



Department of Justice

United States Attorney's Office
Western District of Kentucky

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FOUNDER, FORMER EMPLOYEE OF THE NOW DEFUNCT BLUEGRASS TRAINING AND THERAPY CENTER, AND FORMER STATE OF KENTUCKY EMPLOYEE FACE MULTIPLE CHARGES INCLUDING WIRE FRAUD AND BRIBERY

Schemed to defraud the Kentucky Department of Juvenile Justice and the federal government, allegedly falsified attendance records and submitted over \$400,000 in false claims for payment

LOUISVILLE, Ky. – United States Attorney Russell M. Coleman announced the Grand Jury Indictment, unsealed today, charging the founder and former employee of Bluegrass Training and Therapy Center, with devising a scheme to defraud the Kentucky Department of Juvenile Justice and the federal government, and associated bribery charges.

According to the indictment, beginning no later than 2012 and continuing to September of 2015, Clifford Frank Wilkinson, a/k/a Jay Wilkinson, 61, of Louisville, and Erica Beth Bowen, 39, of Louisville, devised a scheme to defraud the Kentucky Department of Juvenile Justice and the federal government to obtain money and property by means of materially false and fraudulent pretenses.

Wilkinson, who was a founder, board member, and President of Bluegrass Training and Therapy Center (BTTC), and Bowen, who was an original employee of BTTC and held many positions including Program Director and secretary, falsified attendance records by inflating the number of daily participants submitted for payment to the Department of Juvenile Justice (DJJ). This was achieved by forging the signatures of youths in the program on monthly sign-in sheets and instructing youths to falsely sign in as present at BTTC programs, when in fact they were not in attendance. The investigation uncovered over 8,000 instances when youth were not actually in attendance in programs at BTTC. In addition, BTTC by way of the scheme, fraudulently obtained over \$400,000 in payments on the contracts for youth that did not attend programs at BTTC.

Further, Bowen diverted some of the funds paid from DJJ to BTTC, into personal bank accounts, and converted some of the funds to cash, for personal use by her and Wilkinson and concealed this diversion of funds through false and misleading entries in BTTC's business and accounting records.

Defendants Wilkinson, Bowen and Shannon L. Anson, 51, of Louisville, are charged with one count each of bribery concerning programs receiving federal funds. Wilkinson and Bowen are charged with knowingly and corruptly paying co-defendant Anson, a Social Service Specialist with DJJ, payments totaling approximately \$50,500 in order to influence and reward Anson with business contracts that BTTC has with DJJ. Anson is charged with corruptly agreeing to accept those payments during the same time period in order to be influenced and rewarded. The alleged criminal activity took place between from about August of 2013, and continued until July of 2015.

Bluegrass Training and Therapy Center, Inc. was a non-profit corporation organized under Section 501(c)(3) of the Internal Revenue Code, located on approximately twenty acres at 10214 Plaudit Way

in Louisville, that operated as an “equine employment training center,” offering equine therapy, employment training, and transitional housing to assist committed youth to re-enter their community. BTTC was awarded grant funds from the U.S. Department of Justice Office of Justice Programs, Office of Juvenile Justice and Delinquency Prevention, which were awarded to and dispersed from the DJJ. DJJ is one of five state departments under the Kentucky Justice and Public Safety Cabinet responsible for providing prevention programs for at-risk youth; residential placement/treatment services; and community aftercare and reintegration programs.

If convicted at trial, defendants Wilkerson and Bowen could be sentenced to no more than 20 years in prison, fined, and serve a period of supervised release. Defendant Anson could be sentenced to no more than ten years, fined, and serve a period of supervised release. All are subject to the payment of restitution. All defendants are scheduled for initial appearances, in Louisville, before Magistrate Judge Dave Whalin, on February 22, 2018, at 9:30 AM.

This case is being prosecuted by Assistant United States Attorneys for the Western District of Kentucky Stephanie Zimdahl and Marisa Ford. The investigation is being led by the U.S. Department of Justice Office of the Inspector General (DOJ-OIG), the Kentucky Office of the Attorney General, and the Kentucky Justice and Public Safety Cabinet.

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The indictment of a person by a Grand Jury is an accusation only and that person is presumed innocent until and unless proven guilty.

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