

IN THE CIRCUIT COURT OF THE ELEVENTH JUDICIAL CIRCUIT  
OF FLORIDA IN AND FOR THE COUNTY OF DADE

FALL TERM A.D. 1953

FINAL REPORT OF THE GRAND JURY

Filed

May 11, 1954

Circuit Judge Presiding

PAT CANNON

Officers and Members of the Grand Jury

HENRY O. SHAW, Foreman

SIDNEY W. LANGER, Vice-Foreman

CARL MEEKS, Treasurer

ARTHUR PATTEN, Clerk

MARGARET HAIZLIP, Asst. Clerk

EUSTACE L. ADAMS, Jr.

E. LEE HUGHES

M. S. ALTMAYER, Sr.

W. BYRD HUNTER

ROY HERBERT BAZEMORE

BURTON S. KAHN

ARTHUR M. COLLOT

HAROLD KENDALL

JACK H. CORNELIUS

OTIS S. KING

JOE H. FARRINGTON

HUGH S. LARRICK

HARVEY A. GARDNER, Sr.

JAMES O. McCOWN

HILTON V. GILLIS

RAYMOND E. MORELOCK

FRANK JAMES HOLT

WILLIAM N. MANSFIELD (Excused)

\*\*\*\*\*

State Attorney

GEORGE A. BRAUTIGAM

Assistant State Attorneys

GENE WILLIAMS

HARRY DURANT

HUGHLAN LONG

JOSEPH E. PRICE, Jr.

ADELE FASKE

Special Counsel for the Grand Jury

E. ALBERT PALLOT

Administrative Assistant

ELEANOR ROBINSON

Investigators

JOHN R. WALSH

PAUL C. PERRY

Official Court Reporter

J. E. KELLY

Official Bailiff

ALLISTER HARKNESS

TO THE HONORABLE PAT CANNON, CIRCUIT JUDGE  
OF ELEVENTH JUDICIAL CIRCUIT OF FLORIDA:

We, the Grand Jury in and for Dade County,  
Florida, for the 1953 Fall Term of the Circuit  
Court of the Eleventh Judicial Circuit of  
Florida, present this our Final Report:

On November 10, 1953, we were impaneled by  
the Honorable Pat Cannon, Circuit Judge. This  
Grand Jury held thirty-five official meetings  
of the full body, and various committees met to  
facilitate the work.

CAPITAL CASES

Consideration was given to the following criminal cases and the action taken is indicated herein:

WESLEY AKRIDGE ) EUGENE MASON ) ROOSEVELT HADLEY ) ROOSEVELT NEWBOLD ) Returned November 25, 1953	Rape
SAMUEL BENJAMIN MacLUCKEY Returned November 25, 1953	Rape
JOSEPH JOHN BONAVENTURE Returned November 25, 1953	First Degree Murder
WILLIAM LANDRUM Returned December 3, 1953	First Degree Murder
DONALD FINLEY Returned December 15, 1953	No True Bill
MARION MITCHELL Returned December 15, 1953	First Degree Murder
JOSEPH WALTON WHITE Returned December 15, 1953	Rape
GEORGE CULBREATH ) MOSES ALLEN ) HENRY JOHNSON ) Returned December 15, 1953	First Degree Murder
LOYE MADDOX Returned December 15, 1953	First Degree Murder
JAMES N. LEWIS ) EDNA MARIE KOLP ) Returned January 15, 1954	First Degree Murder
SAMUEL DUNWOODY NETTLES Returned January 26, 1954	No True Bill
WALTER JACKSON Returned January 26, 1954	First Degree Murder
ROOSEVELT JONES Returned January 26, 1954	Second Degree Murder
RUBIN HENRY HOLT Returned January 26, 1954	Rape
CHARLES W. PIERCE Returned February 4, 1954	Acceptance of reward, etc. for failure to perform duty
CLARENCE W. HUDDLESTON Returned February 4, 1954	Acceptance of reward, etc. for failure to perform duty
WILLIE JAMES Returned February 18, 1954	Rape
SHELDON GREENBERG Returned March 4, 1954	First Degree Murder
GRANT DANIEL DUNKUM Returned March 4, 1954	Rape

DAVID PATRICK WILLIS Returned March 4, 1954	Rape
WILLIE PARKER Returned March 25, 1954	No True Bill
ERIC VON ROME Returned March 25, 1954	First Degree Murder
ETHELEAN ORR Returned March 25, 1954	First Degree Murder
CURTIS HUNT Returned March 25, 1954	No True Bill
ALFRED EVERETT Returned March 25, 1954	No True Bill
FRANK KENSAK Returned March 25, 1954	Rape
VERNON ADAMS Returned March 25, 1954	First Degree Murder
BILL CASEY	Violation of Fla. Statute 796.07-01*
CHARLES ORIOLA	" " " " "
JOE LIBERMAN	" " " " "
RUTH MILLER	" " " " "
JOHN NAHAS )	" " " " "
JIMMY DEMETREE )	" " " " "
BEATRICE O'NEIL )	" " " " "
WILLIAM SHULMAN	" " " " "
RUBY LOONEY	" " " " "
MICHAEL DECKER	" " " " "
JAMES BARRON	" " " " "
JIMMY DEMETREE )	" " " " "
ANTHONY VENDI )	" " " " "
SALVATORE JOHN PAUCIELLO )	" " " " "
LLOYD HUMMEL )	" " " " "
FRANK COHEN	" " " " "
LARRY DeFUCCHI	" " " " "
AL MASSEY	" " " " "
ARTHUR V. CECCHINI	" " " " "
JACK WEITZ	" " " " "

