

ANNUAL REPORT 2003

UNITED STATES ATTORNEY'S OFFICE



A Report from Todd P. Graves
United States Attorney for the Western District of Missouri

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February 1, 2004



Dear Members of the Law Enforcement Community,

I could not be more pleased with our office's productivity during 2003. Virtually every sector of our organization tracked improvement during the last year in prosecuting everything from Project Ceasefire crimes to narcotics and fraud schemes.

The record numbers and excellent progress have been highlighted in this Annual Report for you to see for yourself. One thing I would like to point out is that the leaps and bounds made during 2003 are to the credit of no single individual. Our entire team of attorneys and support staff worked diligently the entire year to insure that we improve on the work of years past.

In the coming year of 2004, I hope to see similar progress made in this office. In an aim to accomplish our goals for the coming year, I would like to say we will most likely be calling on your offices for assistance, because the credit of our office's success every year also goes to our partners in the community.

As we look forward to the coming year, we will continue to aggressively target terrorists, as that is the United States Department of Justice's number one priority. Also, on a national level, we will continue to prosecute felons found in possession of firearms under National Project Safe Neighborhoods, called Project Ceasefire in this district, which now is an active program in Springfield, Mo., as well as Kansas City. On a local level, it has been my top priority since being named United States Attorney to uncover computer crimes and child exploitation via the Internet. Our new Computer Crimes and Child Exploitation Unit will continue to aggressively pursue these types of criminals for prosecution.

I continue look forward to working with you and your organizations in the future.

Sincerely,

Todd P. Graves
United States Attorney

INTRODUCTION TO THE U.S. ATTORNEY'S OFFICE

The U.S. Department of Justice has been accurately described as the largest law firm in the world. As part of that department, the U.S. Attorney's Offices for the Western District of Missouri serves as the branch office of the "people's law firm" in the western portion of the Show Me State. The U.S. Attorneys serve as the nation's principal litigators under the direction of United States Attorney General John Ashcroft. There are 93 U.S. Attorney's stationed throughout the United States, Puerto Rico, the Virgin Islands, Guam and the Northern Mariana Islands.

United States Attorneys are appointed by, and serve at the discretion of the President of the United States, with the advice and consent of the United States Senate. The office itself serves two basic functions. Its most visible function is to prosecute violations of federal crimes occurring in the district. But it also provides legal representation to the federal government, its agencies and employees in civil court actions. One United States Attorney is assigned to each of the judicial districts, with the exception of Guam and the Northern Mariana Islands where a single United States Attorney serves in both districts. Each United States Attorney is the chief federal law enforcement officer of the United States within his or her particular jurisdiction.



MISSION STATEMENT

To fairly and justly prosecute violations of federal criminal law and to represent the United States and its agencies in civil litigation; to educate and inform the public, including victims of crime, about the functions of the justice system and the rights of all citizens; to assume a leadership role in crime prevention through speaking engagements and community involvement; and to conduct federal and local law enforcement training and facilitate cooperation and collaboration among law enforcement agencies.

TODD P. GRAVES BIOGRAPHY

Todd P. Graves, 38, is the United States Attorney for the Western District of Missouri. Graves was nominated by President George W. Bush to be the top federal law enforcement official for western Missouri on July 30, 2001. Graves took his oath of office on an interim appointment as U.S. Attorney by the U.S. District Court on Sept. 17, 2001, and his presidential appointment was formally confirmed by the United States Senate on Oct. 11, 2001.

Among other accomplishments during 2003, Graves acted as co-counsel in the prosecution of Wesley Ira Purkey. Upon presenting evidence to a federal jury, Purkey was found guilty of kidnaping, rape and murder of a teenage girl and was later sentenced to death.

Graves came to the U.S. Attorney's Office from his position as Platte County Prosecuting Attorney, an office to which he was elected in 1994 and 1998. At the time of his election to that post in 1994, he was the youngest full-time prosecuting attorney in Missouri. In that position, he managed six assistant prosecutors and a yearly caseload of approximately 400 felonies, 2,500 misdemeanors and 14,000 traffic offenses.

Prior to his service as Platte County Prosecuting Attorney, from 1992 to 1994, Graves was in private practice with the law firm of Bryan Cave. In 1991, he was employed as an Assistant Attorney General for the State of Missouri, and served that year as a staff assistant on the Governor's Commission on Crime.

In 1988, Graves received an undergraduate degree in agricultural economics, with a minor in political science, from the University of Missouri-Columbia, graduating Summa Cum Laude. He received his law degree and a master's degree in public administration from the University of Virginia in 1991.

Raised on a family farm near Tarkio, Mo., Graves has been married 12 years to his wife, Tracy. The couple have four children, and reside on a 270-acre farm north of Kansas City that has been in the family since 1867.

As U.S. Attorney for the Western District of Missouri, Graves oversees a staff of 119, including 59 attorneys and 60 non-attorney support personnel. The district is headquartered in Kansas City, with staffed branch offices in Springfield and Jefferson City. The district is comprised of 66 of Missouri's 114 counties.

ANTI-TERRORISM TASK FORCE

The fight against terrorism is the first priority of the United States Department of Justice. Therefore, it also is the first priority of the U.S. Attorney's Office in the Western District of Missouri.

Since its creation in January 2002, the U.S. Attorney's Anti-Terrorism Task Force has met on a quarterly basis to address concerns and share information on various topics, including law enforcement protocols and procedures for sharing information and intelligence, guidelines for conducting interviews with witnesses and terrorism suspects, current security concerns, the identification of potential terrorism targets, and recognizing indicators of possible terrorist activity. There are approximately 40 members of the federal task force.

Various members of the Western District of Missouri's ATTF have met a few times in smaller groups to address specific missions and tasks assigned by the Attorney General and the Department of Justice since Sept. 11, 2001. Among those tasks was the process of locating and conducting consensual interviews with approximately 45 foreign nationals in western Missouri as part of a national interview project.

The ATTF is a multi-agency, federal, state and local law enforcement initiative. It exists to ensure progress, responsiveness and success in the district's mission to prosecute, disrupt and prevent terrorism. Acting through function-specific committees, the ATTF helps to deter, disrupt, investigate and, if necessary, prosecute perpetrators and planners of domestic and foreign-based terrorism. Intelligence sharing, training, policy review and problem solving are just some of the ATTF's lifeblood. Recently, with ATTF encouragement, a Joint Terrorism Task Force (JTTF) was planned, staffed and became operational. The ATTF regularly provides input and evaluations to Washington policy makers and works to supplement other area groups that combat terrorism. Recognizing that terrorists may employ long-term, secretive and sophisticated planning, the ATTF program is structured to maximize national success in this effort beyond individual investigations and cases. Bringing expertise from many different disciplines together in a coordinated effort, the ATTF will remain among our highest priorities.

The Western District of Missouri's ATTF is comprised of law enforcement officials from a variety of federal, state and local agencies. From the U.S. Attorney's Office, Deputy U.S. Attorney Matt J. Whitworth is the group's designated Anti-Terrorism Coordinator, and Law Enforcement Coordinator Les Kerr is the group's designated Chief Information Officer. Prosecution of terrorist activities is the responsibility of the General Crimes Unit of the United States Attorney's Office.

CRIMINAL DIVISION

The Criminal Division of the United States Attorney's Office is comprised of several different units, including the General Crimes Unit, the Narcotics Unit, the Organized Crime Strike Force Unit, the Computer Crimes and Child Exploitation Unit and the Appellate Unit.

This year has been especially productive in the criminal division as the Computer Crimes and Child Exploitation Unit completed it's first full year of prosecution, the General Crimes Unit completed it's prosecution of the Miracle Cars Scheme and the Narcotics and Strike Force units prosecuted record numbers of drugs and gun crimes, with the help of the NITRO Task Force and Project Ceasefire.

General Crimes Unit

The General Crimes Unit operates within the Criminal Division of the U.S. Attorney's Office for the Western District of Missouri.

