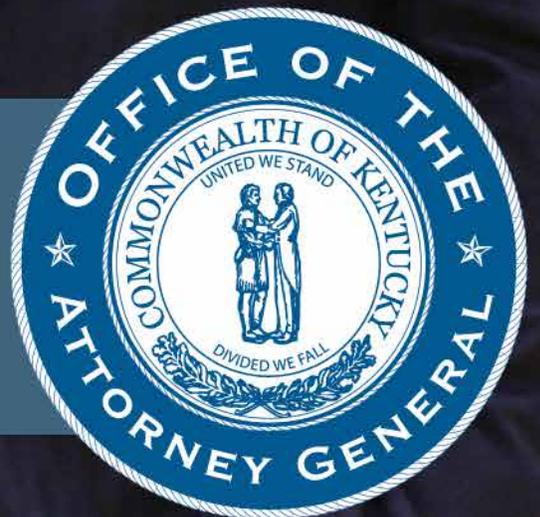




**2013 BIENNIAL REPORT**  
KENTUCKY OFFICE OF THE ATTORNEY GENERAL



# LETTER FROM ATTORNEY GENERAL CONWAY

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Dear Governor Beshear,

I am pleased to present to you, the legislature, and my fellow Kentuckians, the following report of the Office of the Attorney General's many accomplishments for the biennium July 1, 2011 to June 30, 2013.

My service as the 49th Attorney General for the Commonwealth of Kentucky has been the most rewarding and challenging of my professional life. Despite unprecedented budget cuts, we have not only maintained the mission critical functions of this office, but we have implemented many new initiatives that reflect my commitment to standing up for Kentucky families.

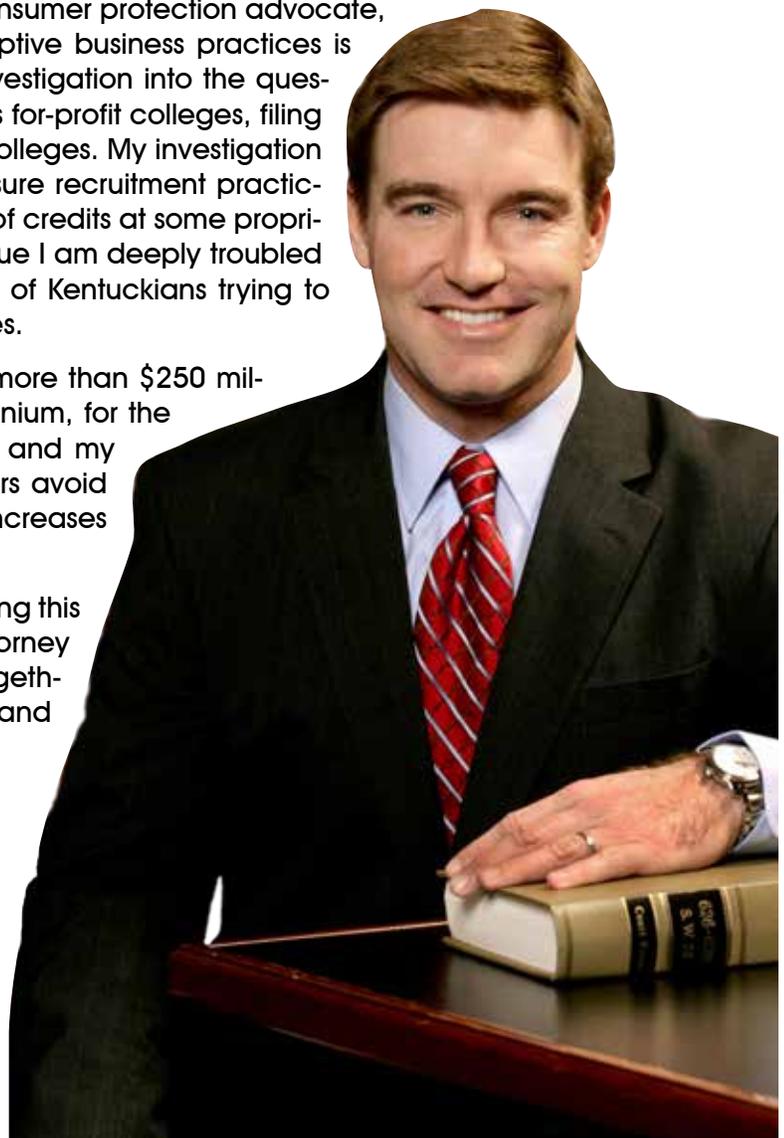
During this biennium, my Cybercrimes Unit seized more than 122,000 child porn images and videos from the Internet, opened 116 new cases and examined more than 2,200 removable devices and hard drives. We are making the Internet a safer place for Kentucky kids and assisting local law enforcement in processing vital digital and computer evidence, and decreasing the backlog of evidence.

The efforts of Kentucky's first and only statewide Prescription Drug Diversion Task Force, which I created by partnering with other law enforcement agencies, are paying dividends in the lives of Kentuckians. And through my Keep Kentucky Kids Safe public awareness program, we've alerted more than 30,000 students, teachers and parents across the Commonwealth to the dangers of abusing prescription drugs. I want to make sure we don't lose another generation of kids to prescription pill abuse.

As your Attorney General and the state's chief consumer protection advocate, keeping consumers safe from scams and deceptive business practices is one of my top priorities. I have continued an investigation into the questionable business practices of some of Kentucky's for-profit colleges, filing suits against Daymar, National and Spencerian colleges. My investigation focuses on student-loan default rates, high-pressure recruitment practices, job-placement claims and the transferability of credits at some proprietary schools in the Commonwealth. This is an issue I am deeply troubled by and one that affects the hopes and dreams of Kentuckians trying to make a better life for themselves and their families.

My office's Medicaid Fraud Unit has recovered more than \$250 million, including nearly \$90 million during this biennium, for the Medicaid Program and for Kentucky taxpayers, and my Office of Rate Intervention has helped consumers avoid more than \$1 billion in proposed utility rate increases since 2008.

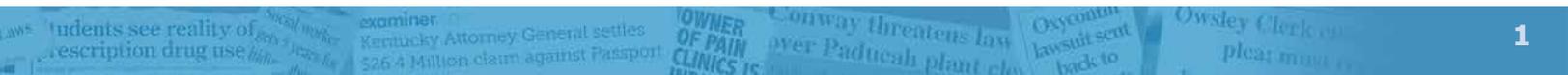
I am proud of all that we have accomplished during this biennium and I am grateful to serve as your Attorney General. I look forward to our continued work together to make Kentucky a safer place to live, work and raise a family.



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# BIENNIAL ACCOMPLISHMENTS AT A GLANCE

Despite unprecedented budget cuts, Attorney General Jack Conway and the Office of the Attorney General have worked diligently to help make Kentucky a safer place to live, work and raise a family. The following are highlights of the many accomplishments during this biennium.

## CYBERCRIMES & CYBERSAFETY

- Seized more than 122,000 child porn images and videos from the Internet.
- Opened 116 child porn investigations and examined more than 2,200 hard drives and removable devices.
- Created in 2008, the Cybercrimes Unit marked its fifth anniversary in 2013.



## DRUG DIVERSION

- Opened 48 cases and closed 117.
- Executed 11 search warrants, received eight indictments and made 13 arrests.
- Targeted a myriad of unethical physicians and other DEA registrants who have diverted pharmaceutical drugs to the illicit market.
- Since 2010, General Conway's Keep Kentucky Kids Safe drug abuse prevention message has been shared with more than 30,000 students, teachers and parents across the Commonwealth.



## CONSUMER PROTECTION

- Continued an investigation into the questionable business practices of some of Kentucky's for-profit colleges, filing suits against Daymar, National and Spencerian colleges.
- \$2.5 million settlement with GIBill.com, a funnel website for proprietary colleges. Website turned over to the U.S. Veteran's Administration.
- Handled more than 51,000 consumer complaints and inquiries.
- Recovered more than \$5.2 million for Kentucky consumers and taxpayers.
- Helped recover more than \$63.7 million in settlement-related relief for 1,833 Kentucky homeowners from the nation's five largest mortgage servicers.



## MEDICAID FRAUD & ABUSE

- Recovered nearly \$250 million, including nearly \$90 million during this biennium, for the Medicaid Program and for Kentucky taxpayers.
- Filed suit against many of the nation's biggest pharmaceutical manufacturers, alleging they defrauded the Medicaid Program and consumers.
- Successfully litigated and returned the Purdue Pharma case to Pike County, the epicenter of the prescription pill epidemic in the Commonwealth.



- ▶ General Conway has initiated more abuse and neglect cases than any previous Attorney General.
- ▶ The nonprofit watchdog Public Citizen named General Conway's Medicaid Fraud & Abuse Control Unit one of the most aggressive units in the country.

## CIVIL CASES

- ▶ Secured \$26 million repayment for Passport insurance program.
- ▶ Filed suit against MERS for violating Kentucky's Consumer Protection Act.

## PROSECUTORS ADVISORY COUNCIL

- ▶ Completed the statewide implementation of the eWarrants program.

## RATE INTERVENTION

- ▶ Since 2008, Attorney General Conway's ORI has helped Kentucky consumers avoid more than \$1 billion in proposed utility rate increases.

*Attorney General Conway announces settlement with QuinStreet, Inc. over the website GIBill.com*



# SENIOR STAFF

## SEAN RILEY, DEPUTY ATTORNEY GENERAL

General Conway announced the appointment of Sean Riley as his Chief Deputy Attorney General in June of 2012. As the top appointed position in the Office of the Attorney General, Riley advises General Conway on matters of policy, legislation, and the budget, oversees the day-to-day operations of the office, and helps execute General Conway's priorities and vision for the office.

Prior to his role as Chief Deputy Attorney General, Riley worked as an Assistant Attorney General in the office's Medicaid Fraud Control Unit prosecuting health care fraud in the state's Medicaid system and also served as the director of the office's Civil & Environmental Law Division.

Riley joined the Attorney General's office from Nixon Peabody LLP where he worked in the firm's White Collar Crime and Government Investigations Group. He is a graduate of Duke University and received his law degree from Columbia University.



## MITCHEL DENHAM, ASSISTANT DEPUTY ATTORNEY GENERAL

Attorney General Conway appointed Mitchel Denham Assistant Deputy Attorney General overseeing the criminal divisions of the Office of the Attorney General in May of 2011. In this role, Denham manages numerous divisions within the office; including Criminal Appeals, Special Prosecutions, Victims Advocacy, the Department of Criminal Investigations and the Office of Medicaid Fraud and Abuse Control. Mitchel also serves as Attorney General Conway's designee on the KASPER Advisory Council and the Recovery Kentucky Task Force and handles a multitude of legal matters, including complex civil and criminal litigations.



Prior to his appointment as an Assistant Deputy, Mitchel served as the Executive Director of the Attorney General's Office of Medicaid Fraud & Abuse Control where, in addition to his duties as director, he took an active role in the investigation and prosecution of fraud and elder abuse cases.

Prior to his service at the Attorney General's Office, Mitchel worked as a staff attorney for Jefferson Circuit Court and served as an Assistant Commonwealth's Attorney in Jefferson County. Mitchel is a native of Maysville, Ky. and a graduate of Centre College in Danville, Ky. where he received his B.S. in Economics. He graduated from the University Of Kentucky College Of Law in 2003. He is a Trustee of the Louisville Children's Hospital Foundation.

## ROBYN BENDER, ASSISTANT DEPUTY ATTORNEY GENERAL

Attorney General Conway appointed Robyn R. Bender as Assistant Deputy Attorney General overseeing the civil divisions and ethics issues in July of 2012. In this role, Bender manages several divisions including Consumer Protection, Office of Rate Intervention and Civil and Environmental Litigation.