\*Crimes of Prostitution

MIAMI BEACH POLICE DEPARTMENT

REASONS FOR INVESTIGATION

Province of Grand Jury

The province of the Grand Jury is to investigate crimes and matters which affect the morals, health, sanitation, and general welfare of the county. This Grand Jury understands that it is its province to reach the guilty and protect the innocent. The citizens of this county should know and understand that being subpoenaed to appear before this body is no indication that the party subpoenaed is charged with any offense. In many cases, such witnesses are only doing their duty by testifying.

City Manager Claude A. Renshaw, Chief Romeo J. Shephard, State Attorney Brautigam, and the preceding Grand Jury recommended to this body that we initiate a thorough examination of the Miami Beach Police Department and crime existing on Miami Beach. This body has endeavored to do this and toward that end has interviewed many witnesses.

Among the intangible things which affect any community or organization are Tradition and Precedent. Time was when the Miami Beach Police Department was operated admittedly under a "liberal" policy of law enforcement and certain rackets thrived. Officers who may have formed a habit of accepting rewards, or later on during the liberal gambling and horsebooking days, have accepted money from the people in those rackets, may find it difficult to change their habits and mental attitudes toward such dealings. Only by the strongest handed leadership at the helm of the Police Department, backed by forthright and vigorous attitudes on the part of the City Manager, the Personnel Board, the City Council, and the citizens would a needed change from such Tradition and Precedent be provided.

The police officers of Miami Beach are among the best rewarded in the nation, not only in point of view of their salaries, but also with respect to facilities, hours of work, and conveniences of living.

Evidence presented before this Grand Jury shows that criticism has been made against approximately 15% of the Miami Beach police force. Many of the complaints made have not been substantiated. We have informed Chief Romeo J. Shephard of the identity of the officers and the complaints.

#### Pierce Virtually Chief

Our investigation disclosed that the then Superintendent of Detectives, Captain C. W. Pierce, had been virtually running the Police Department in several important functions.

Much objection was voiced among the rank and file, particularly among the uniformed patrolmen, because of Pierce's ability to affect their assignments of duty, transfers within the department, and their opportunity of promotion, dependent upon their

relationship with him and with certain of his favored subordinates in the Detective Division.

#### Prosecution of Criminals in Court

Moreover, Captain C. W. Pierce had injected himself into a position of being virtually the sole prosecuting officer in trials before the Municipal Court. This placed him in a political position where his favor or mercy would be most actively sought.

We note that steps have been taken to correct this situation so that individual officers are going into court to present cases where they have made the arrests, and an Assistant City Attorney appears to fortify the prosecution.

#### Release of Prisoners

We found that Captain C. W. Pierce also occupied a similar position with respect to the remission of sentences on people incarcerated in the city jail. His consent or instructions were regarded as necessary by the jailers before prisoners would be released.

It is true that Captain C. W. Pierce frequently contacted Judges of Municipal Court in advance of such releases. Contacts were very often made by telephone and the action would be ratified on the next court day by a signature of the Judge whose consent was obtained.

We regarded this as extremely bad practice. The hazard that an officer in such position would be tempted to show official favor in connection with such release is too great. The Judges should maintain closer scrutiny of such cases.

We recommend that this condition be remedied immediately and that reduction of sentences, fines and forfeitures should only be made by the Judge in Open Court.

#### Safeguarding of Evidence and Stolen Goods

Evidence was introduced to this Grand Jury that there had not been adequate safeguarding of recovered stolen property and evidence to be used in criminal prosecutions. We strongly recommend that this condition be immediately corrected and proper records be kept.

#### Civil Service Precedent

Early in 1948, an unfortunate precedent was established in a hearing before the Miami Beach Personnel Board in which two police officers were charged with the acceptance of \$1,000.00 as a reward for certain official favors. Although the officers admitted the acceptance of the money, and admitted that the money was given back as a result of the payer's request, they called this substantial gift a "Christmas present." One of them stated

that the payer of the \$1,000.00 had insisted on making this "Christmas present" in spite of the officers' objections.

At the hearing, the payer of the money was not present to refute this seemingly fantastic testimony. The Personnel Board accordingly allowed the officers to retain their jobs. Certain officers and others have stated that this case has been reassuringly referred to within the department as a likely precedent useful to some of their number in cases which this Grand Jury has produced, or is apt to produce.

