

local

Drug Rehabilitation Services
Straight Inc.

Officials say Straight grant money was inadequate

■ *Straight Inc. is a drug treatment program in Pinellas County that uses peer pressure and behavioral modification techniques on juveniles aged from 12 to 18.* ■

By **WILLIAM NOTTINGHAM**
St. Petersburg Times Staff Writer

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A \$50,000 federal grant to Straight Inc. has been inadequately maintained, state officials say, and some of the money may have been improperly spent.

As a result, city of St. Petersburg accountants now must approve every purchase by the drug treatment program.

No grant money appears to be unaccounted for, officials say.

A team of state financial investigators also has begun questioning Straight officials about possible violations of federal conflict-of-interest and racial-discrimination laws.

"There are some questions that have been raised that we want answered," says John H. Dale Jr., assistant chief of the Bureau of Criminal Justice Planning and Assistance in Tallahassee.

CHILDREN OF at least two Straight directors have been employed as counselors, apparently drawing salaries backed by the grant money, former program employees have told *The St. Petersburg Times*.

James E. Hartz, Straight's executive director, employed one counselor — a son of a director — despite the program staff's recommendation that the youth not be hired.

"We figured that Jim was friends with (the director),"

one ex-employee says.

A report filed by one state official says only that "a review of personnel indicates that some employees of the implementing agency (Straight) have the same last names, which could result in nepotism."

Federal regulations bar any official from participating in proceedings involving grant money "where to his knowledge, he or his immediate family . . . has a financial interest."

The investigators also say they want to know why out of about 230 clients currently in Straight, only a few are of minority races.

NO BLACKS ARE enrolled, though experts say Pinellas County has a significant drug-abuse problem among black juveniles.

For example, Operation PAR Inc., a Pinellas drug treatment agency not connected to Straight, has 40 to 50 juveniles in a somewhat similar program. All of those clients are black.

"Discrimination is often very elusive, and it's quite difficult to determine," says planning official Dale. "We'll be looking at how clients are referred to the agency (Straight) and how they select those they take."

Straight uses intensive peer-counseling treatment techniques and has been praised by parents and law enforcement officials as being highly effective. Pinellas judges often send juveniles to Straight as an alternative to jail.

After a series of articles in *The Times* last December quoted disgruntled clients and former directors, the pro-

gram has been under investigation by state health officials.

THE HEALTH officials say that along with several other "deficiencies," Straight was found to have apparently held some clients illegally against their will.

The investigation now being conducted by the planning officials — who administer grants in cooperation with federal authorities — marks the first time Straight's finances have been challenged.

Straight Director Hartz declined to comment for this article. When *The Times* tried to contact him by telephone Wednesday morning, Hartz's secretary said he would not consider questions unless they were submitted in writing.

That afternoon, *The Times* complied with Hartz's request and delivered a list of 11 questions to Straight headquarters at 5000 Park St. A cover letter also informed Hartz of the article's deadline the next day and urged him to respond "in any way prior to that deadline."

He did not.

If investigators find that the grant has been misused, the government could stop the payments or order Straight to return some of the money. However, officials say in this case a refund request would be unlikely.

ST. PETERSBURG taxpayers have an interest in the matter because the city agreed last year to sponsor Straight's grant and see that it was properly handled. In past situations where grants have been mishandled, city taxpayers have been forced to pay at least some of the money back to the federal government.

Jeffrey G. Symons, when he alerted Straight's grant accountants.

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Jeffrey G. Symons, director of the city's Grants Administration office, says his agency probably was remiss in not making sure that Straight handled the grant properly.

"I'm the one who blew the whistle on this," says Symons. When he noticed the mistakes about two months ago, he alerted state officials and began an audit of Straight's grant records.

"It's no big thing. It just means a lot of work for us (city accountants)."

Although Straight leaders had been told months ago how to correctly structure the grant accounting, they improperly comingled the money into a single bank account, says Symons.

THE ACCOUNT is at the First Bank of Treasure Island, where Straight's board president, Melvin F. Sembler, is a corporate director.

The money was mixed with other Straight money that went toward expenditures that were "unallowable" under federal guidelines, state officials say.

Coming from the Law Enforcement Assistance Administration (LEAA), the grant was intended solely to pay salaries of Straight counselors. But officials say the money also may have gone toward building rent payments, food costs, utility bills and other items.

The LEAA money is the main source of Straight's limited public financing. Pinellas County and the city also have chipped in several thousand dollars. The bulk of Straight's money comes from client "donations" of from \$450 to \$550, and general tax-free contributions.