Attorneys in the General Crimes Unit (GCU) prosecute a broad range of federal offenses, including public corruption; violent crimes such as bank robbery, kidnaping and car jacking; economic crimes such as health care fraud, bank fraud, bankruptcy fraud, government fraud, tax fraud, credit card fraud, fraudulent checks, identity theft, investment fraud and other frauds against businesses; criminal civil rights violations; domestic and foreign terrorism cases; and various other types of federal offenses, including arson, certain firearms offenses, environmental crimes, child support crimes, criminal copyright violations, counterfeiting violations, customs violations and immigration violations. The GCU also handles civil and criminal asset forfeiture cases.

During 2003, the GCU prosecuted four public corruption cases, one environmental case, eight bank fraud cases, five bank embezzlement cases, six investment fraud cases, eight bank robbery/burglary cases, one domestic terrorism case, three immigration cases, three financial crimes cases, 13 fraud against a business cases, three postal crime cases, seven interstate transportation of property obtained by fraud/theft from interstate shipments cases and two counterfeiting cases.

Among the 2003 prosecutions were several notable cases that received regional and national media attention.

U.S. v. Purkey:

The successful prosecution of Wesley Ira Purkey resulted in a death sentence. Purkey was convicted of the kidnaping, rape and murder of a Kansas City area teenager. The case was prosecuted by United States Attorney Todd P. Graves and Deputy United States Attorney Matt Whitworth.

U.S. v. Courtney:

Robert Courtney was convicted of selling diluted prescription cancer medication to his customers as a pharmacist. In sentencing Courtney, the court granted the request of the United States Attorney's Office and departed upward to a 30-year sentence in federal prison. This case was prosecuted by Assistant United States Attorney Gene Porter.

U.S. v. Sayre:

This public corruption case involved Jeffrey Sayre, a state judge taking a bribe to fix a narcotics case. This case was prosecuted by Assistant United States Attorney William Meiners.

U.S. v. Tyson:

This case involved the prosecution of Tyson and its violation of the Clean Water Act. The case resulted in a \$7.5 million penalty, the highest penalty imposed for an environmental case in the Western District of Missouri. This case was prosecuted by Assistant United States Attorney Dan Stewart.

U.S. v. Young and McConnell:

This case involved a \$160 million investment fraud by operators of a cattle business. It constituted the largest fraud ever prosecuted in the Western District of Missouri. This case was prosecuted by Assistant United States Attorneys Ken Weinfurt and Dan Stewart.

U.S. v. Nichols, Gomez, Baker and Conway:

The “Miracle Cars” case involved a \$21 million fraud based on the misrepresentation that cars were available from the estate of wealthy individual, who wanted to reward people of religious faith, by offering vehicles at bargain prices. The fictitious cars were sold to thousands of victims across the country. This case was prosecuted by Assistant United States Attorney Dan Stewart.

Breakdown of General Crimes caseload:

Nature of case	Total number of cases	Significant cases or general description of cases in this category
Public Corruption	4 cases	<p><u>U.S. v. Sayre</u>: Prosecution of a state court judge for taking a bribe to dismiss a narcotics case and 2 related narcotics prosecutions of individuals involved in the bribes</p> <p><u>U.S. v. Shaw</u>: Prosecution of an Army Corps of Engineer employee for taking bribes to award government contracts</p> <p><u>U.S. v. Holmes</u>: Local agency official embezzling federal funds from the agency</p>
Environmental	1 case	<p><u>U.S. v. Tyson Foods</u>: Clean Water Act prosecution of a company for polluting rivers with chicken processing waste, resulting in \$7.5 million penalty against the company (the largest criminal environmental penalty imposed in our district)</p>
Bank Fraud	8 cases	<p><u>U.S. v. Young and McConnell</u>: Prosecution of individuals running a cattle feeding operation, resulting in losses to banks and individual investors of over \$160 million (the largest economic crime case prosecuted in our district)</p> <p><u>U.S. v. Nahia and Rashid</u>: Prosecution of individuals for attempting to cash \$15 million counterfeit cashiers check</p>
Bank Embezzlement	3 cases	Typically, prosecution of bank tellers or officers for embezzling funds

Investment Fraud	6 cases	<u>U.S. v. Nichols, Gomez, Baker, and Conway</u> : \$21 million fraud prosecution (named the “Miracle Cars” case) based on nation-wide scheme to over 4,000 victims based on the misrepresentation that cars were available from the estate of a wealthy individual wanting to reward people of religious faith <u>U.S. v. Worthing</u> : Prosecution of individuals for selling fraudulent securities, prime bank notes, promising high rates of returns
Other financial crimes	2 cases	<u>U.S. v. Jama</u> : Prosecution of individuals structuring cash monetary transactions of funds being sent to United Arab Emirates to avoid currency transaction reports <u>U.S. v. Owens et al.</u> : Prosecution of 9 individuals in a counterfeit check cashing ring
Bank Robbery/Burglary	8 cases	<u>U.S. v. Adams, Rogers, Pitts, Morse, and Miller</u> : Prosecution of bank burglary ring
Domestic Terrorism	1 case	<u>U.S. v. Ghane</u> : Prosecution of individual expressing anti-government views in possession of cyanide
Immigration	3 cases	Typically, prosecution of individuals returning to the United States after deportation orders and becoming involved in criminal activity
Fraud/Embezzlement from businesses	13 cases	<u>U.S. v. Gordon</u> : Prosecution of office manager of business for embezzling over from her company <u>U.S. v. Montgomery</u> : Prosecution of woman claiming survivor benefits by falsely claiming that her brother had been killed in the 9/11 disaster at the World Trade Towers
Postal crimes	3 cases	Typically, prosecution of postal employees for embezzlement of funds

Interstate transportation of stolen property or theft from interstate shipments	7 cases	<u>U.S. v. Borders</u> : Prosecution of truck driver for stealing trailer loads of meat from trucking company <u>U.S. v. DeLeon</u> : Prosecution of individual for interstate transportation of stolen recyclable paper
Counterfeiting	1 case	Passing counterfeit currency
Federal Program Fraud	7 cases	Typically, prosecution of individuals for improper receipt of federal program benefits, such as Social Security
Special Project: Operation Tarmac	5 cases	Prosecution of 5 cases involving falsification of background information on applications to work at the Kansas City International Airport as part of heightened security measures at the airport

Asset Forfeiture Unit

The Asset Forfeiture Unit is part of the General Crimes Unit. The Assistant United States Attorneys in the Asset Forfeiture Unit assist other AUSAs in criminal forfeiture actions and handle civil forfeiture actions.

During fiscal year 2003, the United States Attorney's Office obtained judgments in criminal and civil forfeiture cases involving property totaling \$2,561,807.19, which resulted in deposits of currency and sale of forfeited property of \$2,268,014.47. In U.S. v. Courtney, a prosecution of a pharmacist for diluting cancer treatment prescription drugs, \$265,382.59, which was obtained as a result of a forfeiture action, was turned over to the district court for restitution to victims of the defendant's scheme to dilute drugs provided to patients. As a result of other cases, \$28,740 of personal property was turned over to state and local law enforcement agencies for official use.

The criminal and civil judicial forfeiture actions handled by the office are related to illegal narcotics cases and various white collar crimes. Of the total relief granted in fiscal 2003, \$1,562,558.26 was related to narcotics cases and \$999,248.93 was related to white collar crimes. Of the \$2,268,014.47 deposited into asset forfeiture funds, \$1,429,824.18 was related to narcotics cases and \$838,190.29 to white collar crime cases.

The office also assists investigative agencies in administrative forfeitures in cases linked to criminal activity investigated by those agencies. In fiscal 2003, DEA and FBI

administratively forfeited \$960,373.37 in currency or the proceeds of seized personal property such as motor vehicles.