More recently, the Miami Beach Personnel Board added to the line of precedent by absolving another officer who was heard on charges of accepting the sum of \$50.00. His testimony that it was a voluntary gratuity pressed upon him by the payer was given credence.

#### Civil Service Regulations

The Personnel Board regulations in both Miami and Miami Beach were not clear as to how far a civil service employee or city employee could go in accepting gifts and gratuities. It was also necessary to prove motive and intent which is extremely difficult to do because usually such transactions occur under circumstances that are difficult to establish. Because of the request of this Grand Jury, both the City of Miami and the City of Miami Beach have passed new civil service regulations abolishing the acceptance of gratuities, and this Grand Jury believes this is a step forward in eliminating bribery.

We recommend that similar regulations should apply to the City Council, City Commission, and all employees of the city, whether or not they work under Civil Service regulations. We further recommend that similar ordinances be placed into effect in all municipalities in Dade County.

#### Police Department Rules and Regulations

Evidence introduced before this Grand Jury disclosed that no written rules and regulations for the administration of the Miami Beach Police Department existed. This Grand Jury recommended that written rules and regulations be forthwith prepared. These have been prepared and delivered to the Miami Beach City Attorney for his approval, and we have been informed that within the next thirty days, these rules and regulations will be in full force and effect.



#### Duties of Police Officers

Evidence has been introduced to show that some police officers and/or detectives have been maintaining the same duty, such as pickpocket detail, gambling, prostitution, bookmaking, narcotics, etc. for long periods of time, and this Grand Jury believes that all police officers and detectives should be rotated as to their duties so that they will not spend too long a period of time on one particular phase of police work. Chief Romeo J. Shephard has started a rotation system, which we recommend should be applied to every man in his department, including the one-man "bookie" detail.

It is also recommended that all police officers should make arrests for any violations of law, irrespective of whether or not said violations represent a part of the police work to which they have been detailed.

#### Pickpockets

Evidence has been presented before this Grand Jury that well known pickpockets have been and are operating on the City of Miami Beach. The officer in charge of this detail during the past few seasons has been Detective Earl Mackey. Testimony revealed that during one month this year \$27,000 was stolen by pickpockets. The evidence further disclosed that the pickpocket detail knew all pickpockets by name, but not one conviction was obtained against them during the time that Detective Earl Mackey headed this detail. It seems inconceivable to this body that even though all pickpockets were known to the pickpocket detail, that no convictions have been secured, and this body believes that culpable negligence can be chargeable to the Police Department.

#### Bookmaking

Various witnesses, including police officers in Miami Beach, have testified that bookmaking is prevalent in that city, as well as the entire Dade County. This Grand Jury has conveyed this information to the Miami Beach Chief of Police, the Sheriff of Dade County, the State Attorney, and the County Solicitor. They maintain "That if bookmaking is going on, it is on a sneak basis." From the sworn testimony of the witnesses, it is the

belief of this Grand Jury that bookmaking definitely exists in Dade County, not only on the "sneak", but on an "organized sneak" basis, and that all enforcement agencies of Dade County should use their full power to ferret out and destroy these conditions.

#### Prostitution

Through testimony, the Grand Jury concluded that prostitution on Miami Beach is confined to a "call girl" system. One "Madame" which this Grand Jury investigated was found to have at least fifty girls on her call list. Their revenue was estimated to be approximately a half million dollars a season. Further testimony indicated that operators of bars encouraged these girls to operate in their establishments to increase their business, and in some instances, the owners or bartenders shared in the earnings of these girls. Additional testimony shows that there were very few arrests or convictions of prostitutes by the police officers assigned to this detail. This Grand Jury returned twenty indictments against persons involved in prostitution in Dade County which is indicative of the fact that prostitution is widespread throughout Dade County, as well as Miami Beach.

#### Financial Questionnaires

This Grand Jury deemed it appropriate to request Financial Questionnaires from various public officials and employees, and it is recommended that this procedure be followed by the succeeding Grand Jury so that there may be a continuing record of the finances of such officials and employees from the time they commence their employment.

#### Waivers of Immunity

This Grand Jury recommends that all public officials and employees when called to testify before the Grand Jury should agree to sign a Waiver of Immunity. In the event they refuse, such refusal should be considered as grounds for dismissal.

#### Conclusion:

This Grand Jury concluded that only with strong leadership in the right direction, and the full cooperation of the City Manager, the Chief of Police, the City Council, and the

citizens will Miami Beach be protected from a repetition of the conditions which existed in the Police Department when Captain C. W. Pierce was on the force. We recommend that succeeding Grand Juries keep a watchful eye on this situation.

#### COMMUNISM

The Dade County Grand Jury has not taken any positive action against communist sympathizers. Many people were interviewed and a small group of communists identified as residing here in Dade County. Some of these were quietly investigated, and all are being kept under surveillance.

#### CONCERNING THE BOARD OF PUBLIC INSTRUCTION

(The Dade County "School Board")

Within limitations imposed upon us by time and the availability of investigative personnel, we have inquired into certain phases of the operations of Dade County's public school system.