Before she was appointed Assistant Deputy Attorney General, Bender served as the director of the Attorney General's Office of Medicaid Fraud and Abuse where, in addition to her duties as director, she focused on civil pharmaceutical fraud cases.

Prior to joining the Attorney General's Office, Robyn was Senior Counsel in the Enforcement Division of the Securities and Exchange Commission in Washington, DC, where she investigated and litigated accounting fraud, insider trading



and market manipulation cases. For several years prior to her government service, Bender was an associate at a Washington, DC law firm, where her practice focused on complex civil litigation. Bender received her BA in History from Duke University and her JD from the Georgetown University Law Center.

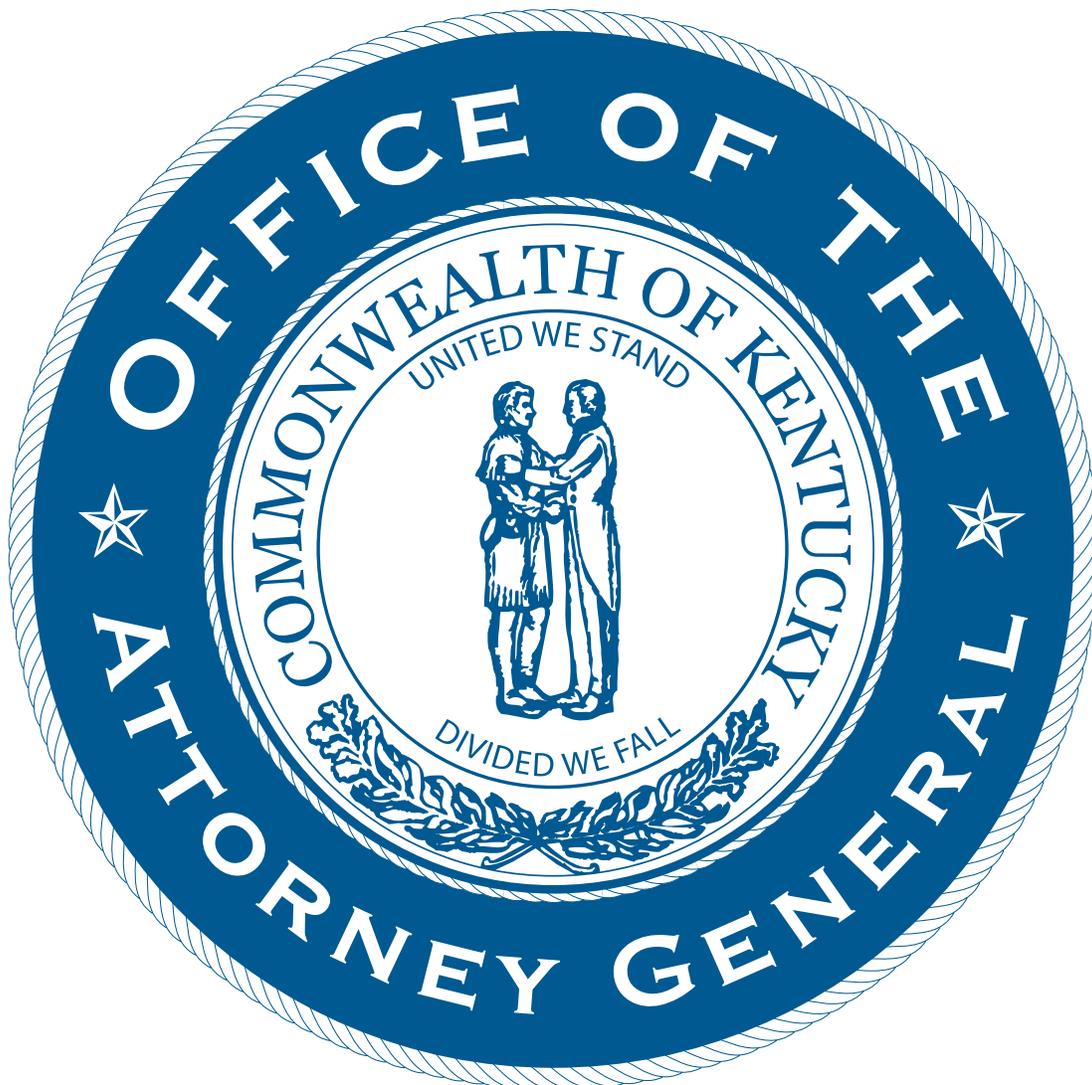
## ALLISON GARDNER MARTIN, ASSISTANT DEPUTY ATTORNEY GENERAL & COMMUNICATIONS DIRECTOR



Allison Gardner Martin is the Assistant Deputy Attorney General for Administration-overseeing the daily operations of the front office and Administrative Services. She also continues to serve as General Conway's Communications Director.

Prior to joining the Attorney General's staff in 2008, Martin served as Deputy Communications Director for Louisville Metro Mayor Jerry Abramson. She also worked as a television reporter and anchor for WBKOTV in Bowling Green and WLKY-TV in Louisville.

Martin, a native of Barren County, received her journalism degree from Northwestern University in Evanston, IL. She lives in Louisville with her husband and two children.



# OFFICE OF CONSUMER PROTECTION

The Office of Consumer Protection enforces the Kentucky Consumer Protection Act to safeguard the state's consumers and combat unethical business practices. The office also counsels consumers regarding inquiries and complaints, issues consumer alerts and delivers consumer education presentations across the Commonwealth on issues such as cybersafety, preventing identity theft and how seniors can avoid becoming victims of scams.

During this biennium, the Office of Consumer Protection handled more than 51,000 consumer complaints and inquiries on everything from possible price-gouging at the pumps to scams that target Kentucky consumers. Attorney General Conway is pleased to report that his Office of Consumer Protection recovered more than \$5.2 million during this biennium for the state's consumers and taxpayers through dispute resolution services and litigation. Of this amount, consumers received more than \$2.6 million in restitution; \$1.9 million was recovered for the state's General Fund; and more than \$700,000 was collected for litigation costs and civil penalties.

## COMBATING ABUSE IN THE FOR-PROFIT COLLEGE INDUSTRY

During this biennium, Attorney General Conway continued his investigation into the questionable business practices of some of the for-profit colleges operating in Kentucky. General Conway's Office of Consumer Protection reviewed responses resulting from civil subpoenas issued to seven schools soliciting information on their student-loan default rates, advertising claims to prospective students, student recruitment practices, job-placement claims and the transferability of credits. These investigations led to the filing of separate lawsuits against Daymar College (Daviness Circuit Court); National College (Fayette Circuit Court); and Spence-rian College (Jefferson Circuit Court). The office also successfully defended a case in Franklin Circuit Court involving National College in which representatives from the for-profit school challenged the Attorney General's authority to issue a civil investigative demand.

Attorney General Conway is also leading a national bipartisan effort, which includes 32 states, to examine potential abuses within the for-profit college industry.

General Conway also led a multi-state settlement with the operators of GIBill.com. The website mimicked a government website and was used to funnel veterans to for-profit colleges. The website owners settled the case for \$2.5 million and turned the website over to the United States Veteran's Administration.



## ATTORNEY GENERAL CONWAY CONTINUES KY KIDS ALERT INITIATIVE

In partnership with the Kentucky Cabinet for Health and Family Services and the U.S. Consumer Product Safety Commission, Attorney General Conway continued the KY Kids Alert program, a statewide initiative launched in 2010 to educate Kentucky parents and childcare providers about the importance of child product recall information. The program also helps ensure that childcare facilities across the Commonwealth receive these potentially lifesaving notices.

Nearly 3,000 Kentucky childcare centers and certified family childcare homes now receive child product recall alerts because of the KY Kids Alert program. Additionally, more than 15,000 KY Kids Alert bookmarks were distributed to local health departments, childcare trainers, childcare facility inspectors, school resource centers and local public libraries in Kentucky.



## CONTINUED EFFORTS AGAINST PHARMACEUTICAL FRAUD

### Report: Ky. leads nation in pharmaceutical fraud cases

The Office of Consumer Protection continued to focus its attention on unfair, misleading or deceptive practices by large pharmaceutical companies and obtained nearly \$2.5 million for the General Fund from GlaxoSmithKline and Abbott Laboratories. Litigation continues against Merck Pharmaceuticals for its unfair marketing of Vioxx.

## PYRAMID SCHEME SHUTTERED

Attorney Conway and the United States Federal Trade Commission (FTC) took legal action in January of 2013 against Fortune Hi-Tech Marketing (FHTM), an alleged global pyramid scheme operating since 2001 from its corporate headquarters in Lexington, Ky. The headquarters and a warehouse in Danville, Ky., were secured by a receiver appointed by the United States District Court. The receiver has possession of FHTM's assets.



The joint investigation between the OAG and FTC showed that Fortune Hi-Tech Marketing was operating a massive pyramid scheme that involved more than 100,000 people across the United States and in several other countries.

At the time of publication, the case is still pending.

## MORTGAGE FORECLOSURE MELTDOWN



Attorney General Conway has worked closely with fellow attorneys general as part of a bipartisan group to address the questionable foreclosure practices by some of the nation's largest banks. The group investigated allegations of rampant "robo-signing" by bank employees using fake signatures, fake mortgage assignments and affidavits that were not properly notarized to push through un-reviewed and unauthorized foreclosure documents. A historic settlement was reached with 49 state Attorneys General and five of the nation's largest banks in 2012. According to the final post-settlement report released by the independent settlement monitor, 1,833 Kentucky homeowners received more than \$63.7 million in settlement-related relief from Ally/GMAC, Bank of America, Citi, Chase and Wells Fargo through June 30, 2013. Borrowers each received an average of \$34,771 in assistance.

## ALERTING KENTUCKIANS TO ONLINE SCAM ARTISTS & PREDATORS

The Office of Consumer Protection conducts extensive education programs across Kentucky designed to help consumers protect themselves in the marketplace and avoid falling victim to con artists. More than 30,000 Kentuckians have benefited from these programs, which include senior crime colleges, cybersafety programs and identity theft prevention presentations.

During this biennium, Attorney General Conway continued his commitment to educating Kentucky children and their parents about the dangers that exist online. General Conway and his staff presented multiple cybersafety programs during the biennium at schools across the Commonwealth.



# OFFICE OF CIVIL & ENVIRONMENTAL LAW

The Office of Civil & Environmental Law oversees a number of branches, including Administrative Hearings, the Uninsured Employers' Fund, Opinions, Boards & Agencies, Environmental and Litigation. These branches have a wide scope of duties from open records decisions to providing general counsel services to state boards.

## LITIGATION BRANCH, BOARDS & AGENCIES

The Office of the Attorney General's Litigation Branch provides legal representation to state agencies, boards, officers and employees in administrative hearings, trial courts and appellate courts, at both the state and federal level. The branch frequently represents state agencies in front of the Personnel Board, the Board of Claims and in administrative appeals of agency actions. It also provides representation to state officers and employees who are sued for work-related conduct in either their official or individual capacities for civil damages or declaratory or injunctive relief. The branch files civil suits on behalf of state agencies seeking monetary or equitable relief against private parties.



During the time period of July 1, 2011 through June 30, 2013, the OAG Litigation Branch represented 22 agencies and 43 licensure boards. The total number of active civil litigation cases at the end of the biennium was 1,440.