The following are several significant forfeiture cases in fiscal 2003:

Criminal Case	Nature of forfeiture
U.S. v. Nichols, Gomez, Baker, and Conway (the "Miracle Cars" case)	In addition to monetary judgements against the two primary defendants, the Court ordered forfeiture of \$818,715 in gambling chips, a 1999 BMW, a motorcycle, and real estate purchased with fraud proceeds. Other personal property consisting of jewelry and sports memorabilia is still being liquidated.
U.S. v. Riley and Coon	In lieu of forfeiture of a camp resort in Oklahoma purchased by the defendants, who were convicted of racketeering, the United States received \$400,000 from third parties who have been operating the resort.
U.S. v. Robert Courtney	A civil forfeiture action was used to recover \$265,000 in funds from the account of the defendant pharmacist who was convicted of diluting cancer treatment drugs and over \$200,000 from real estate purchased by the defendant. These funds are being turned over to the court for restitution to victims.
U.S. v. Shannon Power	In this prosecution of a large-scale trafficker of marijuana and cocaine in St. Joseph, Missouri, real estate worth \$403,500 was forfeited as part of the plea agreement and \$434,578 in personal property was forfeited administratively to DEA.
U.S. v. Randy and Teri Mitchell	A judicial forfeiture against a storage facility in Sedalia, Missouri, built by the defendants with the proceeds of illegal drug trafficking was forfeited and sold for \$375,000. A large portion of these funds were shared equitably with the county sheriff's department.
U.S. v. Joseph Spino	A judicial forfeiture action against a business involved in food stamp fraud resulted in a settlement payment of over \$130,000 to the United States.

U.S. v. Elizandro Martinez	A civil forfeiture action against \$898,719 in currency seized from a suspected marijuana trafficker traveling in an RV on Interstate 44 in Lawrence County resulted in equitable sharing with state and local law enforcement agencies.
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Task Forces and Working Groups

The General Crimes Unit is involved in a number of task forces and working groups which coordinate investigations and prosecutions in a number of areas, including high priority Department of Justice areas:

Anti-Terrorism: The number one priority of the Department of Justice since Sept. 11, 2001 has been deleting and dismantling terrorism. In the Western District of Missouri, AUSA Sheryle Jeans is the Anti-Terrorism Advisory Council Coordinator, overseeing terrorism intelligence gathering and criminal investigations by federal agencies in this area. Our office also leads a Joint Terrorism Task Force, which includes state and local law enforcement officials. These groups have also been responsible for law enforcement training of various types.

Financial Fraud Task Force: This task force, consisting of FBI, representatives of numerous banks, FDIC, and our office, shares information concerning various types of financial fraud against financial institutions in our area.

Environmental Crimes Working Group: This working group, consisting of USEPA investigators and attorneys, FBI, the Missouri Attorney General's Office, and state and local regulators and investigators, coordinates environmental crime investigations in our district.

Civil Rights Advisory Council: This group, consisting of the FBI, local law enforcement, various community groups, and our office, discusses civil rights issues in the community.

Narcotics Unit

A. Overall trends:

A new form of methamphetamine

Methamphetamine trafficking is evolving from local production to importation into the Western District of Missouri. In Kansas City, drug trafficking organizations based outside of the district are expanding operations in the city. These organizations are not only importing cocaine and marijuana, but also an extremely pure form of methamphetamine commonly known as “ice.” This imported meth is beginning to replace local meth production in all three branches of the district partly because law enforcement efforts to quell local production has made importation a cheaper option. Ice is also a more dangerous substance, ranging in purity in the 80 to high 90 percent range, a purity not previously experienced in the district. If not reduced by a cutting agent, ice could be fatal to an average meth user.

Rural communities continue battle with “mom and pop” labs

While fewer “mom & pop” labs exist in the metropolitan areas, lab and precursor cases are still prevalent in the rural areas where law enforcement is still at a serious disadvantage due to a lack of investigators and other resources.

Powder cocaine cases increase

Both Kansas City and Springfield have seen an increase in powder cocaine cases as compared to crack cocaine cases. This may be due to two factors: first, dealers are beginning to realize the higher punishments associated with crack and meth as compared to powder cocaine; and second, the recent emphasis on meth investigations in the area.

B. Narcotics by the numbers:

District-wide - The number of methamphetamine cases (110 cases district wide in 2003) is the most significant in the narcotics unit's total number of cases, followed by crack cocaine (58 cases).

Kansas City - Meth (65 cases and 7 precursor chemical cases) and crack cocaine (44 cases) are the two most popular drugs. Meth prosecution has been somewhat the same for the last three years, averaging about 66 cases, while crack cocaine has increased over the last four years, from 24 cases in 2000 to 44 in

2003. Powder cocaine has declined over the past three years. There has also been a considerable decline in marijuana cases (27 down to 13).

Springfield - Powder cocaine (12 cases) and meth (23) are the two most popular drugs. Crack cocaine has stayed the same over the last three years, with an average of four cases per year. There was an increase in Ecstasy/MDMA drugs in 2003, from one case in 2002 to five in 2003. There has been no noticeable decline in any drug.

Jefferson City - As in Kansas City, meth (13 cases) and crack cocaine (10 cases) are the most popular drugs. There was a decline in crack cocaine cases (down from 18 in 2002) but a rise in meth cases (up from three cases in 2002). There was a slight increase in marijuana cases (from four to seven over the past two years).

C. Methamphetamine cases:

Kansas City - The large portion of the 64 meth cases prosecuted were based on instances where the drug was imported to the Western District of Missouri (about 44 percent). Importation cases are defined as meth cases of a quantity (kilos) and quality which would not normally be produced locally, or traffic stops which show the substance was being imported from another location. The remaining 36 percent of the cases are divided equally between labs and small distribution/possession cases.

Springfield - There has been only a slightly higher number of imported cases than possession/distribution cases.

Jefferson City - The majority of the 13 meth cases are labs, 85 percent. The other 15 percent are possession/distribution cases. There were no imported meth cases in 2003.

D. Agencies working with the Narcotics Unit:

In the Kansas City region of the Western District, at least 19 agencies are addressing illegal drug-trafficking by requesting federal prosecution of their cases.

Federal agencies investigating narcotics trafficking in the Western District of Missouri include: DEA, FBI, ATF, ICE (Customs/INS) and IRS. Local task forces are Jackson County Drug Task Force, NITRO, Metro Meth Drug Task Force, St. Joe Strike Force, and Cass County Highway Patrol Task Force; local police agencies that contribute cases are the Kansas City, Mo., Police Department,

the Independence, Lee's Summit, Blue Springs, Mo., police departments and the Missouri State Highway Patrol.

District Wide - Local agencies lead the way in the number of cases submitted to our office. DEA brought the second highest number of cases to all three district offices in 2003.

Kansas City - State and municipal authorities bring the majority of cases to the Kansas City office.

Springfield - DEA is responsible for a majority of the drug cases.

Jefferson City- The Joint State/Local Lead Task Force brought in most of the cases.

E. Analysis of agency numbers:

It is interesting to note the vast disparity between the agencies in Kansas City and Springfield. In Kansas City, locals initiate 61 percent, with DEA at 12 percent, while in Springfield the number is 68 percent for DEA. DEA numbers in KC over the last four years have fluctuated only slightly between 12 and 8 percent.

F. Future of the Narcotics Unit:

The Narcotics Unit will continue to follow its philosophy of developing multiple-defendant conspiracy cases. It is the goal of the Western District of Missouri to develop cases that focus on larger narcotics conspiracies in the district, or cases that lead to breaking down a larger drug ring in the district.

Organized Crime Strike Force Unit/Project Safe Neighborhood

In 2003, the United States Department of Justice recognized the Kansas City Project Ceasefire program for its efforts in reducing crime in the Kansas City area. Since the inception of the program in 1999, there have been sharp reductions in the numbers of both property crime and violent crime in the metro. The Kansas City, Mo., Police Department reports that the annual decrease in crimes from 1998 to 2003 included 48 fewer murders (from 130 murders in 1998 to 82 in 2003, a 37 percent decrease); 771 fewer robberies (34 percent decrease); and 1,791 fewer motor vehicle thefts (24 percent decrease).

During the same time period, Project Ceasefire has charged more than 550 defendants (including 173 in 2003) in federal court and convicted 475. As a result, the program recovered more than 1,000 firearms from the hands of convicted criminals. Among them the 475 felons have approximately 1,500 prior felony convictions.

Equally important to the impact of Project Ceasefire have been efforts of the Kansas City Crime Commission. The education and community outreach programs of the Crime Commission have aided significantly in creating a premier anti-crime initiative. In fact, the United States Department of Justice recognized the efforts of Kansas City's Project Ceasefire (a local version of the national Project Safe Neighborhoods program) on several occasions, praising it as a national leader in the prosecution of felons in possession of firearms.