The School Budget for this year is well over \$30,000,000. Ever increasing demands upon the public purse for school purposes seem inevitable. A shortage of classrooms and facilities is complained of. An extensive building program is under way, with more to follow. Regarded solely in its financial aspects, our school system is the largest business in Dade County. Unwisely managed, great waste must occur.

1. Subsidizing of School Board Construction Inspectors by Contractors

We found that one contracting firm which has built about \$1,500,000 of new school buildings during the past three years has consistently arranged to provide outside employment and income to the School Board's building inspector who by remarkable coincidence was assigned to most of this contractor's jobs.

We found this same inspector asking for and receiving a loan of money from another contractor to whose school job he was assigned.

These activities, while stated to us, in form which does not warrant indictment of the persons involved, are not reassuring as to the economy of school construction.

While charged with supervision duties, architects, professional engineers and building inspectors should not accept loans, gratuities, and/or after-hour compensation from contractors engaged in school construction. The School Board, as well as other

public bodies, should consider the insertion of some such provision in construction contracts and in the terms of employment when engaging services of architects and engineers.

2. Lack of Diligence by School Board Architect's Office in Auditing Final Bills from a Contractor

Included in and paid on the contract for reconstruction of Ponce de Leon Junior High School in Coral Gables during the summer of 1952 was a \$4,000.00 allowance for certain guniting work, coupled with a provision for an adjustment between contractor and School Board depending upon whether the work should cost less or more than the \$4,000.00.

The contractor actually paid only \$3,232.63 to the sub-contractor who did the guniting work, leaving \$767.37 due back to the School Board. This would normally have been claimed as a credit on behalf of the School Board if Mr. H. George Fink, the independent architect on the job, had been permitted to oversee the final settlement on the contract. He was not so permitted.

When work was fully completed and the final settlement was due, someone in the School Board Architect's office elected to by-pass Mr. Fink. Settlement was made and the contractor was wrongfully permitted to keep the \$767.37.

On the same job, an additional credit of \$550.00, due the School Board, was overlooked at the final settlement by Mr. James E. Garland, who is the School Board's salaried Chief Architect. Some time after final settlement, Mr. Garland directed Martin & Son to build a monument foundation at another school property without compensation as a means of cancelling the \$550.00. This indicates an unauthorized use of authority on the part of Mr. Garland.

We found that two bills of different amounts had been presented on the gunite work on this job. The smaller was the one intended to be paid and actually paid to the sub-contractor. The larger bill was for exhibition purposes only. This is fraudulent practice.

3. Board Member in Close Business Association with Persons Who Obtain Business from the School Board

For several years the Board of Public Instruction has selected independent architects on new school construction chiefly on a "patronage" basis. Likewise, the majority of the Board's extensive fire and windstorm insurance is placed among local insurance agencies according to the preference of individual Board members. Certain members of the Board distribute these "patronage" items rather widely. Certain other Board members tend to concentrate their favors. We do not comment here upon the merits or demerits of patronage distribution as such.

We have found, however, that Board Member James M. Noel has entered into business associations with certain persons who have benefitted from patronage sponsored by him. Some of these business associations are so close as to create at the least some question and perhaps public misunderstanding concerning Mr. Noel's real position in these matters. For example:

- (a) The formation on March 6, 1953, of a Florida corporation known as Three U, Inc. in association with Mr. Stefan H. Zachar, a reputable and competent architect who has been employed on several school buildings. We were unable to determine from Mr. Zachar just how much, if anything, Mr. Noel invested in the stock of this corporation, nor was Mr. Zachar familiar with its more recent operations.
- (b) The sharing of an office at 16990 N. E. 19 Avenue, North Miami Beach, between Jim Noel, Inc., a real estate brokerage firm, and North Miami Beach Insurance Agency. In 1952, the latter company received, through Maurice E. Kerr, the sum of \$1,424.88, being exactly 15% of the fire and windstorm insurance premiums on policies placed with Mr. Kerr by the School Board during 1952 through Mr. Noel's patronage. Mr. Noel received only office rental from North Miami Beach Insurance Agency, which had been organized in his law office, but the appearance of his name on the window, alongside the name of the agency benefitting from School Board insurance business cannot but be provocative of misunderstanding.
- (c) Jim Noel, Inc. took a 30 year lease on 192 feet of vacant business property on the west side of Biscayne Boulevard just above 163rd Street. Thereon was built a building stated to have cost \$10,000.00. A contracting firm, Perry E. Willits, Inc., which has built several hundred thousand dollars in school buildings on competitive bid basis, built this \$10,000.00 building on leased ground and partly on credit for Park Realty, Inc., the tenant in the northerly half of the building. Park Realty, Inc. was formed February 13, 1952, in the law office of James M. Noel.

Through someone's whim, Mr. Willits' name for many months has appeared in gold letters on the window of Park Realty, Inc. Evidence showed that Mr. Willits has never used space or facilities in the building and the placing of his name on the window was wholly unauthorized by him.