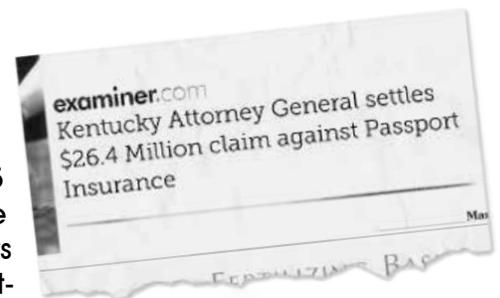
In addition to providing representation to state agencies, officers and employees, the Attorney General, at his discretion, intervenes in civil actions when challenges to the constitutionality of statutes and regulations are raised by parties who are required to notify the Attorney General when they raise such challenges. The office also initiates ouster actions against state and municipal officers who are not eligible to serve in the offices they hold.

The Boards and Agencies Branch currently represents 39 independent licensure boards and provides general counsel services, as well as prosecution of administrative actions, before the boards.

## PASSPORT SETTLEMENT

In July of 2011, Attorney General Conway announced a \$26.4 million civil settlement with the physician and hospital partners of the Passport Health Plan, managed care provided for Medicaid recipients in the Greater Louisville area.

By the terms of the settlement, four investor-member managers of Passport are each required to repay multi-million dollar settlement amounts back to Passport as restitution for improper and illegal cash transfers received by each of the entities from Passport in 2008, 2009 and 2010. At the same time the Passport board approved the distribution of \$30.5 million, Passport leadership was in Frankfort requesting a rate increase from the state. The Attorney General believed the investor-members transferred the money because they knew Passport would not be granted a rate increase if this \$30.5 million was accounted for on its books.



The settlement funds will be used by Passport to pay for Medicaid patient care. The Attorney General initiated an investigation into the management of Passport and the transfers of money from the entity to the physician and hospital partners in response to a November 2010 audit of Passport. Final payment by the Passport partners must be made by January of 2016.

## MERS LAWSUIT

In January of 2013, as a result of General Conway's investigation of mortgage foreclosure issues in Kentucky, the Attorney General's office filed a lawsuit in Franklin Circuit Court alleging that MERS had violated Kentucky's Consumer Protection Act by committing unfair or deceptive trade practices. The lawsuit alleged that since MERS' creation in 1995, members have avoided paying more than \$2 billion in recording fees nationwide. Hundreds of thousands of Kentucky loans are registered in the MERS system.



Additionally, the lawsuit alleged that MERS violated Kentucky's statute requiring mandatory recording of mortgage assignments, and that MERS had generally committed fraud and unjustly enriched itself at the expense of consumers and the Commonwealth of Kentucky. MERS had moved to dismiss all of the claims on various grounds.

On Dec. 3, 2013, the court determined that Attorney General Conway had properly alleged violations of the Consumer Protection Act, as MERS engages in trade or commerce, and that the Attorney General had sufficiently alleged unfair, misleading, or deceptive practices. The court also found that the Attorney General had sufficiently alleged its claims that MERS had committed fraud and had unjustly enriched itself at the expense of the public. The only claim dismissed by the court was the Commonwealth's allegation that MERS violated the statute requiring recording of mortgage assignments. The court did not determine whether or not MERS had violated the recording statute, the court simply found that the recording statute itself lacks an enforcement mechanism. In all, eight of the nine causes of action brought against MERS by General Conway survived MERS' motion to dismiss.



Attorney General Conway announces the suit against MERS

Other states have filed similar lawsuits against MERS, including Massachusetts, Delaware and New York. The Kentucky Office of the Attorney General is the first state Attorney General's office to move past the motion to dismiss stage against MERS.

## ENVIRONMENTAL BRANCH



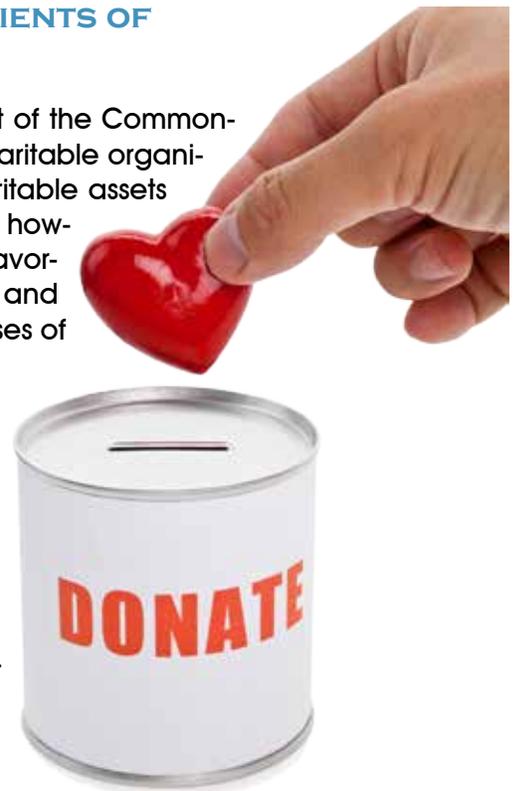
The Attorney General has authority under KRS Chapters 15 & 224 to prosecute environmental crimes and carry out civil enforcement of air and water quality statutes. This branch also monitors environmental issues under its common law and statutory authority, including cleanup of Department of Energy and Department of Defense sites. The branch serves as the Department of Fish & Wildlife representative on the Association of Fish and Wildlife Agencies national and regional Legal and Endangered Species Committees.

This branch worked with the Department of Energy to ensure that the Paducah Gaseous Diffusion Plant was repurposed and that the federal government met its obligation to clean up nuclear contamination at the site.

## PROTECTING CHARITABLE ASSETS & VULNERABLE CLIENTS OF NONPROFITS

The Office of the Attorney General continues to represent the interest of the Commonwealth in matters pertaining to charitable trusts and funds held by charitable organizations. The Attorney General's primary role remains supervising charitable assets to prevent or remedy their misapplication. The Attorney General's role, however, also includes assisting charitable trusts in obtaining the most favorable tax benefits available under law and assisting in the modification and reform of charitable trusts and nonprofit funds to best meet the purposes of their dedication.

On June 9, 2011, General Conway's office filed a civil action in Letcher County placing Golden Years Rest Home, Inc. into receivership for the purpose of involuntarily dissolving the nonprofit corporation. The Attorney General is assigned the responsibility of involuntarily dissolving a nonprofit that becomes detrimental to the interest and welfare of the Commonwealth or its citizens. Golden Years Rest Home, in Jenkins, Ky., had a history of non-compliance with state and federal laws and had stolen disability funds meant for patients. Despite exhaustive efforts by the Office of the Attorney General to restore financial stability to Golden Years, the personal care home was closed and its residents moved to alternate facilities.



## ENFORCING OF THE TOBACCO MASTER SETTLEMENT AGREEMENT

2013 marked the 15th year since the signing of the landmark Master Settlement Agreement (MSA). This historic agreement between 52 states and territories and major cigarette companies has resulted in payments of more than \$1.5 billion to the Commonwealth since 1999. In addition to the payments, the MSA also helped substantially reduce underage smoking through marketing restrictions and the creation of the American Legacy Foundation, an organization dedicated to developing programs that address the health effects of tobacco use, especially among youth.



Kentucky's participation in the MSA, which results in more than \$100 million in payments by the participating tobacco companies to the Commonwealth each year, has required the OAG to devote substantial resources and effort. Not only must the MSA itself be continually monitored and enforced, in terms of both payments and injunctive relief, but the Non-Participating Manufacturer (NPM) escrow statute, which was passed in 2000 and added to in 2003, 2004 and 2009, must be diligently enforced. This prevents Kentucky from losing a percentage of its MSA payments each year under the NPM adjustment. The General Assembly has divided the proceeds from the MSA between agricultural diversification, health insurance and education.

The OAG administers the MSA Compliance Advisory Board established by KRS 15.300, which meets quarterly to monitor MSA enforcement actions. Kentucky has also entered agreements with numerous national retail chains, including Wal-Mart and several major drug store and gasoline corporations, in which these outlets agree to procedures designed to keep cigarettes from being sold to minors. The enforcement of the historic marketing terms of the MSA were created to protect minors from many forms of tobacco advertising in an effort to lower youth smoking.



# MEDICAID FRAUD & ABUSE CONTROL

The Office of Medicaid Fraud and Abuse Control investigates and prosecutes fraud perpetrated on Kentucky's Medicaid Program by Medicaid providers, including pharmaceutical companies. The office also investigates, prosecutes, and refers for prosecution allegations of abuse, neglect, or exploitation of vulnerable citizens in Medicaid-funded facilities.

Attorney General Conway is pleased to report that Medicaid Fraud recoveries have continued at an unprecedented pace during this biennium. General Conway's Medicaid Fraud Division has recovered or been awarded nearly \$250 million since 2008 in state and federal dollars. These cases range from lawsuits and settlements against pharmaceutical companies to cases against individual providers. Additionally, 20 criminal cases were filed for abuse, neglect, fraud and related charges. Since 2008, General Conway has pursued more elder abuse and neglect cases than any previous Attorney General.



## INVESTIGATING COMPANIES THAT DEFRAUD MEDICAID & CONSUMERS

The Attorney General's Medicaid Fraud Division has recovered more than \$90 million this biennium for the Medicaid Program and Kentucky taxpayers. The aggressive litigation of Average Wholesale Price (AWP) cases resulted in \$40 million of those recoveries.

The nonprofit watchdog Public Citizen named General Conway's Medicaid Abuse & Control Unit one of the most aggressive in the country.

The office has filed suit against many of the nation's biggest pharmaceutical manufacturers, alleging they defrauded the Medicaid Program and consumers by publishing inflated Average Wholesale Prices (AWPs), which did not bear any relationship to the drug prices the companies actually charged customers.

Among the recoveries during this biennium:

- ▶ Par Pharmaceuticals - \$4.5M
- ▶ Merck Pharmaceuticals- \$6M
- ▶ Johnson and Johnson - \$7M
- ▶ McKesson - \$9.8M
- ▶ AstraZeneca - \$5.5M

Additionally, the Medicaid Fraud Division has successfully defended and settled other civil matters alleging Medicaid fraud within the health care industry.

Among the recoveries during this biennium:

- ▶ GlaxoSmithKline - \$28.4M
- ▶ Abbott Laboratories - \$10M
- ▶ Ranbaxy - \$9M

The efforts of General Conway's Medicaid Fraud Division, in coordination with federal authorities, have resulted in significant reforms within the pharmaceutical industry to include the establishment of Corporate Integrity Agreements and compliance oversight within the companies to prevent such frauds in the future.

## BIENNIUM RESULTS:

- ▶ 20 charges
- ▶ 17 convictions
- ▶ 29 total settlements
- ▶ Recovered or awarded a total of \$94,925,809 in state and federal funds.



## FIGHTING NEGLECT AND ABUSE

Attorney General Conway has sent a clear message that the abuse and neglect of elderly and vulnerable citizens is not tolerated in Kentucky. Elder abuse investigations have tripled under General Conway's watch. General Conway has initiated more abuse and neglect cases than any previous Attorney General. In addition to investigating and prosecuting abuse and neglect cases, the Attorney General's office educates and trains members of the public and local law enforcement agencies in detecting, reporting, and investigating abuse and neglect of vulnerable adults.