The Western District of Missouri and the local Project Ceasefire/Project Safe Neighborhoods Team also received the national U.S. Department of Justice's Outstanding Partnership or Task Force Award in 2003. The combined efforts of several local organizations, including the Kansas City Crime Commission, the United States Attorney's Office in the Western District of Missouri and District of Kansas, the Bureau of Alcohol, Tobacco, Firearms and Explosives, the University of Missouri-Kansas City, the Project Safe Neighborhoods Task Force, and the Kansas City, Mo., and Kansas City, Kan., Police Departments, helped in earning this national recognition by pooling their resources to reduce gun crime in the metropolitan area.

U.S. Attorney General John Ashcroft, at a meeting with district attorneys and state attorneys general from across the country, recently referred to the Kansas City program as a national leader in prosecuting felons for illegally carrying firearms. In fact, the U.S. Department of Justice has selected our community to host its 2004 Project Safe Neighborhoods National Convention in June. The convention will bring together U.S. Attorneys and other federal, state and local law enforcement officers from across the country to discuss the implementation of strategies to reduce the possession of firearms by convicted felons.

During the year to come, it is the goal of the United States Attorney for the Western District of Missouri to continue building on the success of this program. A second Project Ceasefire initiative has been launched in the Springfield, Mo., area again with the supporting leadership of the Kansas City Crime Commission. It is anticipated that the new program in southern Missouri will be as successful as the Kansas City initiative.

Computer Crimes and Child Exploitation Unit

The following is a comprehensive, district-wide analysis of the Computer Crimes and Child Exploitation Unit. The report is treated as a threat assessment regarding the escalation of computer crime, as it emerges as a dominant form of crime in general.

The data in this report is from the past two years, beginning on January 1, 2002 until the present.

A. District-Wide Analysis:

During the target time-frame, there were 152 matters for which a file was opened by the United States Attorney's Office. Of that number, 66 cases were charged, 66 cases are still pending review or have investigation on-going, while 20 had charges either declined or subsequently dismissed. Of the dismissals, one occurred because a defendant was found incompetent to proceed, two resulted from matters being transferred to other jurisdictions for prosecution, six occurred in deference to the Petite Policy, and the remaining 11 were the result of inconclusive evidence of guilt. Of this number, it is readily apparent that the FBI is our most significant partner agency and that child pornography cases are the most abundant, although this appears to be changing. While child pornography case submissions remain high, submissions for other types of computer crime are on a marked increase. Out of the 152 cases total, 51 cases are non-child pornography, computer cases and of this number, approximately 47 cases have been from submissions dating from July 2003 to the present.

The types of cases and submitting agency are summarized in Table One and Table Two on the following page.

Table One

Type of Case	Total # of Submissions
Child Pornography	101
Internet Fraud	25
Computer Intrusion, a/k/a "hacking"	12
Identity Theft	9
Distributing Obscene Material	1
Cyberstalking	1
Solicitation of Murder-for-hire	1
Gambling	1
Copyright Infringement/Intellectual Prop.	1
	Total: 152 Submissions

Table Two

Agency Making Submission	Total # of Submissions
Federal Bureau of Investigation	89
Postal Service	15
Secret Service	15
Immigration and Customs Enforcement	10
Military Referrals	2
Alcohol, Tobacco, and Firearms	1
Internal Revenue Service	1
USDA - OIG	1
Various Local Municipalities	19
	Total: 152 Submissions

Each of the three offices (Kansas City, Jefferson City and Springfield) have slightly different issues regarding computer cases and how they are either investigated or submitted. Consequently, the future of each of the branch offices, though related, is slightly different. These differences will be discussed in turn.

B. Kansas City Analysis:

During the target time-frame, there were 117 matters submitted for which a file was opened. Of that number, 46 cases were charged, 60 cases are still pending review or have investigation on-going, while 11 had charges either declined or subsequently dismissed. Of the dismissals, one occurred because a defendant was found incompetent to proceed, two resulted from matters being transferred to other jurisdictions for prosecution, two occurred in deference to the Petite Policy, with the remaining six being the result of inconclusive evidence of guilt. As is true with each of the branch offices, the FBI is our most significant partner agency and child pornography cases are the most abundant. As mentioned above, although child pornography case submissions remain high, submissions for other types of computer crime are on a marked increase in Kansas City. Since the summer of 2003, the unit has developed a combined caseload of 53 computer crime cases, of which only seven cases are child pornography-related. Thus, approximately 47 CHIPS-type cases have been opened since last summer. The Kansas City cases and submitting agency are summarized in Tables Three and Four:

Table Three

Type of Case	Total # of Submissions
Child Pornography	68
Internet Fraud	25
Computer Intrusion, a/k/a "hacking"	12
Identity Theft	9
Distributing Obscene Material	1
Cyberstalking	1
Solicitation of Murder-for-hire	1
	Total: 117 Submissions

Table Four

Federal Bureau of Investigation	Total # of Submissions
Federal Bureau of Investigation	64
Secret Service	14
Postal Service	12
Immigration and Customs Enforcement	7
Military Referrals	2
Alcohol, Tobacco, and Firearms	1
Internal Revenue Service	1
USDA - OIG	1
Various Local Municipalities	15
	Total: 117 Submissions

(1) Child Pornography:

The range of punishment that one would expect in the typical case is between 80 and 98 months, with the average sentence actually imposed being a period of incarceration of 85 months. It is expected that these numbers will go up as a result of the Protect Act, which was signed into effect by President Bush on April 30, 2003. The result of this Act is that most child pornography offenses now have a mandatory minimum period of incarceration. Consequently, child pornography offenses occurring after April 30, 2003, will result in lengthier sentences. For these cases, our office filed one motion for upward departure, which was granted, taking a defendant from a maximum sentence of 188 months to a sentence of 235 months. Also, we have filed three motions for downward departure. All of these motions were based upon a defendant's cooperation. One motion for downward departure was filed by a defendant and opposed by us; it was not granted.

(2) Other Computer Crime:

The range of punishment that one would expect in the typical case is between 20 and 27 months, with the average sentence actually imposed being a period of incarceration of 24 months. It is expected that these numbers will remain fairly consistent. For these cases, our office has yet to file a motion for

upward departure, though, several such motions are possible in the future. Also, we have not yet filed any motions for downward departure.

(3) Conclusion:

Case submissions continue to climb with the result being that each attorney in the unit is establishing a good-sized caseload. The FBI will likely remain our number one partner agency, but submissions from Postal and the Secret Service have increased dramatically over the last six months. Through various outreach projects, we can expect to receive more and more cases from various local municipalities, such as the Platte County Sheriff's Office, and state agencies, like the Missouri Secretary of State's Office.

C. Jefferson City Analysis:

During the target time-frame, there were 10 matters submitted for which a file was opened. All of the cases submitted and opened in Jefferson City were child pornography matters. Consequently, they have opened no files on other types of computer crime. Of the 10 cases, six have been charged, two are still pending review or have investigation on-going, while two had charges declined. The two declinations were the result of inconclusive evidence of guilt. The FBI, again, is the most significant partner agency, with eight of the 10 total submissions. In most instances, though, it has been indicated that the matter was a referral to the FBI by a local agency. It is noteworthy that one of the child pornography matters prosecuted in Jefferson City, also had the component of the defendant both producing and distributing obscene material . The types of cases and submitting agency are summarized in Tables Five and Six:

Table Five

Type of Case	Total # of Submissions
Child Pornography	10
	Total: 10 Submissions

Table Six

Agency Making Submission	Total # of Submissions
Federal Bureau of Investigation	8
Postal Service	1
Immigration and Customs Enforcement	1

(1) Child Pornography:

The range of punishment that one would expect in the typical case is between 32 and 40 months, with the average sentence actually imposed being a period of incarceration of 29 months. As in Kansas City, these numbers will likely go up as a result of the Protect Act being signed into law. No downward departures have been filed by members of the office; however, two defendants have filed their own motions for downward departure, which were opposed by the United States Attorney. Each of them was denied. A motion for upward departure was requested in the Jack Wayne Rogers case.