We here bring no charge of wrongdoing against any of the persons named in these business associations. Our sole purpose is to demonstrate the false light in which a public official may find himself if he enters directly or indirectly into business relationships with persons he also deals with in his official capacity.

#### 4. School Board Lunchroom and Commissary

With a sales volume well over \$2,000,000 this school year, and a food cost of \$1,500,000, our Dade County school lunchrooms can qualify as Big Business.

The food which goes into the mouths of our children is a matter of great importance. The buying of food-stuffs, whether done by each individual school cafeteria, or through a centralized order-and-purchase system, or through a school commissary and warehouse, most

assuredly cannot be separated from the dietary and other limitations imposed upon those responsible for children's food. The buyers must closely study the requirements of those who feed the child.

Gradually, through the years, technique and experience have developed. College degrees are sought in nutrition studies in order to qualify as school lunchroom dieticians, supervisors, and administrators. Requirements of State Boards of Education have become increasingly strict, all in the effort to protect children against inept, inexperienced or careless handling of the school child's food.

Until about five years ago, all school cafeterias were operated by their respective Parent-Teachers Association, a welcome and helpful adjunct to school management. Now, however, only twelve (12) of the ninety-four (94) lunchrooms are PTA operated. The eighty-two (82) others are "centrally operated."

The managers of these eighty-two "centrally operated" schools are now responsible both to the Principal of their schools and to the Lunchroom Supervisor and his staff at central headquarters. At best, this is an uncomfortable position. Taken with somewhat abrupt changes from PTA to "central operation," with other abrupt changes in methods of allocating purchase orders, and with several changes in supervisory personnel during the past five years, this position has impaired organizational cohesion and produced much controversy. Our inquiry has been to isolate some of the causes of controversy so that correction may occur.

Prior to March 1952, the school lunchrooms did nearly all their own buying, aided in some respects by bid and quotation sheets from central headquarters. In that month, at the instance of certain Board members, the purchase of bread and milk was allocated among various bakeries and dairies. These commodities account for a high ratio of the total food cost.

During Spring 1952, the then Supervisor of Lunchrooms filed her resignation, effective August 1, 1952. Thereafter, the School Lunch Managers (the managers of all school cafeterias) presented to the Board of Public Instruction the following resolution:

"Resolved, that since members of the supervisory staff of the School Lunch Department have resigned, steps be taken by the Dade County Board of Public Instruction to fill these vacancies immediately with personnel properly qualified by training and experience for the functions they will perform in accordance with Florida State Board of Education regulations. School Lunch Supervisory personnel at County level should have valid certification."

Evidence indicates that Mr. Francis W. Ryon heard of the job vacancy from Mr. Harry Speier, then the owner of Miami Dairies, Inc. On May 26, 1952, Mr. Ryon applied for the position by letter. On May 28th, he filed his application on the school

personnel form, listing no such education, training and experience as would meet the Florida State Board of Education's minimum requirements for the supervisory position he proposed to fill.

Mr. Ryon's 1952 application for the job as Lunchroom Supervisor had the sponsorship of Board Members Noel and Graham. Moreover, Mr. Harry Speier, who headed the "list of references" on Ryon's application form, had contributed liberally to Dr. James T. Wilson's campaign fund in the primary election of 1952. Mr. Ryon's application was not formally acted upon until latter July, 1952. Customary interview with the person who might become his superior did not take place. That person left on vacation July 15th. On July 16th, Ryon's application was "processed."

Customary reference letters were not then sent out. (Recently, on March 29, 1954, our investigator sought the file, noted blank reference forms never mailed. On April 1, 1954, three days later, and one year and ten months after Ryon's original application, Mr. Daniel Westfall caused belated reference forms to be sent out.)

Since August 4, 1952, Mr. Francis W. Ryon has been Supervisor of the school lunchrooms. At the time of his employment, the present commissary and warehouse did not exist.

On April 22, 1954, nearly two years after their first request to the School Board for a qualified lunchroom Supervisor, the School Lunch Managers have again addressed the School Board. They remind them of their previous request and state further:

"The managers further realize the School Lunch Department is the biggest source of revenue in the school system, and that they are responsible for making this revenue. Therefore, since our salaries are dependent upon said revenue, we are in our justifiable position when we demand a competent leader to head the Department of School Lunches with commissary, if retained, being a subsidiary.

The managers feel that this department has not had such a person for the past several years. We also feel that the present person, namely, Mr. Francis W. Ryon, has done a good job as a commissary manager, but, unfortunately he does not have the qualifications to head a department that specializes in child nutrition and education. Nor do we believe that any one person is able to handle the two jobs efficiently."

The commissary referred to came into being partly as a result of the increasing rate at which free Federal foodstuffs were flooding into Dade County for use in our schools. Volumes have been:

	<u>Dollar Values</u>	
	<u>Received</u>	<u>Used</u>
School Year 1951-52	\$125,000 (est.)	\$125,000 (est.)
School Year 1952-53	182,021.78	183,012.12
School Year 1953 to March 31, 1954	470,325.27	337,688.66

(Stock remaining on hand on March 31, 1954, subject to minor adjustment for a slight apparent "overage", was \$140,645.71.)