- ▶ An Attorney General's investigation resulted in a civil suit being filed by federal authorities against a northern Kentucky nursing home under the federal False Claims Act. The suit alleged substandard care and resulted in a \$105,000 settlement for damages and the imposition of significant reforms within the home.
- ▶ Two caregivers in Carter County were convicted for the illegal use of restraints on patients following an investigation by the Attorney General's office. One of those convicted was sentenced to eight years in prison.
- ▶ General Conway's Medicaid Fraud and Abuse investigators assisted in an investigation that resulted in the manslaughter conviction of a Garrard County group home employee who kicked and beat a resident resulting in his death.
- ▶ An Attorney General's investigation resulted in the conviction of a Henderson County adult day treatment supervisor for wanton abuse of an adult for using an unwarranted head lock and restraint on a resident.
- ▶ Following an Attorney General's investigation, a Christian County man pleaded guilty to assault for pushing a long-term facility resident to the floor.
- ▶ A Rowan County woman pleaded guilty to sexual misconduct charges after an Attorney General's investigation revealed she had engaged in a sexual relationship with a long-term care facility resident who was incapable of giving consent.



The office also operates the elder abuse tip line, which citizens can call at **877-ABUSE-TIP (877-228-7384)**. The abuse tip line received 42 calls this biennium.

## OXYCONTIN LAWSUIT

Since taking office, Attorney General Conway has championed the fight against prescription drug abuse across the Commonwealth. In 2007, the office filed suit in Pike County against the manufacturer of OxyContin, Purdue Pharmaceuticals, alleging the company misled health care professionals about the dangers of the drug, which directly led to the prescription drug crisis throughout Kentucky.



The lawsuit was filed after Purdue officials pleaded guilty in federal court in Virginia to crimes involving the illegal marketing of OxyContin. As part of the settlement, Purdue paid Virginia \$60 million in compensation. Kentucky was offered \$500,000, which forced General Conway to take action. General Conway filed the lawsuit in Pike County, the epicenter of the prescription pill epidemic in the Commonwealth. Purdue's attorneys have fought fiercely for more than five years to keep a Pike County jury from hearing this case by using numerous procedural tactics.

The Office of the Attorney General has successfully returned the case to Pike County and is now preparing to litigate the matter for the benefit of all Kentuckians. Investigators within the Medicaid Fraud Division have worked hand-in-hand with other federal, state and local officials to close pain management clinics engaged in prescription pain pill abuse across Kentucky.

## OTHER BIENNIAL ACCOMPLISHMENTS

During the biennium, several health care providers have been convicted of Medicaid Fraud including:

- ▶ An optometrist for billing for unwarranted medical exams. The individual paid \$100,000 in restitution.
- ▶ A LaRue County woman who charged Medicaid patients for procedures that had already been paid by Medicaid.
- ▶ A Lawrence County doctor who billed Medicaid for more expensive treatments than he actually performed.
- ▶ Three Warren County individuals who billed Medicaid for home health services that were not actually performed.



*In November 2011, Irvin Smith, Jr. pled guilty in Fayette Circuit Court to Medicaid fraud and forgery charges.*

*A digital billboard warns about the dangers of prescription drug abuse as part of the Keep Kentucky Kids Safe public awareness program.*



# OFFICE OF RATE INTERVENTION



The Office of Rate Intervention (ORI) serves as a watchdog for consumers in matters relating to natural gas, water, sewer, electric, basic landline telephone and health insurance rates.

The majority of the unit's activity is through participation in filings before the Kentucky Public Service Commission (PSC). ORI has been involved with cases related to health insurances rates before the Kentucky Department of Insurance since 1996. The Attorney General intervenes in matters to represent the interests of all of Kentucky's customers.

ORI is also involved in all energy-related matters, including propane complaints and the analysis of the impact of federal regulations on the energy industry. Additionally, the office represents the state's interest in the oversight of the assets of nonprofit corporations.

## FIGHTING FOR RATEPAYERS

### More than \$1 Billion in Overall Savings to Customers

Since 2008, Attorney General Conway's ORI has helped Kentucky consumers avoid more than \$1 billion in proposed utility rate increases. Over the past two years, the costs avoided from rate cases in which ORI participated totaled approximately \$739 million. Most significantly, ORI's return on investment for expert witness assistance in cases is an undisputed benefit for Kentucky customers. ORI's contracts with various national utility experts since 2008 has resulted in savings of more than \$1,200 for every dollar spent.

### Opposing Unreasonable Federal Regulation

In conjunction with other states, Attorney General Conway has represented Kentucky in various matters opposing federal regulatory action and interpretations of the Clean Air Act that would disproportionately affect Kentucky ratepayers. Some of these various appeals have been consolidated for review by the U.S. Supreme Court, which will consider the following specific question: "Whether EPA permissibly determined that greenhouse gas emissions from new motor vehicles triggered permitting requirements under the Clean Air Act for stationary sources that emit greenhouse gases." Attorney General Conway welcomes the Supreme Court's decision to review the EPA's rulemaking authority regarding greenhouse gases. He has long believed that many of the EPA's rules are disproportionately burdensome on coal-producing states like Kentucky — states that produce the power for the eastern part of the United States.



### Protecting Least-Cost Power for Customers

Since 2011, ORI has actively intervened in or been a pending party in approximately 120 cases regarding utility matters before the Public Service Commission. In 2012, ORI intervened in the LG&E/KU's application for a significant rate increase, which resulted in a successful and unanimous settlement, approved by the PSC in January 2013. By settlement, the Attorney General achieved \$63,844,954 in savings for ratepayers and a \$1 million per year investment in home-energy assistance for low-income customers.



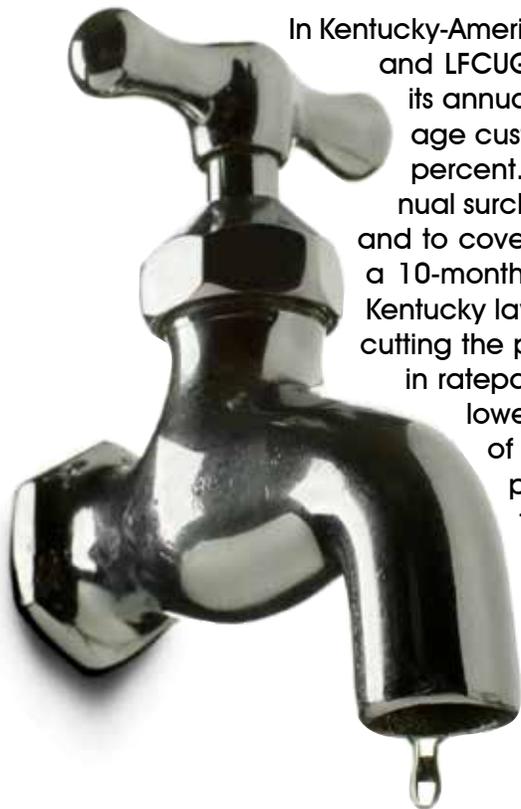
Attorney General Conway's ORI has vigorously opposed requested rate increases and related proposals by Big Rivers Electric Company and American Electric Power's Kentucky subsidiary, Kentucky Power Company. While still awaiting decisions by the PSC and/or the courts on the legality of these rate increases, ORI remains opposed to utility proposals that could result in rates that are unjust, unfair and unreasonable for ratepayers.

ORI also represented Kentucky ratepayers before the Federal Energy Regulatory Commission (FERC) regarding a settlement of a regional case of energy market manipulation and unjust profits. On March 9, 2012, FERC issued an Order Approving Stipulation and Consent Agreement, in which Constellation Energy Commodities Group (CCG) agreed to disgorge \$110 million in unjust profits, of which \$6 million would be allocated to a "PJM Fund" for the benefit of electric energy consumers within PJM's footprint. PJM is a regional transmission organization that coordinates the movement of wholesale electricity in all or parts of 13 states and the District of Columbia. State agencies from the affected states, including Kentucky, were allowed to make requests for apportionment of the funds before FERC. Kentucky's eligible share resulted in around \$49,700, distributed during the 2012-2013 winter season to enhance/maximize the low-income heating assistance program (LIHEAP) funding for eastern Kentucky ratepayers. Further, a portion of the total national penalty will be used to further the interest of consumers on a regional basis through the Consumer Advocates of the PJM States ("CAPS") consortium.



#### Advocating for Least-Cost, Efficient Water

In 2012 and 2013, Attorney General Conway, in close partnership with the Lexington-Fayette County Urban County Government ("LFCUG"), intervened in two cases filed by Kentucky-American Water impacting ratepayers. In the first matter (Case No. 2012-00096), the Attorney General and LFCUG advocated for close scrutiny of Kentucky-American's proposal to interconnect its Northern Division to the Kentucky River Station and to reallocate drinking water from Central Kentucky to the Northern Division near Owenton (Case No. 2012-00096). On February 18, 2013, the PSC approved construction of the interconnection to ensure reliable water service to the Northern Division, but held that the question of ratemaking treatment of the costs for the interconnection be deferred to Kentucky-American's rate case.



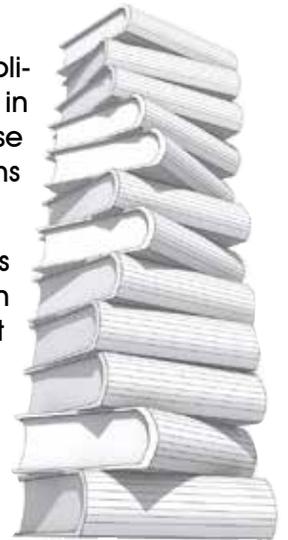
In Kentucky-American Water's rate case (Case No. 2012-00520), the Attorney General and LFCUG intervened to oppose Kentucky-American's proposal to increase its annual revenue by \$12.32 million, which would have resulted in an average customer's monthly bill increasing to \$41.23, or by approximately 16.5 percent. The OAG also opposed the company's proposal to implement annual surcharges to recover the cost of infrastructure repairs and replacement and to cover the company's fluctuating costs for energy and chemicals. After a 10-month review and consideration period — the maximum permitted by Kentucky law (KRS 278.190(3)) — on October 25, 2013, the PSC issued an order cutting the proposed rate increase by approximately 44 percent and resulting in ratepayer savings of more than \$5.3 million per year. In order to achieve lower rates than requested by the company, the PSC imposed a series of adjustments, the most significant of which was to reduce the proposed rate of return for corporate shareholders as recommended by the expert testifying on behalf of the Attorney General and LFCUG. Further, the Commission rejected the surcharges requested by the company. Finally, the PSC's order will require customer refunds, since Kentucky-American implemented the rate increase in July.

# OPINIONS BRANCH

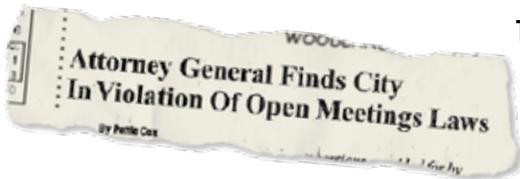
## OPEN RECORDS AND OPEN MEETINGS

Attorney General Conway promotes both public awareness and public agency compliance of the Kentucky Open Records and Open Meetings Acts. His office participated in continuing education programs, revised and distributed publications dealing with these topics and maintained a website on which open records and open meetings decisions are posted and regularly accessed.

The Attorney General and his staff partnered with the University of Kentucky's Scripps Howard First Amendment Foundation in the development and production of an open records and open meetings training video for public officials. Funded through a grant obtained by the foundation, the video is intended to provide state and local officials with a better understanding of, and appreciation for, these laws in a user-friendly medium. The Attorney General subsequently partnered with the foundation to produce an open records and open meetings training video for members of the public wishing to use the laws to obtain public records or attend public meetings.



## BIENNIAL ACCOMPLISHMENTS

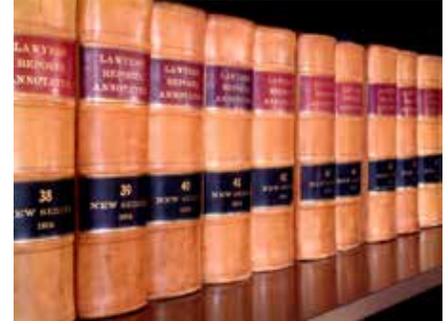


The Attorney General issued 471 open records and open meetings decisions in this biennium and facilitated the resolution of an additional 240 disputes. In each of these decisions, Attorney General Conway demonstrated his commitment to open and transparent government by upholding the intent of Kentucky's Open Records Act (KRS 61.870-61.884).