(2) Other Computer Crime:

Nothing to report.

(3) Conclusion:

There are no investigations or case submissions in the Jefferson City area for computer crimes, other than child pornography investigations.

D. Springfield Analysis:

During the target time-frame, there were 25 matters submitted for review, for which a file was opened. Twenty-three of the cases were child pornography matters with the other two cases involving allegations of gambling and copyright infringement. Of the total 25 cases, 14 have been charged, four cases are still pending review or have investigation on-going, while seven had charges either declined or subsequently dismissed. Of the dismissals, four occurred in deference to the Petite Policy, with the remaining three being the result of inconclusive evidence of guilt. Again, the FBI is the most significant partner agency, with 17 of the 25 submissions. In three instances, the FBI matters were the result of local agency referrals. The types of cases and submitting agency are summarized in Tables Seven and Eight:

Table Seven

Type of Case	Total # of Submissions
Child Pornography	23
Gambling	1
Copyright Infringement/Intellectual Prop.	1
	Total: 25 Submissions

Table Eight

Agency Making Submission	Total # of Submissions
Federal Bureau of Investigation	17
Greene County Sheriff's Office	3
Immigration and Customs Enforcement	2
Postal Service	2
Secret Service	1
	Total: 25 Submissions

(1) Child Pornography:

The range of punishment that one would expect in the typical case is between 41 and 54 months, with the average sentence actually imposed being a period of incarceration of 72 months. As with both the previously described child pornography cases, these numbers will likely go up as a result of the Protect Act. Thus far, the Springfield Office has not filed any motions for either upward or downward departure. Several such motions filed by defendants are pending, though none are expected to be granted.

(2) Other Computer Crime:

The two other cases of computer crime in the Springfield office are both pending. The first case involves an allegation of copyright infringement/intellectual property claim. This case has been charged and has a range of punishment of between 12 and 18 months imprisonment. The other case is an ongoing investigation.

(3) Conclusion:

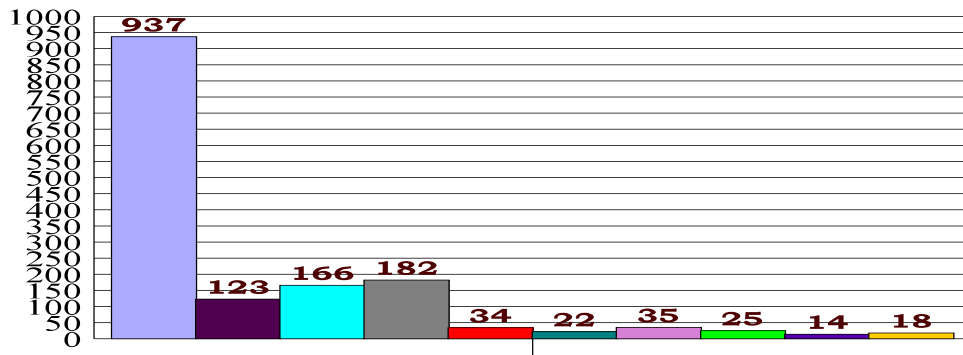
Very few non-child pornography computer cases are investigated or submitted to the Springfield branch office. This is likely for the same reasons as in Jefferson City: resources are limited, or otherwise dedicated to domestic terrorism, and out of the ordinary cases are referred to Kansas City for disposition.

CIVIL DIVISION:











Civil Division AUSAs are the litigators in civil cases and matters involving federal agencies and officials. Civil Division paralegal specialists, legal assistants, and our auditor/investigator collect money owed the United States, manage cases such as Social Security disability appeals and Freedom of Information Act requests, and provide support to the attorneys in all types of cases. The Civil Division staff includes twelve Assistant U.S. Attorneys, eight paralegal specialists, one paralegal assistant, one auditor/investigator and three legal assistants. Two of the attorneys, and one paralegal specialist, are in the Springfield branch office.

Civil Division Work:

The chart below shows the number of active files as of January 14, 2004, plus the number of files closed during 2003 for the Civil Division's top ten partner agencies.

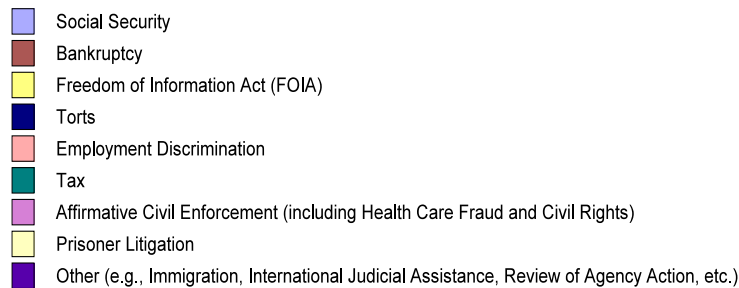
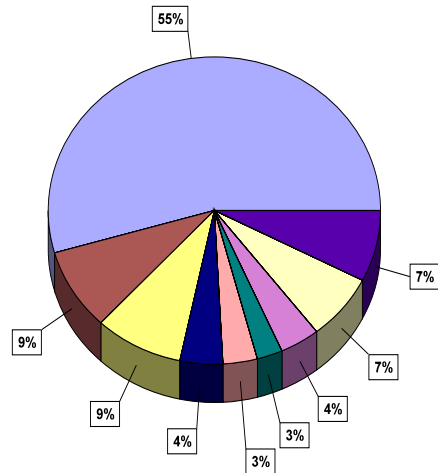


Top Ten Agencies Served in 2003

-  Social Security Administration
-  Department of Justice (FOIA 99)
-  Internal Revenue Service
-  Bureau of Prisons (Prisoner Litigation)
-  Department of Agriculture
-  Department of Veterans Affairs
-  Department of Education
-  United States Postal Service
-  Federal Bureau of Investigation
-  Department of Health and Human Services

Pending Civil Cases

As of January 14, 2004



Social Security	493
Bankruptcy	77
Freedom of Information Act (FOIA)	77
Torts	38
Employment Discrimination	30
Tax	23
Affirmative Civil Enforcement (including Health Care Fraud and Civil Rights)	36
Prisoner Litigation	62
Other (e.g., Immigration, International Judicial Assistance, Review of Agency Action, etc.)	66

Note:

- 1) Financial Litigation Unit cases are excluded from this chart (see Financial Litigation Unit Section for reporting data).
- 2) Civil actions involving asset forfeiture and post-conviction attacks on criminal sentences are handled in the Criminal Division, and are not included in this chart.

Social Security Disability Appeals:

_____The Civil Division represents the Social Security Administration (SSA) in appeals filed in U.S. District Court by disability applicants whose applications for benefits have been denied by SSA. Although the number of cases appealed nationwide represents only a small fraction of the total number of applications filed each year, a substantial number of disability appeals are filed in the Western District of Missouri. These appeals are approximately one-half of the cases handled by the Civil Division. The courts decide cases on briefs filed by the parties and evidence in the record, which is the evidence submitted to SSA during the disability application process. In this district, several district judges and magistrate judges hear oral arguments before deciding disability appeals. During 2003, Civil Division attorneys participated in 73 oral arguments held in Kansas City, Springfield and Jefferson City.

Bankruptcy Litigation:

The Civil Division represents federal agencies in bankruptcy proceedings in which the agencies have a financial interest. For example, the IRS typically has claims that we seek to protect when an individual files for bankruptcy. Several other federal agencies often have financial interests in bankruptcies, *e.g.*, the Department of Agriculture, Health and Human Services, the Small Business Administration and the Social Security Administration. Federal law limits the circumstances under which federally guaranteed student loans may be discharged in bankruptcy. The Civil Division's bankruptcy specialist is frequently involved in "adversary" proceedings, challenging the discharge of student loans. During 2003, the bankruptcy AUSA was involved in four trials on student loans: three resulted in decisions for the Department of Education; one resulted in a decision in favor of the debtor, discharging the student loan.

Freedom of Information Act and Privacy Act:

Under the *Freedom of Information Act* and *Privacy Act*, individuals have the right to submit a written request for federal agency records or information. Federal agencies are required to provide the requested records unless the information falls under any of the nine exemptions or three exclusions set forth in the FOIA.