Formerly, these free Federal Commodities were unloaded from railway cars as received, taken directly to the school cafeterias and stored there until used. As volume grew, this became impracticable. Then, lest the schools be compelled to reject food from Washington, warehouse facilities were leased. This, of course, meant the employment of a small organization to handle these commodities. In seemingly logical sequence, it then appeared feasible to Mr. Ryon and certain Board members to enter into volume purchase arrangements with food purveyors and set up an organization to provide practically all of the school lunchroom requirements for foodstuffs.

Thus, the present commissary was born. Thus, Mr. Ryon came to occupy his dual position: - as Supervisor of Lunchrooms; and as Supervisor of the School Commissary.

This School Board venture into the business of buying and selling foodstuffs was stated to be on a one year trial basis. To provide necessary capital for its new business, the Commissary borrowed liberally from the surplus painfully accumulated through several years by the Operating Fund of the Central School Lunch Program. This surplus was created out of funds received for children's lunches. It has been made possible by self-sacrificing work and even money contributions on the part of parents active in PTA organizations, by lunchroom managers, principals, and others.

Under School Board Resolution No. 13212 on August 19, 1953, Mr. Ryon was empowered to go ahead and stock the commissary. This he proceeded liberally to do. At September 30, 1953, the lunch money surplus fund had advanced to the commissary a total of \$112,288.63. By February 28, 1954, this had been increased by \$10,074.02, mostly for payment of payrolls which the commissary operation could not meet.

Certain hard realities must apply to any business venture. The total of \$122,363.65 loaned to the commissary as of February 28, 1954, is collectible only to the extent the commissary can repay the loan.

Disturbed by monthly operating losses developed by the commissary and by other factors, the Superintendent and the School Board caused an audit to be made. The accountants filed their report of commissary inventory taken as of February 18, 1954. Their comments were revealing:

"In evaluating the facts disclosed by our examination, we have been guided by the belief that your objective in setting up the Commissary operation was to obtain the best grades of merchandise for the lowest possible price for the use of the Dade County School Lunch Rooms. As a result of our examination, we are forced



to advise you that a Commissary operation carried on as during the period under review will not realize this objective."

- "....inadequate record keeping and financial control."
- "Inventory turnover less than three times yearly."
- "....lack of competent inventory management."
- "Failure to take discounts." (No funds to do so.)
- "....the school cafeterias purchased approximately 75% of their requirements from the Lunch Room Commissary, for those food stuffs stocked by the Commissary. This indicates a fair amount of cooperation between the Cafeteria Managers and the Commissary Department."
- "That an experienced food buyer be employed and given adequate assistance."

We find these auditors not only showing a deficit of \$16,433.00 which developed from Commissary operations, but criticising Mr. Ryon's management in several respects and suggesting that the buying should be done by an experienced food buyer. Thus, Mr. Ryon is assailed as to his qualifications in each of his dual capacities.

Francis W. Ryon worked as a salesman for Kutner Distributors, Inc., food brokers and wholesalers, up to the time of his employment by the School Board. He owed Kutner about \$1,000.00 at that time, which evidence showed has been "written off." In addition, he received certain sums of money from Kutner after going to work for the School Board. Some of these were termed "loans" and others as incident to the cashing of his pay checks. Last year his car was registered jointly with Mr. Kutner.

Presented below are figures showing the dollar volume of foodstuff business done by certain persons or companies who were directly or indirectly helpful to Ryon in securing his job, or to whom he has been otherwise under obligation:

	Business done with School Board in School Year 1951-52, <u>before</u> Ryon was employed	Business done with School Board <u>after</u> Ryon was employed.	School Year 1952-53	School Yr. 1953 to Apr. 1, '54 (7 Mos.)
Miami Dairies, Inc. (Harry Speier) and Dairy Rich Ice Cream, Inc.	\$15,657.00	\$51,367.80	\$75,870.66	
Kutner Distributors, Inc. (Ryon's former employer)	\$ 6,086.59	\$12,631.29	\$28,025.84	

Mr. Ryon vigorously contends that local food wholesalers at first refused to sell his new commissary and he needed some channels of purchase through which to get started. His first sizeable purchase was a residual stock of canned goods accumulated by a broker then recently deceased. This stock had been offered among food wholesalers. In June 1953, Mr. Fred M. Zimmerman was able to sell it to Mr. Ryon for a modest discount averaging 16.8% from stated inventory cost, keeping for himself a commission of approximately 10% on this \$18,977.20 sale. We question the wisdom of purchasing this residual lot of merchandise at so near the price level at which he might have purchased fresh stock.

Mr. Ryon's gratitude to Mr. Zimmerman for assistance in getting his commissary venture started, coupled with price considerations inherent in the purchase of lesser-known brands, has resulted in sales by Mr. Zimmerman to the School Commissary of \$107,851.11, between June 1, 1953 and April 1, 1954. This was in addition to several carloads of foodstuffs ordered by Mr. Ryon and cancelled before shipment by Mr. Zimmerman, chiefly because the School Commissary was in arrears on its bills.