# ADMINISTRATIVE HEARINGS BRANCH

The Office of the Attorney General has provided hearing officer services to government boards and agencies of the Commonwealth since at least the 1980s. This work was expanded and centralized in the Office of the Attorney General by the General Assembly in 1994. This coincided with the legislature’s enactment of the Administrative Hearings Act, KRS Chapter 13B, which took effect in July 1996. The Administrative Hearings Branch is charged with implementing KRS Chapter 13B.



The Administrative Hearings Branch is assigned several responsibilities by KRS 15.111, with the branch’s two major responsibilities being:

1. To maintain a pool of hearing officers, with the necessary support staff, for conducting administrative hearings for government boards and agencies.
2. To provide training in administrative hearing procedures for hearing officers by developing and offering the training; by contracting with appropriate organizations for the provision of training; and by approving training that has been developed and submitted by the agencies.

The branch currently provides hearing officer services for more than 60 government agencies and boards. These services include conducting prehearing conferences, ruling on motions, conducting hearings, and writing findings of fact, conclusions of law, and recommended or final orders. The branch’s hearing officers have specialized training in handling all aspects of administrative hearings.



The branch provides mediation services to government boards and agencies, recognizing that some cases can be more effectively resolved through mediation. The branch’s mediators are hearing officers who have received specialized training in mediation.

Administrative Hearings conducts an annual hearing officer and administrative law training seminar. For this biennium, the branch had 388 participants in its training seminars. The annual seminar is recognized as one of the best for training hearing officers on administrative law. Additionally, the branch approves agency training programs for hearing officer training.

The Administrative Hearings Branch provides its hearing officer and mediator services to government boards and agencies at their request. If you are part of a government board or agency and you are interested in obtaining these services from the branch, or you would like more information regarding these services, you may contact Stephanie Bramblet, the docket clerk for the branch, at [502-696-5442](tel:502-696-5442). If someone believes that he or she is entitled to an administrative hearing, he or she should contact the government agency or board involved; only that government agency or board can respond to a request for a hearing.

## BIENNIAL STATISTICS

Agency Hearing Requests.....	768
Mediation Requests .....	23
Hearing Officer Billings .....	\$588,325
Income from Trainings.....	\$42,357

# UNINSURED EMPLOYERS FUND

The Uninsured Employers' Fund (UEF) investigates reviews and litigates, on a statewide basis, Kentucky workers' compensation cases in which the employer has failed to obtain required insurance coverage. The fund is a division of the Office of Civil & Environmental Law and is authorized by KRS 342.760.

Although the Department of Labor is charged with the fiscal management of the fund, KRS 342.760(5) directs members of the Attorney General's Office to represent the fund in all claims made against it or on its behalf. All expenses necessary to represent the fund, including salaries, are borne by the fund. Significantly, the money and/or securities held in trust for the fund by the Department of Labor "shall not be considered a part of the general funds of the state." All amounts collected as fines or penalties under Kentucky's workers' compensation statute are to be paid into the fund.



The Uninsured Employers' Fund is automatically made a party to workers' compensation claims filed against employers with no insurance coverage on file with the Department of Workers' Claims. The fund's investigation sometimes reveals a simple clerical error that is easily corrected; however, more often than not, the fund's attorneys have to find and join additional defendants with insurance. Kentucky workers' compensation law has a provision for "up-the-ladder" liability (KRS 342.610), whereby general contractors are responsible for any worker's compensation benefits owed to the injured employee of an uninsured subcontractor.

In instances where no "up-the-ladder" liability can be established, the Uninsured Employers' Fund defends itself as if the injured worker was its own employee. The fund conducts discovery, presents evidence, attends hearings and works to resolve the claim in a manner that best preserves its asset. If the claim is legitimate, the fund pays the injured worker's medical bills (lifetime) and disability benefits. Once an injured worker's claim has been resolved, the fund's attorneys recoup whatever they can from the uninsured employer by way of repayment agreement or collection action. The fund also seeks recovery from any negligent third parties that caused the employee's injuries.



All Uninsured Employers' Fund cases originate at the Department of Workers' Claims. However, the fund's cases routinely end up before the Kentucky Court of Appeals and/or Supreme Court. In 2011, the Supreme Court ruled the notion of "up-the-ladder" liability can be applied between franchisors and franchisees.

In Fiscal Year 2011-2012, the Uninsured Employers' Fund was a party to 114 new claims and paid out \$4.6 million in medical benefits, disability benefits and litigation expenses. In Fiscal Year 2012-13, the fund was added to 122 new claims and more than \$3.4 million was paid out.

# DEPARTMENT OF CRIMINAL INVESTIGATIONS

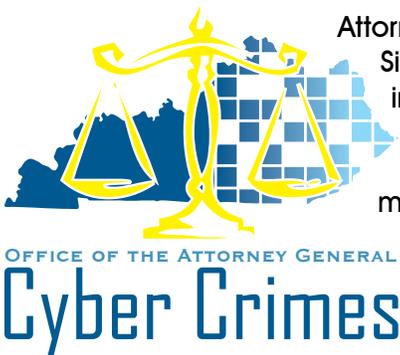
The Department of Criminal Investigations (DCI) is the investigative arm of the Office of the Attorney General. The mission of the DCI is to uphold the law through the highest standards of excellence by investigating violations of state criminal statutes, to deter and reduce crime, enhance public safety, and provide assistance to state, county and municipal law enforcement agencies.

The DCI provides expert criminal investigative services in cybercrimes, drugs and public integrity/special investigations. DCI investigators are sworn law-enforcement officers and are certified by Kentucky Peace Officer Professional Standards.

The DCI participates in numerous federal task force initiatives, including the FBI Child Exploitation Task Force, USSS Electronic Computer Crimes Task Force, U.S. Department of Homeland Security / ICE Child Exploitation Task Force, BATF Task Force, DEA's Tactical Diversion Squad Task Force and U.S. Social Security Administration / OIG Fraud Task Force. Due to the DCI's participation in these federal initiatives, the OAG has received approximately \$265,000 in federal forfeited assets.



## CYBERCRIMES UNIT



Attorney General Conway's Cybercrimes Unit marked its fifth anniversary in 2013. Since its creation in 2008, the unit has been responsible for the conviction and imprisonment of more than 100 individuals involved in the online possession and distribution of images and videos depicting the sexual abuse of children. The unit has a 100 percent conviction rate. The Cybercrimes Unit, which is a member of the Internet Crimes Against Children Task Force (ICAC), identified three children who were victims of production and those children are now part of the National Center for Missing and Exploited Children (NCMEC) Child Victim Identification Program. Nearly 427,000 child sexual abuse images and videos have been seized from the unit's investigations.

During this biennium, investigators from General Conway's Cybercrimes Unit have opened 116 cases and closed 92, and executed 58 search warrants for 19 arrests. More than 122,000 child porn images and videos have been seized. Forensic examiners have performed 126 computer forensic examinations on 354 hard drives and conducted forensic exams on 1,861 removable devices, 136 cellular devices and four audio and video devices.



The unit has reached nearly 900 people by conducting presentations to both law enforcement and public sector audiences on cybersafety, sexting and digital investigation techniques.

The Cybercrimes Unit continues to be an investigative resource for law enforcement agencies across the Commonwealth of Kentucky; providing investigative, consulting, technical, digital forensic, subpoena and search warrant assistance. The unit has responded to requests for investigative assistance from 85 agencies within the Commonwealth, including the FBI and ICE.

### Investigations of Interest

**THOMAS, Ron (Opened October 2011)** — This individual was identified as using peer-to-peer file sharing software to trade and distribute child sexual abuse images and videos. Following a search warrant executed at his residence, forensic examination identified more than 7,500 images and videos depicting the sexual abuse of children.

**HOFF, Ryan (Opened August 2012)** — This individual was identified as sharing/distributing child pornography images and a search warrant was executed at his residence. Forensic examination of the computers seized from his home identified more than 33,000 photos and videos containing depictions of abused children. Hoff pleaded guilty in state court.

**HENTZEN, Erik (Opened March 2013)** — This investigation involved a suspect hijacking and using Internet service on a wireless router belonging to an unwitting victim. Using state-of-the-art tracking equipment, investigators set up surveillance on the victim's router, identified the hijacker and then traced his wireless signal back to his residence two floors above the victim's apartment. Upon executing a search warrant, investigators discovered the suspect's computer still connected to the victim's wireless router and downloading contraband files. Digital forensics resulted in the identification of more than 7,500 contraband images and videos on the suspect's computers. Almost 17 terabytes of digital media were seized in this case.



**JOHNSTON, Timothy (Opened April 2013)** — A Cybercrimes Unit investigator identified a suspect downloading and distributing child sexual abuse images via peer-to-peer file sharing in northern Kentucky. Information from the administrative subpoena and resulting intelligence on the individual identified him as a participant in the child foster-care program and a former Boy Scout leader. Information was also developed that two young children had just entered foster care. A search warrant was immediately obtained and executed. The suspect's computers were seized and the children were removed from his care by social workers. Investigators identified 793 images depicting the sexual abuse of children on the suspect's digital media.

## DRUG INVESTIGATIONS BRANCH

The DCI Drug Investigations Branch is tasked with helping combat illegal drug abuse and trafficking in Kentucky communities. One of Attorney General Conway's top priorities is fighting the scourge of prescription drug abuse — a problem that has devastated families in every corner of the Commonwealth.

During this biennium, the DCI Drug Investigations Branch has opened 48 cases and closed 117. The branch executed 11 search warrants, received eight indictments and made 13 arrests. The branch investigators requested 123 KASPER reports.



The Office of the Attorney General was instrumental in the drafting and passage of House Bill 1 that went into effect in July 2012. House Bill 1 is landmark legislation to combat prescription drug abuse and diversion. Lawmakers from other states are now looking to Kentucky as a national model for similar legislation in their states. The DCI assisted the DEA in working cases involving multiple physicians, registrants and prescription drug trafficking organizations throughout the Commonwealth. The DCI has refocused and prioritized the targeting of unethical physicians and other DEA registrants who divert pharmaceutical drugs to the illicit market. These types of investigations are highly specialized, long-term and complex. Although there are few criminal investigators in the Commonwealth who have the expertise to initiate these kinds of cases, the Drug Investigations Branch has excelled in these investigations and the investigators are recognized as experts by their peers. DCI continues to lead General Conway's statewide prescription drug task force, the first of its kind in Kentucky, coordinating investigations with local law enforcement agencies.

### Investigations of Interest

**CAREMORE Pain Clinic (Opened February 2009)** — Rano Bofill MD, Shelby Lackey and Tammy Cantrell from Caremore Pain Management in Paintsville, Ky. were indicted and arrested. This also prompted the closure of this pain clinic in Johnson County, Ky. Lackey and Cantrell have entered into plea agreements with the United States. Bofill is awaiting trial.



**BENTLEY, Angela et al (Opened January 2011)** — Angela Bentley, LeAnn Mullins and Johnny Mullins were sentenced in U.S. District Court for obtaining controlled substances by fraud/deceit. Bentley was employed at the University of Kentucky Oncology Gynecology Office. She obtained unauthorized prescriptions from the office that were written and filled for Schedule II and Schedule III Controlled Substances. These defendants were responsible for obtaining 22,050 dosage units. All three were sentenced in federal district court.