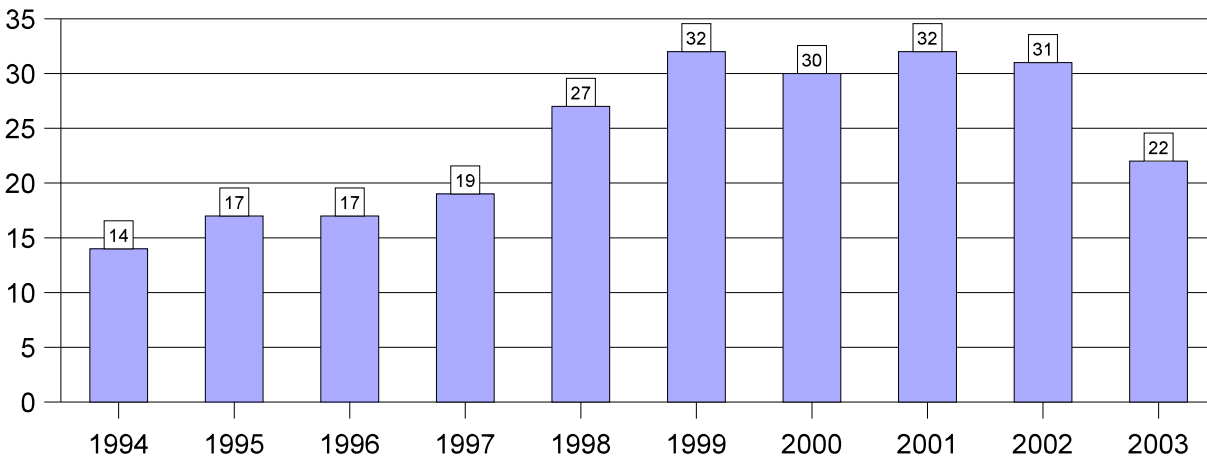
From January 1, 1994 through December 31, 2003, the Civil Division has received 241 FOIA requests. During 2003, 22 requests were received, and 22 requests were resolved.

The majority of FOIA and Privacy Act requests received are from prison inmates who are interested in obtaining information pertaining to investigations and prosecutions which led to their convictions. During 2003, the Civil Division received 16 inmate requests.

Additional information pertaining to the Department of Justice policies and procedures for making a request under the *FOIA* or *Privacy Act* is available at DOJ's website at www.usdoj.gov/04foia/index.html.

Freedom of Information Act (FOIA) / Privacy Requests

January 1, 1994 through December 31, 2003



Torts and Employment Discrimination:

Employment Discrimination. Civil Division AUSAs defend federal agencies against claims for discrimination brought by federal employees. These cases include allegations of discrimination on the basis of race, age, gender and disabilities. During 2003, thirteen discrimination cases were resolved by summary judgment or dismissal in favor of the government, and one case was settled.

Medical Negligence. Civil actions alleging medical negligence (“malpractice”) are brought against the United States on the basis of medical care provided at military hospitals, prison facilities, and veterans medical centers. The Civil Division defends these cases, and during 2003, three negligence claims were dismissed, seven cases were settled, and in one case, judgment was for the United States after trial.

Constitutional Torts. Civil Division attorneys defend tort actions brought against federal law enforcement agents, Bureau of Prisons employees and other federal employees. The allegations in these cases include use of “excessive force” in arrest situations and disregard of medical needs of inmates. During 2003, none of these cases resulted in recovery of damages by the plaintiff.

General Tort Litigation. Other types of tort claims are brought against the United States under the Federal Tort Claims Act, *e.g.*, negligence claims arising from traffic accidents and “slip-and-fall” incidents on federal property. During 2003, seven tort cases were resolved by summary judgment or dismissal in favor of the government, and nine cases were settled.

Tax:

Most civil cases involving disputes between taxpayers and the Internal Revenue Service are handled by the Tax Division in the Department of Justice. However, the Civil Division represents the IRS in proceedings to enforce summonses issued by the IRS to obtain information needed to determine tax liability and to collect taxes.

Affirmative Civil Enforcement (ACE):

The Civil Division represents the United States in cases where a department or agency has suffered financial loss from fraudulent actions. Through the use of the False Claims Act, the government can recover up to three times the amount lost as a result of the fraud. In addition to the matters discussed below, cases involving allegations of fraud against the Departments of Defense, Housing and Urban Development, and Social Security and other government departments and agencies were handled. The Civil Division also handled cases involving violations of environmental laws and regulations.

On April 30, 2003, a presentation was made to the Missouri Farm Service Agency (FSA) and USDA Rural Development and Conservation staffs to inform them of the ACE program and encourage them to refer cases for affirmative civil enforcement. One case involving improper disaster assistance payments referred by the FSA through the OGC was settled for \$18,828, twice the amount of payment received by producer.

_____ Three ACE health care fraud cases were settled in 2003. A negotiated settlement of \$60,000 was reached with a physician involving Medicare overpayments, \$30,000 was forfeited by an individual as a result of unlawful sale of sample drugs, and a \$25,000 settlement was negotiated with a nursing home for billing for services not rendered and quality of care issues.

_____ Americans with Disabilities Act (ADA) complaints originating in the Western District of Missouri and alleging non-employment violations of the ADA may be investigated and resolved by the United States Attorney’s Office (USAO) or the DOJ Civil Rights Division or handled through the DOJ mediation process. During 2003, the USAO processed ADA complaints dealing with physical accessibility of public and private buildings and services

and providing effective communication to hearing and speech impaired individuals in public services.

The Civil Division also handles violations of the anti-discrimination provisions of the Fair Housing Act and other civil rights legislation. Violations of these laws may be handled separately or in concert with the Criminal Division.

Prisoner Litigation:

The United States Medical Center for Federal Prisoners (USMCFP) is located in Springfield. Civil Division attorneys represent the Bureau of Prisons when it is necessary to file petitions (1) to commit inmates for psychiatric treatment when they are determined to be dangerous to themselves or others by reason of mental illness, or (2) to hold such inmates, as patients, for psychiatric treatment after their sentence expires. During 2003, all commitment cases which went to a court hearing were decided in favor of the Bureau of Prisons. Inmates at USMCFP also file *habeas corpus* petitions challenging the computation of the length of their sentences or complaining about various conditions of confinement. Civil Division attorneys defend these cases, and during 2003, all court decisions on such issues in this district were in favor of the Bureau of Prisons.

Immigration:

During 2003, the Civil Division handled several district court cases and two cases in the Court of Appeals for the Eighth Circuit for the immigration component of the Department of Homeland Security. The immigration cases arising in this district primarily fall into two categories: (1) aliens who have been convicted of a criminal offense and are challenging the constitutionality of their resulting deportation, and (2) aliens scheduled for removal who are challenging their detention pending removal. Both areas have been the subject of numerous Congressional enactments and Supreme Court constitutional scrutiny. In all of the cases in this district, the courts have ruled in favor of the government. In addition, the Civil Division has assisted immigration officials in enforcing new laws designed to address potential national security threats.

Requests for International Judicial Assistance:

The Civil Division handles requests from courts in foreign jurisdictions under The Hague Convention on the Taking of Evidence Abroad in Civil or Commercial Matters. In 2003, matters were handled for courts in Argentina, Brazil, Germany, and Italy concerning paternity testing and providing statements of witnesses.

Financial Litigation Unit

The Financial Litigation Unit (“FLU”) is responsible for collecting money owed to the United States and crime victims (federal government, individuals, banks, insurance companies and other businesses or entities). Criminal cases include bond forfeitures, special assessments, fines, federal restitution (money owed to a federal agency), and non-federal restitution (money owed to individuals, banks, insurance companies and other entities). Money collected for special assessments and fines goes to aid victims of crime. At the end of calendar year 2003 the Financial Litigation Unit maintained a criminal caseload of 2,204 criminal debts, totaling \$136,691,743.