Soups are among the items Mr. Ryon has overstocked. In all brands and flavors, he purchased 2,291 cases. From September 1, 1953 to April 30, 1954, only 749 cases were sold, leaving on that date still on hand 1,542 cases, or nearly two year's supply. Among the unsold soups were 794 cases of a brand purchased from Mr. Zimmerman last November in a total shipment of 820 cases. Only 26 cases of this soup have been sold in 5½ months. A very special effort must be made to sell this brand of soup to the school lunchroom managers, and if they will not accept it, dispose of it outside the school system.

The February 18, 1954 merchandise inventory taken under the supervision of the independent accountants totalled \$143,348.92. Included therein is \$3,086.05 of varied flavored cake mix of one brand, chiefly contained in fifty pound drums. Persons in the grocery, bakery and food-serving fields are well aware that cake mixes are perishable, attract vermin, and require careful storage. During our physical inspection on April 28, we found the fifty pound drums stored outside the warehouse in the truck loading bay on the south side of the building. Alongside were a large number of cartons containing cans of the same brand of cake mix.

We learned that instructions had been issued not to take orders for this cake mix as it was in damaged condition. Further inquiry developed that the aid of the factory and its local representative had been sought in getting this cake mix off the School Board's hands. Mr. Ryon contended strenuously that this merchandise was both useable and saleable. Mr. Zimmerman was not optimistic about any possibility of sale outside the school lunchroom systems.

From these circumstances, we are apprehensive that a substantial loss exists within the \$143,348.92 inventory which will result from such deteriorated and/or unuseable merchandise. Such losses will be in addition to those already recorded by the auditors, and would further impair the Commissary's ability to pay its loans obtained from school lunch money.

Our April 28, 1954 inspection further disclosed that after the February 18, 1954, inventory and about two and one-half months before the end of the current school year, the Commissary received a very substantial shipment of raisins and prunes. Here again, the food broker was Mr. Zimmerman. A sight draft for \$3,561.03 was paid on this shipment on March 18, 1954, at a time when many discounts had already been lost on other bills and when numerous vendors had long been waiting for their money.

A total of 525 cases of prunes was included in this shipment. We examined the inventory records at the commissary to ascertain the rate at which prunes of these sizes had been used, and found that in the 6½ months prior to receipt of this shipment, the School

Commissary had sold only 101 cases. Accordingly, this purchase of 525 cases of prunes look like three or four years supply of a commodity which should be obtained from each year's fresh crop.

Prunes deteriorate rapidly if kept in dry storage. The School Commissary has no refrigerated space. So, this wholly unnecessary quantity of prunes is being stored in refrigerated space costing the Board of Public Instruction an estimated \$60.00 monthly.

Finally, we offer the following comments and recommendations:

- (a) We urge that there be no confusion in discussing and deciding upon "commissary operation" as contrasted to a "central purchase-and-order system". Either arrangement will, if efficiently staffed, provide speed of service, economy of price, and will conserve the time and energies of the individual cafeteria managers.
- (b) We suggest that persons of proven ability and experience gained in the food and produce market should be employed for functions such as receiving and shipping, order-taking, inventory control and billing. Certain of the present commissary employees fulfill these specifications, but Mr. Ryon is presently carrying too large a staff for the apparent volume of stock and turnover.
- (c) We concur with and emphasize the auditors' suggestion that the commissary, if continued, be placed under more capable direction.
- (d) We urge that the Superintendent of Schools be permitted by the Board to seek and recommend for employment a lunchroom Supervisor properly qualified under State Board of Education rules.
- (e) We urge the same with respect to an experienced food buyer and warehouse supervisor who can reorganize the central purchasing system so as to liquidate or slenderize the overstocked commissary and coordinate purchases with reasonable lunchroom requirements.
- (f) We urge the individual members of the Board of Public Instruction to restrain themselves in putting forward candidates for positions unless their candidates meet the minimum job qualification requirements.

\* \* \* \* \*

The duties of the Dade County Grand Jury, Fall Term 1953, included the inspection of public buildings and institutions. Of particular interest is the fact that conditions in the various institutions had improved greatly over those reported by the previous Grand Jury.

This Grand Jury made two inspections of the Dade County Jail. All recommendations made at the time of the first inspection have

been complied with, with the exception of the recommendation on the electrical wiring. This Grand Jury feels after extensive study, that it would be poor economy to spend approximately \$7,000 for such purpose at this time due to the possibility of a change in location of the County Jail at some future date. This Grand Jury goes on record in recommending that a new jail be included in the future planning of the County and City Commissions. The present facilities are inadequate, outmoded, and better use could be put to the present quarters now being occupied by the County and City Jails. We found this jail to be very ably administered.