**WORTHINGTON, Megan et al (Opened May 2011)** — Megan Johnson Worthington, Kenneth Johnson and John Groves were sentenced in U.S. District Court for obtaining controlled substances by fraud/deceit. Megan Johnson Worthington was employed at a physician's office in Lexington, Ky. She obtained unauthorized prescription blanks from the office, which were written and filled for 9,030 dosage units of Schedule II Controlled Substances. All defendants were sentenced in U.S. District Court.

**SINGLETON, William et al (Opened July 2012)** — In June 2011, the DCI, DEA, KSP and the IRS began an investigation targeting Central Kentucky Pain Management and the Grant County Wellness Pain Clinic, which were both owned by Ernest William Singleton. The investigation revealed that during the operation of the two clinics (approximately one-and-a-half years), more than 4.5 million dosage units of controlled substances were prescribed from physicians. After a lengthy investigation, Singleton was subsequently convicted of a variety of federal violations, including possession with intent to distribute and conspiracy to distribute. Additionally, assets from the criminal enterprise were seized for forfeiture; including currency, residential and farm properties, vehicles, farm equipment and livestock.



Two of the four physicians employed by Singleton admitted to issuing prescriptions with little or no examination that were outside the scope of medical practice and not for a legitimate medical purpose, based on influence from Singleton. Both were indicted by a federal grand jury and subsequently pleaded guilty pursuant to a plea agreement with the United States. Charges for two additional physicians are pending. General Conway's Office of Special Prosecutions assisted federal prosecutors in Singleton's trial.

**SCHOCH Jr., Melvin (Opened January 2013)** — The DCI conducted a joint investigation with the DEA and the Boyd County Sheriff's Department targeting Melvin Schoch Jr., an Ashland, Ky. police officer. Schoch and three individuals, Ellis Pittman, Phil Spurlock and Ashley Spurlock, were involved in the attempt to possess controlled substances with the intent to distribute them. Schoch used his position of authority as a police officer to execute "fake" search warrants at residences suspected of having controlled substances. All four suspects were indicted by a federal grand jury and have subsequently pleaded guilty.

## KEEP KENTUCKY KIDS SAFE

In the fall of 2010, Attorney General Conway launched a statewide prescription drug abuse prevention and education initiative called Keep Kentucky Kids Safe. In partnership with the Kentucky Justice Cabinet and its Office of Drug Control Policy, Kentucky Pharmacists Association, Operation UNITE, NADDI and concerned parents, Dr. Karen Shay and Mike Donta, General Conway travels across the Commonwealth to alert middle and high school students about the dangers of abusing prescription drugs.

To date, General Conway and his partners have reached more than 30,000 students, parents and teachers with their prescription drug abuse prevention message.

As part of the effort, students also have the opportunity to participate in an annual video public service announcement (PSA) competition on the perils of prescription drug abuse. For more information on the Keep Kentucky Kids Safe program, please visit <http://ag.ky.gov/rxabuse>.

General Conway also encourages parents to lock-up and monitor prescription medications in the home and safely dispose of unneeded pills through prescription take-back events sponsored by the DEA and local law enforcement agencies.



## PUBLIC INTEGRITY/SPECIAL INVESTIGATIONS

The Public Integrity/Special Investigations Branch conducts investigations regarding allegations of corruption by state and local public officials. The duty of this branch is to ensure that leaders and government employees across the Commonwealth execute their duties in both an ethical and honest manner. The branch investigates numerous areas of corruption, including executive, judicial, legislative, vendor contract, law enforcement and regulatory corruption. The branch is also instrumental in investigating allegations of voter fraud. When federal violations are identified, the unit works jointly with the appropriate agency and the U.S. Attorney's Office in addressing those violations. The branch also conducts investigations for other state agencies as requested.

During this biennium, investigators opened 128 cases and closed 83 investigations, with 16 convictions. The branch received 856 requests from constituents statewide either via email, U.S. Postal Service or by telephone. In addition, there have been 330 election complaints over the past two years. The majority of complaints were procedural in nature.

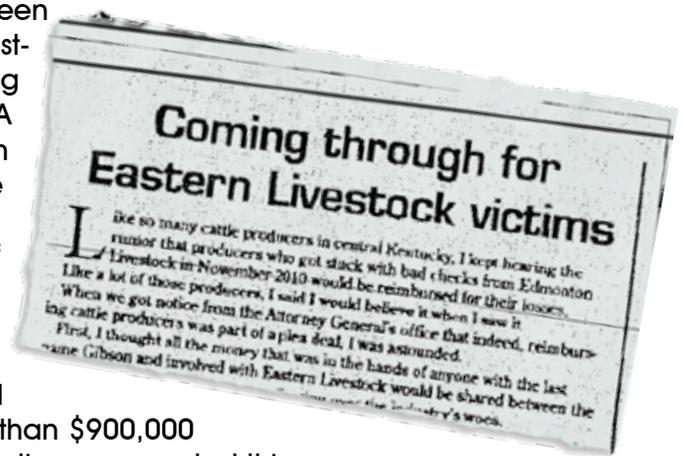
The FBI Public Corruption Squad and the Public Integrity/Special Investigations Branch have developed a close working relationship upholding the public trust in the Commonwealth. Although there is no formal cooperative task force agreement between the two agencies, joint investigations are worked as equal partners. The FBI has come to rely on the resources and investigative expertise of the Public Integrity/Special Investigations Branch.

### Investigations of Interest

#### **EASTERN LIVESTOCK, LLC. (Opened January 2011)** — Between

October 2010 and November 2010, individuals with Eastern Livestock purchased cattle at the Edmonton, Ky. buying station knowing that the checks issued were not valid. A check kiting scheme was being used to move funds from one account to another, which resulted in the loss of more than \$900,000. Four defendants were indicted in Metcalfe Circuit Court. Each was charged with one count of criminal syndication, 17 counts of theft by deception over \$10,000, 144 counts of theft by deception over \$500 and 11 counts of theft by deception under \$500. This investigation led to a plea agreement and the conviction of all

four defendants, along with the reimbursement of more than \$900,000 to the victims. General Conway's Office of Special Prosecutions prosecuted this case.



**MURPHY, Margaret (Opened February 2011)** — Margaret "Gerri" Murphy, Social Service Clinician I with the Cabinet for Health and Family Services, Department for Community Based Services, Division of Protection and Permanency, had falsified a number of her investigative records involving child sexual abuse. In February 2011, the victim reported to this office that Murphy presented false information within her report to the court concerning the victim's child custody case. This investigation led to a nine-count indictment against Murphy, charging her with tampering with public records. Murphy pleaded guilty and was sentenced to five years in prison. General Conway's Office of Special Prosecutions prosecuted this case.



**FARMER, Richie (Opened October 2011)** — In April 2012, the Kentucky State Auditor's Office released an audit of the Kentucky Department of Agriculture. The audit dealt with the administration of former Agriculture Commissioner Richie Farmer and found 41 findings of improper conduct and recommendations for corrections. The DCI investigation was conducted in conjunction with the FBI, resulting in a five-count federal indictment of Farmer, along with a two-count indictment in state court on campaign fraud. Farmer's sister, Rhonda Farmer Monroe, was also indicted for campaign fraud. General Conway's Office of Special Prosecutions prosecuted the state charges against Williams and Farmer.

# OFFICE OF SPECIAL PROSECUTIONS



The Office of Special Prosecutions (OSP) prosecutes criminal cases pursuant to KRS 15.190 to KRS 15.715. This includes assisting local prosecutors in complex or sensitive areas, handling cases in which the local prosecutor disqualifies himself or herself because of a conflict, prosecuting thefts affecting the treasury of the Commonwealth and crimes arising from audits of local government financial administration. The office also investigates and prosecutes election law violations, environmental crimes and ethics law violations as referred by the Executive Branch Ethics Commission.

From Fiscal Year 2011 to Fiscal Year 2013, the OSP experienced significant workload increases in conjunction with the budget cuts from the previous biennium.

## BIENNIAL ACCOMPLISHMENTS

- ▶ 283 criminal court appearances.
- ▶ Opened 54 new cases.
- ▶ Successfully closed 50 criminal cases.
- ▶ Two attorneys were appointed as Special Assistant United States Attorneys for the Eastern District of Kentucky to prosecute federal crimes in addition to their roles as Assistant Attorneys General.
- ▶ Every attorney in the unit received the 2012 Continuing Legal Education Award.
- ▶ The OSP continued providing certain legal support to the OAG Cybercrimes during this biennium and processed 236 requests for services, which is more than double from the last biennium.
- ▶ The office handles the coordination and appointment of all special prosecutors in the Unified Prosecutorial System in Kentucky. During this biennium, the office processed 651 special prosecutor appointments.

The Office of Special Prosecutions also coordinates election monitoring with the Board of Elections, Kentucky State Police, U.S. Attorney’s Office and the FBI. Several members of the office participated in the Election Integrity Task Force with these agencies to enhance the coordinated efforts of all agencies to combat election fraud. The office also maintains year round the Attorney General’s Election Fraud Hotline (1-800-328-VOTE) with an expanded presence on primary and general election days. In addition to phone calls on the dedicated hotline and the Special Prosecutions direct line, the office receives numerous election complaints by mail and email. Between July 1, 2011 and June 30, 2013, the office received 329 elections complaints, broken down as follows:



2010 General Election .....	3
2011 General Election .....	29
2012 Special Elections .....	11
2012 Primary Election .....	38
2012 General Election .....	246
2013 (Misc. — No election).....	2

Most of the complaints were procedural in nature.

Additionally, the Office of Special Prosecutions is statutorily required to randomly draw six counties after each primary and general election to conduct an independent inquiry for potential irregularities that may have occurred in the election. After the audit conducted by the Department of Criminal Investigations, the Office of Special Prosecutions presents the results to the respective grand juries. Between July 1, 2011 and June 30, 2013, Special Prosecutions presented 24 such audits to various grand juries.

The office handles general complaints and questions about the criminal justice and prosecutorial system statewide, ranging from requests for assistance by local prosecutors to complaints by members of the public. During this biennium, 506 complaints and services of this nature were handled by OSP staff members, up 68 percent from the last report.

## PRESENTATIONS AND TRAININGS BY CRIMINAL APPEALS DIRECTOR/STAFF

- Recent Cyber Crime Legal Decisions at the Massachusetts Attorney General Office's 2013 National Cyber Crime Conference.
- University of Kentucky Summer Series on Aging (training for Adult Protective Services Personnel).
- University of Kentucky Election Law class involving on-site training for law students.
- Participated in the Election Integrity Task Force to enhance coordinated efforts with other agencies to combat election fraud.

Since August 2008, the Office of Special Prosecutions has been part of a regular task force with the Kentucky Auditor of Public Accounts and other law enforcement agencies addressing financial public corruption by state and local officials.

## NOTABLE CASES

**Comm. v. James F. Tackett (Letcher Circuit Court) (theft, financial exploitation of adult and income tax fraud)** — The defendant, who owned and operated Letcher County Golden Years Rest Home in Jenkins, Ky. for 35 years, was indicted in 2010 on 158 Counts of theft, financial exploitation of an adult and income tax fraud. The indictment resulted from an OAG investigation that revealed theft of more than \$700,000 of S.S.I. and state supplement funds that had been paid to the home for the care of its 44 residents. Tackett pleaded guilty and was sentenced in February 2012. The Letcher County Golden Years Rest Home closed in late 2011. General Conway's Department of Criminal Investigations investigated this case.