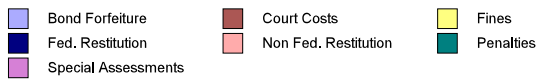
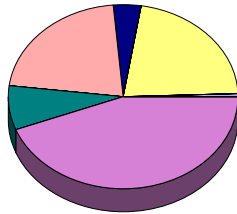
The unit’s civil cases consist of defaults on government loans (such as Department of Education and Department of Health and Human Services student loans, home improvement mortgages (HUD), Small Business Administration, Department of Veterans Affairs, and farm loans), overpayments made by the United States (such as Social Security, veterans’ benefits and Medicare), environmental fines and penalties, and money owed to the United States as a result of successful civil fraud prosecutions (such as health care fraud and procurement fraud). At the end of calendar year 2003 the FLU maintained a civil caseload of 697 debts worth \$12,545,665, with the Department of Education being the FLU’s largest client agency with 414 debts.

Money is collected by the FLU staff through voluntary payment plans, wage assignments, wage garnishments, bank garnishments (checking, savings, IRAs, 401Ks, certificates of deposit, etc.), by attachment of real and personal property (cars, boats, recreational vehicles, etc.), and by placing liens against real and personal property. Calendar year 2003 collections totaled \$9.6 million (\$8.6 million criminal collections and \$1 million civil collections).

The Financial Litigation Unit consists of a full-time Assistant United States Attorney, a Supervisory Paralegal Specialist and three Paralegal Specialists.

Pending Criminal Debts

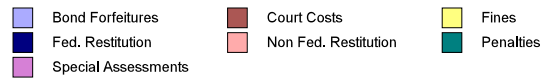
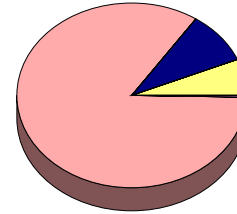
Number of Debts



Bond Forfeiture	13
Court Costs	5
Fines	481
Fed. Restitution	83
Non Fed. Restitution	481
Penalties	170
Special Assessments	971

Pending Criminal Debts

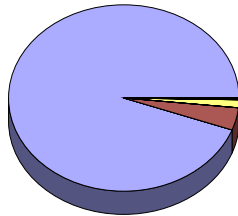
Dollar Amount



Bond Forfeitures	\$318,014
Court Costs	\$36,559
Fines	\$8,522,996
Fed. Restitution	\$12,405,810
Non Fed. Restitution	\$115,288,400
Penalties	\$3,985
Special Assessments	\$115,979

Pending Civil Debts

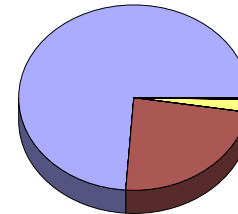
Number of Debts



FLU	660
Affirmative Civil Enforcement	27
Health Care Fraud	9
Bankruptcy	1

Pending Civil Debts

Dollar Amount



FLU	\$9,301,243
Affirmative Civil Enforcement	\$2,949,301
Health Care Fraud	\$288,744
Bankruptcy	\$6,377

Appellate Unit

The following report documents the first year of progress for the Appellate Unit, which deals with criminal case appeals, which was created during 2003. It is one of only a few units of its kind among United States Attorney's Offices nation-wide.

Decisions Received from the Eighth Circuit

For the Western District of Missouri, there were 49 Eighth Circuit decisions filed for the time period of April 21, 2003 through December 2003. Thirty-seven of the opinions were published decisions, 12 were unpublished opinions. One of the unpublished opinions was the denial of a defendant's certificate of appealability. We won 41 cases, lost two cases, and one case was affirmed in part and reversed in part, during this time period.

During the year 2003, the Government filed 15 adverse decision memos with the Department of Justice. Six of the memos were seeking to appeal an adverse ruling of the District Court, all of which were granted. Five of the memos recommended that this office not appeal the adverse District Court ruling. There were four memos filed which advised the Department of adverse decisions from the Eighth Circuit._____

A. Following are significant government victories:

United States v. Keith D. Nelson: This case involved the kidnap, rape, and murder of a 10-year-old girl by Keith Nelson. The Government prevailed in Nelson's challenges to the District Court's rulings. The Eighth Circuit rejected Nelson's challenge to the *voir dire* practices in the sentencing phase of his federal death penalty matter. The Appellate Court found that the District Court did not abuse its discretion in denying Nelson's request for a change of venue or his challenges to the individual jurors. Additionally, the Appellate Court found that the penalty phase instructions correctly stated the law and that the admission of the victim impact evidence was proper.

United States v. Ronnie Blade: The Eighth Circuit found that the District Court did not plainly err in sentencing Blade to a life sentence without the possibility of parole although the drug quantity was not set forth in the Indictment. The District Court did not err in denying Blade's motion for a new trial. The Appellate Court further found that the Government's failure to produce a confidential informant did not deprive Blade of his right to confront his accuser. Additionally, the magistrate judge's denial of Blade's request for 33 subpoenas was not an abuse of discretion because Blade did not show that the testimony was necessary.

United States v. Cassie Patterson: The United States received permission to appeal the District Court's decision to depart downward for Patterson's post-offense rehabilitation. The Eighth Circuit reversed the District Court's departure finding that the record was devoid of facts to warrant a departure based on post-offense rehabilitation under § 5K2.0. The Eighth Circuit also concluded that the District Court did not give adequate consideration to the fact that Patterson had already received a three-level reduction for acceptance of responsibility which could have taken into consideration her post-offense rehabilitative efforts. Judge Bright dissented.

United States v. Derrick Smith: Although this was an unpublished decision, this opinion is included as significant because it involved the death of a young woman after she overdosed on cocaine. In this matter, the Eighth Circuit found that the District Court did not err in denying Smith's motion for substitution of counsel made the morning of trial in refusing to give a lesser included offense instruction for simple possession of drugs or in refusing to grant a two-level reduction for acceptance or responsibility as Smith consistently refused to accept any responsibility for the acts which resulted in the victim's death from a drug overdose. The Appellate Court further found that in the prosecution for distribution of cocaine resulting in death, the verdict director correctly stated the law that in order to establish Smith's guilt, the Government did not need to prove that the transfer of drugs was in exchange for money or that it was foreseeable to Smith that the cocaine he gave the woman would cause her death.

Victim Witness Unit

The Victim-Witness Unit provides a variety of services for victims and witnesses of federal crimes. The staff is comprised of one Victim Witness Coordinator and two Victim-Witness Specialists. Their responsibilities include the processing of victim and witness entitlements as well as special accommodations prior to, and throughout, the adjudication stages. The Victim-Witness Unit is also involved in community initiatives, education, and identifies resources for crime victim-related needs. A priority of the Victim-Witness Unit is to insure that every victim and witness is provided the necessary information and assistance they need. Referrals and resources are used to help in their recovery process.

Another important component of the Victim-Witness Unit is the Victim Notification System (VNS). VNS is a database that is continuously updated, maintained, and utilized by the Victim-Witness Unit. VNS generates form letters to victims which contain case activity information, such as indictments, hearings, trials, guilty pleas, and sentencing. Once in the VNS, a federal crime victim can independently access current information on their case. Once a defendant is incarcerated, the victim can call the VNS toll-free number to access an automated information which includes:

- > type of charge for which the inmates is serving time
- > length of sentence
- > location of incarceration
- > release date
- > length of time inmate will be on Supervised Release
- > any special conditions of Supervised Release, such as drug/alcohol counseling, work regularly, support their dependents, submit monthly reports, drug testing, etc.

Inquiries from federal crime victims or their family members are routinely received and answered by the Victim-Witness Unit staff on a daily basis. The Victim-Witness Unit maintains detailed records of phone calls, case progression/developments, and victim assistance and correspondence with victims and witnesses.

During 2003, the Victim-Witness Unit was involved either directly or indirectly with victims of two major cases. The "Miracle Cars" case has over 2,000 victims across the nation who lost money on deposits for the discounted purchase of cars that did not exist. The "Phantom Cattle" case has over 170 victims who invested in a cattle feeding program that did not exist. Both cases were very complex and required extensive communication with victims. The district's Web site, which is maintained by the Public Affairs Office, has been invaluable in keeping these victims informed of developments in

both cases. A special hotline for Miracle Cars victims also has been implemented to provide victims with updated case information.