An independent inspection of this jail was made on April 23, 1954, by Jailer Thomas Rose, a graduate of the Federal Training School of the Atlanta Penitentiary. The approved Bar Hammer Test technique was used in this inspection. Without going into a detailed itemized report of conditions found as to the physical condition of each cell, this Grand Jury must go on record in calling very forcibly to the attention of the County Commission and the public, the urgency and absolute necessity of immediate planning for a new jail. If something is not done at once, this community will find itself without adequate facilities to retain desperate criminals. Jailer Thomas Rose's report in detail is being made a part of the permanent records of the Public Welfare Committee of the Dade County Grand Jury and is available for examination by any authorized body.

The City Jail was found to be overcrowded, and it is hoped that with the completion of the new City Stockade, this condition will be alleviated. This jail is also operated in an efficient manner.

This Grand Jury takes great pride in reporting on the inspection of Jackson Memorial Hospital, which was personally conducted by the Director and his staff. We can fully realize their pleasure in showing this institution and its facilities which we feel rate with the best in the country. We sincerely believe the general public should be made aware of the existing conditions which have made this institution a credit to this community.

The Dade County Hospital, Old Folks' Home, and Children's Home at Kendall, Florida, were found to be in excellent condition. However, some of the buildings in this set-up are old and inadequate, and this Grand Jury recommends that they be replaced, especially the Colored Home for Old Folks. It is also recommended that additional school buildings be provided due to the increase in residents. It was found that all of the above institutions were efficiently administered.

An inspection was made of Youth Hall and Juvenile & Domestic Relations Court. This court has jurisdiction in all cases involving children up to the age of 17 years, and we were advised that the court in actuality is a welfare court. This Grand Jury was extremely impressed with the efficient set-up and administration of this facility and recommends that the public in general visit this institution and become familiar with its operation which contributes much to controlling juvenile delinquency in this area. This institution is recognized as one of the most modern juvenile court set-ups in the country.

The City Commission of the City of Miami is to be commended for moving their quarters from the Court House to the new City Hall at Dinner Key. The Grand Jury was greatly impressed by the excellent working conditions provided for city employees in this new location.

This Grand Jury found the Coral Gables Jail to be efficiently administered and a credit to this community.

The South Miami Jail is inadequate, but it was found that recommendations made regarding this facility by the previous Grand Jury had been complied with, and we have been advised that a new jail will be built within the next two years.

The Miami Springs Jail, Florida City Jail, North Miami Jail, Hialeah Jail, Surfside Jail, and North Miami Beach Jail are all operated in an efficient manner, and at the present time, all are adequate for their respective communities.

The County Stockade which can accommodate between 150 and 200 prisoners was found to be in excellent condition. Various types of labor are performed by the inmates, and the general maintenance of this institution is to be commended.

The Homestead Jail was found to be in good condition, but entirely inadequate for this rapidly growing community. A council member advised this Grand Jury that plans for a new jail are now being completed, and a bond issue has already been voted which should provide sufficient space in the future.

The Miami Colored Precinct Jail and Police Station was found to be in excellent condition. The personnel on duty at this jail also impressed the Grand Jury, and we believe this facility to be a credit to the community.

The Miami Beach Jail is presently under construction and renovation, and the Grand Jury took this into consideration at the time of its inspection. We feel that the completion of the new facilities will make this jail a credit to Miami Beach.

This Grand Jury made two inspections of the Miami Sanitorium, which is also known as the Miami Retreat. Accompanying the Grand Jury on these inspections were members of the Fire and Health Departments. The previous Grand Jury made many recommendations, which were followed up by this Grand Jury on its first inspection. We are happy to inform the public that the Director and his staff have complied with every request, and to date, all recommendations have been carried out with the exception of a few recommendations made by the Fire Department. The Grand Jury was assured that these recommendations would be taken care of, and the proper officials of the Fire Department stated they would follow up and see that these were carried out before the next Grand Jury inspection.

This Grand Jury met with Commissioner Jesse Yarborough to discuss permanent Grand Jury quarters. Commissioner Yarborough expressed his desire to cooperate with us on the suggestion of a Grand Jury room for regular sessions, adjoining office space for the secretary, interview room or rooms for the investigators,

and space to accommodate witnesses who are to appear before the Grand Jury. Mr. Yarborough stated that this set-up would probably be available for the Fall Term 1954 Grand Jury.

\*\*\*\*\*

The success of a Blue Ribbon Grand Jury is predicated upon a competent investigative staff and continuing records which will reflect a history of crime and criminal conditions in this county. In order to accomplish this, the staff must be increased. The \$30,000 per year now appropriated is inadequate to take care of necessary expenses. The fact that the Blue Ribbon Grand Jury is in session at all times has a tremendous effect upon the elimination of crime and vice in this county.

This Grand Jury therefore recommends to the Dade County Legislative Group that \$100,000 per year be appropriated for the use of the Grand Jury.

\*\*\*\*\*

Respectfully submitted,

  
\_\_\_\_\_  
H. O. Shaw  
Foreman

ATTEST:   
\_\_\_\_\_  
A. H. Patten  
Clerk