**Comm. v. Jonah Tackett (Letcher Circuit Court) (witness tampering, bribery and theft)** — The defendant, who succeeded his grandfather as administrator of the Letcher County Golden Years Rest Home in 2010, was indicted in 2011 for witness tampering, bribery of a witness and theft charges, stemming from his conduct toward disabled residents of the rest home in an effort to help his grandfather's case. Tackett pleaded guilty in April 2012. General Conway's Department of Criminal Investigations investigated this case.



**Comm. v. Margaret Murphy (Anderson Circuit Court) (tampering with a public record)** — The defendant, a social worker tasked with the duty to investigate allegations of child abuse, was indicted in 2011 on nine counts of tampering with a public record in connection with her submission of false reports in child abuse cases. In July 2012, Murphy pleaded guilty to all nine counts and was sentenced to five years in prison. The Anderson Circuit Court denied Murphy's multiple motions for shock probation. General Conway's Department of Criminal Investigations investigated this case.

**Comm. v. Melody Jones, Brooke Jones, and Kelly Miller (Franklin Circuit Court) (intent to defraud to obtain benefits and tax fraud)** — The defendants, all from Bell County, worked for an elderly woman who was persuaded to make one of them her power of attorney. Over a four-year period, the defendants paid themselves each an average of \$50,000 per year and failed to report this income on tax returns. Melody and Brooke Jones, a mother and daughter, also received substantial amounts of food stamp and Medicaid benefits during that time. Following their guilty pleas, the two were sentenced and ordered to pay restitution. Kelly Miller, a CNA, was ordered to pay restitution and is prohibited from working as a private caregiver.

**Comm. v. Donnie and Tina Richmond (Adair Circuit Court) (arson, fraudulent insurance and perjury)** — Donnie Richmond, a former Kentucky State Trooper, and his wife Tina, were indicted in 2009, along with Tina Richmond's brother, Scottie Baird, for arson second-degree, fraudulent insurance act and perjury first-degree, stemming from a scheme to obtain insurance proceeds by burning down a log home the Richmonds were building. All three defendants pleaded guilty.

**Comm. v. Crystal Southwood (Breathitt Circuit Court) (forgery and abuse of public trust)** — Crystal Southwood,



**Comm. v. Thomas Meade (Lawrence Circuit Court) (child pornography)** — The OAG's Cyber-crimes Unit conducted an investigation of possession of child pornography at Meade's home. Based on that investigation, Meade was indicted on four counts of possession of child pornography and one count of distribution of child pornography. He pleaded guilty in July 2013 to five years and was sentenced in September 2013 to five years of probation.



**Comm. v. Cheryl McCafferty (Campbell Circuit Court) (murder)** — The defendant killed her husband while he slept in their bed and claimed self-defense. The case was originally handled by the Campbell County Commonwealth's Attorney. The defendant was convicted of manslaughter first-degree and pleaded guilty to 17 years during the sentencing phase. The court granted an 11.42 hearing after disqualifying the Commonwealth's Attorney because she would potentially be a witness in the proceeding. The Office of Special Prosecutions took over and conducted the 11.42 hearing in May 2013, and the judge overruled the motion. McCafferty will be eligible for parole again in January of 2016.

**United States v. William Singleton (U.S. District Court) (diversion of prescription drugs)** — The defendant owned and operated two pain clinics, one in Georgetown and one in Grant County. Beginning in October 2010 and continuing until February 2013, doctors at the clinics prescribed Diazepam and Ultram outside the scope of professional practice and not for a legitimate medical purpose under the defendant's direction. Additionally, the defendant used the drug proceeds to purchase a house, farm, boat, equipment and other items totaling \$427,834. He was indicted in federal court for conspiracy to drug trafficking, money laundering and opening and maintaining a drug-involved premise. After a three week trial, the defendant was found guilty of all 21 counts and faces up to 20 years in prison. General Conway's Department of Criminal Investigations assisted with the investigation of this case.

**Comm. v. Teresa Huff (Perry Circuit Court) (abuse of public trust over \$10,000)** — The defendant was the treasurer for the Perry County Unite Coalition, the director of the Perry County Drug Court and the treasurer of the Perry County SAP. She embezzled more than \$20,000 from these organizations over a two-year period. The defendant pleaded to the amended charge. She was sentenced to five years of probation and ordered to pay restitution to the victims.



**Comm. v. Timothy Monhollen (Franklin Circuit Court) (tampering with public records)** — The defendant was a certified DUI assessor/counselor who operated AROP programs in Powell, Jessamine, Lincoln and Mercer counties. The Cabinet for Family and Children, Division of Health Services referred this case to the OAG. The OAG/DCI conducted an investigation that led to the indictment of the defendant for three counts of tampering with public records for submitting false DUI program completion forms to the Department of Transportation. Monhollen pleaded guilty to all charges and received a six-year sentence, diverted for five years. Monhollen may not act as a counselor in AROP or domestic violence programs during his diversion period.

**Comm. v. Peter Nibert, et al. (Christian Circuit Court) (conspiracy to traffic in controlled substance, persistent felony offender)** — Peter Nibert was a resident of Florida who conspired with two Christian County residents, Cary Alder and Scotty Highsmith, to send packages of Oxycodone and Roxycodone through either the U.S. mail or FedEx for sale in Christian County. A joint investigation between the U.S. Postal Inspection Service and the Christian County Sheriff's Department led to the indictment of all three defendants. Alder and Highsmith pleaded guilty and received prison sentences. Nibert went to trial and was convicted. He was sentenced to 15 years in prison.



# OFFICE OF VICTIMS ADVOCACY

The Office of Victims Advocacy (OVA) works to ensure justice and healing for Kentucky's crime victims, to assist victims in navigating the sometimes complicated legal process, and to implement strategies to reduce the number of crime victims in the future.

Pursuant to KRS 421.500, also known as the Crime Victims Bill of Rights of 1986, the Office of Victims Advocacy works to ensure that the Commonwealth's crime victims are treated with respect and dignity as their cases proceed through the criminal justice system. The OVA provides advocates to serve victims in cases that have been referred to the Office of the Attorney General for prosecution, staffs the Crime Victim Information Hotline, administers the Appellate Notification Program and provides technical assistance to victim advocates and prosecutors across the Commonwealth.



Through the Appellate Notification Program, the OVA notified 855 crime victims during the biennium who had their cases appealed.

During the biennium, the OVA assisted approximately 3,500 crime victims and service providers.



## TRAINING AND CONTINUING EDUCATION

Each year, the Office of Victims Advocacy provides free training and continuing education to victim service professionals from across the Commonwealth during the "Victim Assistance Conference." In 2012, the conference was held in Louisville, and in 2013, the conference was held in Lexington. Approximately 500 victim advocates and allied professionals received training during the biennium.

## GIVING A VOICE TO KENTUCKY CRIME VICTIMS

General Conway's Office of Victims Advocacy is committed to honoring victims of crime and their families by hosting the annual Kentucky Crime Victims' Rights Day Rally. In 2012, the Victims' Rights Day event was held in conjunction with the annual Victim Assistance Conference. The featured speaker was Sharon D'Eusanio. In 1980, D'Eusanio became the victim of a violent crime that nearly took her life and left her blind. She then began her transformation from a crime victim to an advocate, community activist, author, professional speaker, trainer and consultant.

In 2013, the Victims' Rights Day event was held in Louisville in conjunction with the annual dedication of names on the Kentucky Victims' of Homicide Memorial Wall. The event was held in May to coincide with the 25th anniversary of the Carrollton, Ky. bus crash. The featured speaker was Karolyn Nunnallee, who has worked to raise awareness about the dangers of impaired driving for nearly 25 years and previously served as National President of Mothers Against Drunk Driving. Her 10-year-old daughter, Patty, was the youngest victim killed in the Carroll County bus crash on May 14, 1988.



*Attorney General Conway speaks at the 2013 Victims' Rights Day event.*

## PREVENTING CHILD SEXUAL ABUSE

During the biennium, the OVA received a two-year Children's Justice Act Grant totaling \$110,000 administered by the Department for Community Based Services in the Cabinet for Health and Family Services. The grant funded two-day, advanced training sessions for law enforcement, cabinet social workers and prosecutors on the interviewing, investigation and prosecution of child sexual abuse cases.

The Child Interview Approaches Program was accredited for continuing education credit by the Kentucky Board of Social Work, the Kentucky Law Enforcement Commission and the Kentucky Bar Association. During this biennium, more than 238 officers and social service workers received training. Additionally, funding from this grant provided training to approximately 350 prosecutors, victim advocates, medical personnel and allied professionals on best practices in advocating for victims of child sexual abuse.

The OVA provides staff and support to the Kentucky Multidisciplinary Commission on Child Sexual Abuse, as well as the Child Sexual Abuse and Exploitation Prevention Board, which administers the Child Victims Trust Fund.

The Kentucky Multidisciplinary Commission on Child Sexual Abuse develops and approves protocols for investigating and prosecuting child sexual abuse for local multidisciplinary teams, (MDTs) which operate pursuant to KRS 431.600. The commission further supports local MDTs by advising, collecting data on child sexual abuse cases, reviewing complaints and making appropriate recommendations.

The Child Sexual Abuse and Exploitation Prevention Board (CSAEP) is an autonomous agency of the Office of the Attorney General that administers the Child Victims' Trust Fund (CVTF). The mission of the CSAEP Board is to help provide for the safety of Kentucky's children by preventing child sexual abuse and exploitation through educating the public, funding innovative programs and shaping public policy. The CVTF provides funding to local communities for child sexual abuse prevention programs and to state designated Children's Advocacy Centers for reimbursement of a portion of the expenses associated with child sexual abuse medical exams.



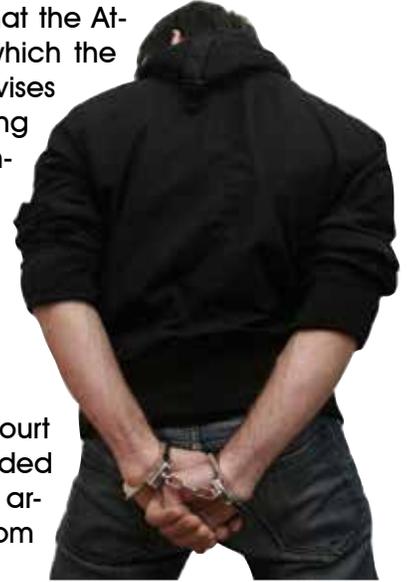
The CSAEP Board also sponsors the "I Care About Kids" specialty license plates. The sale of the license plates, sponsored by the CSAEP Board, generates revenue for the CVTF to assist in funding child sexual abuse prevention programs and to help offset the portion of child sexual abuse medical exams not covered by private insurance of Medicaid.

The CSAEP Board awarded \$109,983 in Fiscal Year 2012 and \$161,338 in Fiscal Year 2013 to fund regional and statewide initiatives for the prevention and awareness of child sexual abuse. The board also reimburses the 15 state-designated child advocacy centers for sexual assault exams and administrative costs. The board designated \$84,750 in Fiscal Year 2012 and \$94,650 in Fiscal Year 2013 for medical exam reimbursements from the CVTF. The CSAEP Board also provided \$15,000 in Fiscal Years 2012 and 2013 for conference sponsorships to educate allied professionals in the areas of child sexual abuse and exploitation.



# OFFICE OF CRIMINAL APPEALS

This Office of Criminal Appeals fulfills the legislative mandate (KRS 15.020) that the Attorney General appear for the Commonwealth in all criminal appeals in which the Commonwealth has an interest, in both state and federal courts. The office advises local prosecutors on legal and trial issues, oversees a federally-funded training program for prosecutors across the state, and assists in trials and post-conviction hearings at the request of the local prosecutor or the OAG Office of Special Prosecutions. Criminal Appeals also reviews the merits of appeals, requests certification by prosecutors and participates in amicus curia efforts by other states.