Training:

The Victim-Witness Unit provides victim awareness training at Leavenworth Federal Penitentiary on a quarterly basis. Presentations on victim awareness, sensitivity, and prevention are given to inmates. A segment of the training includes how inmates can make choices and change their behavior. These inmates are in two separate groups, separated by security levels of high security and minimum security inmates.

In August, the Victim-Witness Unit participated in co-sponsoring a two-day training on identify theft. Other co-sponsoring agencies were the U.S. Attorney's Office - District of Kansas, Federal Trade Commission, Federal Bureau of Investigation, State of Missouri - Department of Revenue, and State of Missouri Attorney General's Office. This training was attended by more than 200 law enforcement officials.

Intra-agency Initiatives:

The Victim-Witness Unit is involved with efforts to counter domestic violence, particularly those issues relating to federal legislation and current training topics which have a federal component. The Victim-Witness Staff participates regularly in VictimNet, which is an organization comprised of representatives of various government and non-profit agencies in the Kansas City metropolitan area that serve crime victims.

Victim-Related Financial Recoveries:

Restitution and special assessments are priorities of the Victim-Witness Unit, which works closely with the Assistant U.S. Attorneys, Financial Litigation Unit, Federal Probation Office, and the Court Clerk's Office. Every effort is made to ensure that federal crime victims who have suffered a financial loss receive restitution.

Restitution

Court-ordered restitution collected by the Financial Litigation Unit for payment to non-federal victims, such as individuals, banks, insurance companies, or a business, totaled \$2,539,109.93. One case alone was responsible for \$1 million of restitution. Court-ordered restitution collected by the Financial Litigation Unit to be paid to federal agencies totaled \$189,952.95. Examples of cases where federal agencies would receive restitution are fraud, embezzlement, and theft. (Note: Restitution to non-federal agencies always takes priority over restitution to federal agencies.)

Special Assessments

Special Assessments are imposed by the federal court to raise revenue to aid victims of crime. They are mandatory for each count of conviction except for forfeiture counts. Like fines, assessments are paid to the

Crime Victims Fund. The proceeds collected in the Crime Victims Fund are distributed by the Department of Justice, Office for Victims of Crime, through formula grants to state victim compensation and victim assistance programs. Special Assessments collected by the Financial Litigation Unit in 2003 totaled \$78,564.45.

Collection of Fines

A total of \$5,822,715.28 of court-ordered fines were collected by the Financial Litigation Unit. One case alone, however, was responsible for \$5.5 million of that total amount.



LAW ENFORCEMENT COORDINATING COMMITTEE

The year 2003 was somewhat of a year of firsts for the Law Enforcement Coordinating Committee serving the Western District of Missouri.

In 2003, the Law Enforcement Coordinating Committee, under the direction of Les Kerr, organized and hosted its First Annual Training Seminar in Branson, Mo. The training seminar was open to all law enforcement district-wide and provided information and education regarding some of the field's hottest topics.

The Law Enforcement Coordinating Committee also started the publication of a quarterly newsletter, *The Patriot Letter*, which many law enforcement organizations received throughout the course of 2003. The newsletter aims to keep law enforcement officers informed as to the current events of the United States Attorney's Office and other law enforcement agencies in the district.

Additionally, the Law Enforcement Coordinating Committee continued with its quarterly information-sharing meetings, which were held in each division of the Western District of Missouri. The meetings focused on sharing information related to criminal activity, investigations and resources available in those divisions.

The Law Enforcement Coordinating Committee also assisted in guiding the community of St. Joseph, Mo., to become the home of a national Weed and Seed site in May. The St. Joseph community received official recognition and is now eligible to compete for federal funding to help restore its mid-city neighborhood.

Finally, the Law Enforcement Coordinating Committee also co-sponsored Project Safe Neighborhood's gun training seminars in Columbia, Mo., and a methamphetamine training seminar in St. Louis, Mo.

The Law Enforcement Coordinating Committee assisted in training more than 450 federal, state and local law enforcement officers during the year 2003.

PUBLIC AFFAIRS UNIT

The Public Affairs Unit is responsible for coordinating all releases of information by the United States Attorney to the media and the general public. This responsibility includes media relations, distributing news releases to the media, arranging press conferences and other media events, monitoring media coverage of the activities of the U.S. Attorney's Office, maintaining the district's Web site (www.usdoj.gov/usao/mow), and providing other related support functions.

“As a government agency, we have an obligation to inform the public of the work that we do. Publicity has the salutary effect of deterring criminal activity, promoting public safety, and alerting the general public to ongoing frauds and other crimes, thereby minimizing further victimization. We should be proud of the work we do and recognize that publicity on our cases puts this office in its most deserving light and reinforces the high esteem in which the office is held.”

*District Policy On Media Contacts
U.S. Attorney Todd P. Graves
June 16, 2003*

Media Relations

The Public Affairs Unit responds to media inquiries, providing information and documentation to reporters and answering questions regarding specific cases. Serving as a liaison with the media also involves arranging interviews and coordinating other public events.

News Releases

In order to improve the efficiency and effectiveness of the Public Affairs Unit, the transition from fax distribution to e-mail distribution of news releases has been accomplished. This technology allows a greater number of news releases to be distributed more quickly to a larger number of media contacts.

News releases are distributed to every newspaper, radio and television station in the Western District. The office's e-mail distribution list contains nearly 400 media contacts that regularly receive news releases when there is activity in their coverage area. Occasionally, a special media distribution list is generated for a specific case. For example, a distribution list of more than 100 agricultural journals received news releases during the Phantom Cattle case. A list of Kansas media is also maintained, although it lies outside the district, so that media in Johnson and Wyandotte counties can be informed of cases that involve Kansas defendants and victims.

In addition to news releases, the Public Affairs Unit also produces radio actualities that are available to radio and television stations. Audio comments, which accompany news releases, are created using a digital recorder, then made available in MP3 format on the district's Web site or via e-mail.

Digital photos from press conferences, award presentations, and other events are also provided along with some news releases.

Media Events

Press conferences are arranged for significant events in cases of public interest. Public events can also include special announcements of new initiatives, award ceremonies, etc.

Monitoring Coverage

The Public Affairs Unit monitors news coverage in the major newspapers in the District on a daily basis, as well as television news coverage in the Kansas City market.

A subscription to a newspaper clipping service provides clips of articles from most newspapers in the district, as well as national coverage from newspapers outside the district when they report on local cases. In addition to the clips that are distributed to attorneys, digital images of clips are maintained in a computer database so that they can be searched and displayed if needed in future research.

Web Site

The most significant recent project of the Public Affairs Unit was the creation and launch of a Web site, which can be found at www.usdoj.gov/usao/mow. Updated on a daily basis, the district's Web site includes every news release – posted daily and archived – along with digital audio comments, photos, and such documents as indictments and plea agreements for significant cases. The Web site also features the daily court docket, information about the U.S. Attorney's Office, a guidebook to the federal criminal justice system, and special sections for issues such as the Patriot Act, Identity Theft, and the Crystal Kipper & Ali Kemp Memorial Award. The Web site is maintained on a daily basis to provide current information.

Support Functions

Among the support functions provided by the Public Affairs Unit is the production of the Patriot Letter, the quarterly newsletter of the Law Enforcement Coordinating Committee. Additionally, a formal District Policy on Media Contacts was drafted and approved on June 16, 2003.

UNITED STATES ATTORNEY'S OFFICE PROSECUTORS

First Assistant U.S. Attorney

Roseann Ketchmark

Kansas City Division:

Matt Whitworth, Deputy U.S. Attorney
Gene Porter, Senior Litigation Counsel
Mark Miller, Detail in Kosovo

Appellate Unit:

Lajuana Counts
Philip Koppe

Computer Crimes
and Child Exploitation Unit:
Jeff Valenti, Supervisory AUSA

Curt Bohling
John Cowles
Kathy Fincham
Ken Weinfurt

General Crimes Unit:

Dan Stewart, Supervisory AUSA
Mike Green
Sherry Jeans
Bill Meiners
Linda Parker-Marshall
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