire Marshal Terry Tapp. He said it is not known if the house took a direct hit.

Mrs. McNair said Sparky was in the laundry room when the lightning struck. "That's where all the smoke was coming from," she said.

The couple and their pet got out safely prior to the arrival of the fire department, which was dispatched at 2:50 p.m., Tapp said.

The house was "about 60 or 70 percent involved" in flames when firefighters arrived, Tapp said. No injuries were reported. "Everyone was (See LIGHTNING, page 8A)

Board votes to pay sheriff's auto bills

Sheriff accuses board of 'bad leadership', threatens to take case to Washington

By VICTORIANA SUMMERS
Staff writer

Hoke commissioners decided on Monday to pay a repair bill for sheriff's department cars even though they had been serviced in violation of county policy. During a lively debate between Sheriff Jim Davis, Commissioner Cleo Bratcher Jr. and Commissioner Bobby Wright, deputies positioned themselves at every entrance to the county assembly room. Davis demanded that commissioners pay

an outside vendor, A&J Service of Raeford, for bills he submitted recently for repairs.

The board relented in a 4-1 vote to pay the approximate \$911 in repair bills that should have been repaired by the county's own maintenance garage. Commissioners will also evaluate the county's vehicle maintenance policy in the future. The policy stipulates that county-owned vehicles be repaired primarily at the county garage.

"Even Ray Charles can see through all

these bills," Davis protested as he showed a lists of bills previously paid to outside repair services in addition to A&J. He questioned why bills were paid to other vendors in the past — including A&J — but not now.

"Mr. (Bobby) Wright, Bratcher and (Charles) Daniels, you can keep your eyes closed," Davis told the board. "Yes, this county is poor, but it is poor because of the leadership it has had."

"It is poor because of the blindfold (See AUTO BILLS, page 8A)

Sheriff candidates focus on qualifications, issues

By PAT ALLEN WILSON
Editor

Eight of the nine candidates for Hoke Board of Education and five candidates for sheriff spoke at a public forum sponsored by the Woman's Club of Raeford and the Raeford-Hoke Chamber of Commerce last night.

Another forum is scheduled for this coming Tuesday at 5:30 p.m. at Turlington School that will fea-

ture commissioner candidates and those seeking the office of clerk of court.

The school board election will not take place until the general election in November. In the nonpartisan race, three seats are available.

Both Republicans and Democrats will be on the ballot for September 10's primary. Robert Colson and Robert Crull are running as Republicans, and incumbent Jim (See FORUM, page 6A)

Hardaway says sheriff tried to 'railroad' her

By VICTORIANA SUMMERS
Staff writer

Evangelist Betty Hardaway, formerly a staunch supporter of Sheriff Jim Davis in his bid for reelection, said Davis invited her to a meeting of commissioner candidates at his campaign headquarters on August 13 under what she calls "false pretenses." She accused Davis of trying to "railroad" her into quitting the board of commissioners' race, but Davis has emphatically denied the allegation.

When she arrived at the alleged meeting, (See HARDAWAY, page 7A)