## BIENNIAL STATISTICS

In fiscal year 2011, the Office of Criminal Appeals was assigned 552 state court appeals, addressing 1,782 issues. The attorneys wrote 648 briefs, which included 1973 issues in all courts. Attorneys for Criminal Appeals appeared in 51 oral arguments. Criminal Appeals also responded to 179 requests for assistance from prosecutors in both trial work and post-conviction matters.

In Fiscal Year 2012, the Office of Criminal Appeals was assigned 540 new state court appeals, addressing 1,624 issues. The attorneys wrote 702 briefs, which included 2,076 issues in all courts. Incorporated therein were two separate briefs with three issues before the United States Supreme Court.

Attorneys for Criminal Appeals appeared in 38 oral arguments in cases involving more than 57 issues before the Kentucky Supreme Court, the Kentucky Court of Appeals and the Sixth Circuit.

Criminal Appeals also responded to 114 requests for assistance from prosecutors in both trial work and post-conviction matters.

## BIENNIAL ACCOMPLISHMENTS/CASE HIGHLIGHTS

### Cases before the United States Supreme Court

- ▶ In *Kentucky v. Woodall*, the court granted certiorari of the Sixth Circuit's reversal in this capital murder case. At issue is whether a defendant who pleaded guilty has the right to a jury instruction that his silence at sentencing cannot be used against him. Also at issue is what deference a federal court must give a state court decision. Oral arguments are scheduled for January 2014.
- ▶ In *Kentucky v. Matthews*, the court granted certiorari and summarily reversed the Sixth Circuit for failing to give deference to the Kentucky state court decision.

### Other Case Highlights

- ▶ Successfully defended the capital conviction of Ralph Dunlap at the Kentucky Supreme Court.
- ▶ Successfully defended the Michael Carneal conviction at the Sixth Circuit level.
- ▶ Successfully defended the conviction of an inmate who ran over and killed a police officer in Lexington.
- ▶ Successfully defended post-conviction challenges in several capital cases, including David Matthews, Sammy Fields, Gregory Wilson and Benny Hodge

## PRESENTATIONS AND TRAININGS BY CRIMINAL APPEALS STAFF

- Provided training for the Kentucky Prosecutors Conference.
- Led federally-funded Capital Case Litigation Conference, providing training for approximately 35 prosecutors from across Kentucky.
- Updated the Kentucky Post-Conviction Manual.
- Provided internship opportunities for several law students from Kentucky law schools.
- Helped develop Kentucky law by being active in the Criminal Rules Committee, Appellate Rules Ad Hoc Committee and the Kentucky Bar Association's Appellate Section.



### 2010 Output

### 2011 Output

### 2012 Output

BRIEFS:	FILED	ISSUES	BRIEFS:	FILED	ISSUES	BRIEFS:	FILED	ISSUES
State Circuit Court	62	81	State Circuit Court	17	50	State Circuit Court	85	117
Kentucky Court of Appeals	281	900	Kentucky Court of Appeals	239	623	Kentucky Court of Appeals	237	589
KYCA post-conviction collateral attacks (i.e. RCr 11.42)	205	776	KYCA post-conviction collateral attacks (i.e. RCr 11.42)	177	460	KYCA post-conviction collateral attacks (i.e. RCr 11.42)	188	596
Kentucky Supreme Court	165	1018	Kentucky Supreme Court	140	557	Kentucky Supreme Court	143	610
U.S. District Court	86	168	U.S. District Court	54	326	U.S. District Court	38	130

U.S. Court of Appeals, 6Cir.	13	37	U.S. Court of Appeals, 6Cir.	15	44	U.S. Court of Appeals, 6Cir.	9	31
U.S. Supreme Court	7	29	U.S. Supreme Court	9	18	U.S. Supreme Court	2	3
<b>TOTAL:</b>	<b>819</b>		<b>TOTAL:</b>	<b>651</b>	<b>2078</b>	<b>TOTAL:</b>	<b>702</b>	<b>2076</b>

**ORAL ARGUMENTS	68	251	**ORAL ARGUMENTS	31	74	**ORAL ARGUMENTS	38	57
**STATE COURT HEARINGS	69		**STATE COURT HEARINGS	33		**STATE COURT HEARINGS	13	
**PROSECUTOR RESEARCH	127		**PROSECUTOR RESEARCH	22		**PROSECUTOR RESEARCH	38	
BASED ON AVG. MANPOWER OF 25 ATTORNEYS AND 9 SUPPORT STAFF			BASED ON AVG. MANPOWER OF 25 ATTORNEYS AND 7 SUPPORT STAFF			BASED ON AVG. MANPOWER OF 25 ATTORNEYS AND 6 SUPPORT STAFF		

\*\* NOTE: Only denotes number of times in a year this action was performed. Does not in any way reflect the number of hours spent completing these actions.

# PROSECUTORS ADVISORY COUNCIL

The Prosecutors Advisory Council (PAC) administers the budget of the Unified Prosecutorial System and oversees the training of the Commonwealth's prosecutors. The nine-member council is appointed by the Governor and includes the Attorney General, three Commonwealth's Attorneys, three County Attorneys and two citizen members. Attorney General Conway serves as chairman of the council.

The PAC presides over the financial administration of the Unified Prosecutorial System, which consists of 177 Commonwealth's and County Attorneys and their employees. The eight-member administrative staff prepares the budget for the 177 locally elected prosecutor's offices and develops and coordinates statutorily-mandated training regarding elder abuse, child sexual abuse and domestic violence.



The PAC staff also provides personnel, payroll and benefit services for more than 1,100 employees of the Unified Prosecutorial System (UPS), provides legal research and guidance to the state's elected prosecutors and their staffs, and monitors criminal justice legislation that affects the prosecutorial system.

The council also oversees the preparation of the Child Sexual Abuse Prosecution Manual and the Data Collection Report. Due to the age of the Child Sexual Abuse application server, it was necessary to replace the hardware and rewrite the data collection program. The hardware was procured and the new application is due to go online before the end of 2013.

The PAC and the Office of the Attorney General co-sponsor the annual Kentucky Prosecutors Conference, which is attended by nearly 700 prosecutors and law enforcement officials from across Kentucky. The council also provides basic training courses for newly elected Commonwealth's and County Attorneys and sponsors the Kentucky Prosecutors Institute, a week-long trial skills course for new prosecutors. Due to budget constraints, the Kentucky Prosecutors Institute has not been held during the current biennium.

## BIENNIAL ACHIEVEMENTS

During this biennium, Kentucky's prosecutors have continued to represent the Commonwealth of Kentucky in combating crime, despite continued funding challenges. During this time, there have been no staff salary budget increases, and supply, travel and postage budgets have been cut or eliminated for all the offices of the 177 County and Commonwealth's Attorneys. Additionally, expert witness budgets have been cut and the operating budgets of the County Attorneys were cut in Fiscal 2013 and eliminated in Fiscal 2014.

Due to inadequate general funds, when replacing employees, the PAC was forced to continue mandatory vacancy periods of 30 days for County Attorneys and 60 days for Commonwealth's Attorneys, which began in Fiscal Year 2012 while caseloads continued to rise and statutory demands continued to increase.



The PAC and its staff also maintain statutorily mandated child sexual abuse caseload statistics. Without adequate staffing levels, this critical reporting duty that benefits all the children in the Commonwealth may experience delays. The PAC and staff also administer the statutory and regulatory requirements of the Victim and Witness Protection Program, a program that protects victims and witnesses involved in the judicial system, enacted by the 1998 General Assembly. The fund is down to \$19,774. It has not received a budget appropriate since it was created in the late 1990s.

During this biennium, the Commonwealth's Attorneys election cycle took place. As a result of retirements and elections, 12 of the 57 offices changed administrations in 2012. During the transition, the PAC staff coordinated the physical transfer of office inventory, processed hundreds of personnel actions and trained the incoming administrations.

During this biennium, a physical inventory was performed in all 57 Offices of the Commonwealth's Attorney in the state. Hundreds of old computers were recycled and dozens of servers and failing phone systems were replaced as a result of the effort.

## PAC ASSISTS TORNADO-RAVAGED COUNTY ATTORNEY'S OFFICE

The Unified Prosecutorial System was not unscathed by the tornados of March 2, 2012. The Morgan County Attorney's office located in downtown West Liberty was completely destroyed. Immediately after the storm, fellow prosecutors banded together to help get the office back open in a temporary space by offering supplies, equipment and help. The Morgan County Attorney's office was rebuilt and re-opened in permanent space approximately one year later.



## PROTECTING PUBLIC SAFETY

PAC and the Office of the Attorney General remain focused on combating drunken driving and protecting the public safety through effective training of prosecutors in DUI and vehicular homicide cases.



During this biennium, the National Highway Traffic Safety Administration continued to fund a Traffic Safety Resource Prosecutor (TSRP) in the Office of the Attorney General.

The grant is administered through the Governor's Highway Safety Program and has funded multiple regional trainings across the state.

The TSRP trains County and Commonwealth's Attorneys, as well as law enforcement, in the effective prosecution and handling of DUI and impaired driving cases.

The Attorney General's TSRP, Bob Stokes, conducted two "Protecting Lives, Saving Futures" regional training sessions this biennium, as well as two vehicular homicide sessions entitled "Lethal Weapon" and two drug-impaired driving trainings entitled, "Prosecuting the Drugged Driver."

## eWARRANTS IMPLEMENTATION

During this biennium, the Office of the Attorney General completed statewide implementation of the eWarrants system. The program was made possible after the Office of the Attorney General received a \$3.94 million grant in 2009 to implement the eWarrants program statewide. The final implementation of the project came this biennium as General Conway distributed mobile data terminals (MDTs) to 78 rural law enforcement agencies to help serve and process electronic warrants. The terminals are computers mounted in officers' cruisers. They can enter information into the computer during a traffic stop or after responding to a scene and find out if a person has an outstanding warrant.

Since the implementation of eWarrants, there has been a dramatic decrease in the backlog of unserved warrants, and officers are able to determine whether there is a warrant for a suspect in another county.

The service rate for warrants has gone from an estimated low of 10 percent in areas using solely a paper-based system to a statewide average service rate of more than 80 percent.



# OFFICE OF ADMINISTRATIVE SERVICES



The Office of Administrative Services (OAS) is responsible for the fiscal, personnel and technology tasks of the Office of the Attorney General. Carla Vinegar, executive director of the Office of Administrative Services, has worked for the Office of the Attorney General since July 1, 2002. She was appointed executive director on July 1, 2012.

The OAS offers assistance to each part of the agency in areas relating to the development and implementation of the budget; asset management, accounts payable, customer billing and general accounting; cost allocation and grant administration; purchasing and contract administration; and records retention and records destruction guidelines.

Human Resource functions provided by the OAS include personnel, payroll and benefits administration; as well as compliance with the Equal Employment Opportunity, Title VI of the Civil Rights Act of 1964 and the Americans with Disabilities Act. The OAS provides guidance to every division related to these functions.

The OAS oversees the Attorney General's Information Technology Branch. This branch is responsible for maintaining the computer network, personal computers and software development.



*Students from the George Rogers Clark High School ASAP Youth Program in Clark County won the 2012 Prescription Drug Abuse PSA contest. Check out their winning entry here: <http://youtu.be/QbZL75z3iOo>*





The OAG does not discriminate on the basis of race, color, national origin, sex, religion, age or disability in employment or in the provision of services and provides upon request, reasonable accommodation necessary to afford all individuals with disabilities an equal opportunity to participate in all programs and activities.

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