A.G.:
Investigation reveals iPad purchase, travel expenses and texts with new county attorney.

By PAUL FEELY
New Hampshire Union Leader

and JAMES A. KIMBLE
Sunday News Correspondent

A state investigation into former Rockingham County Attorney Jim Reams concluded that a legally questionable asset forfeiture account lacked oversight for years while $219,500 was used for travel, equipment purchases and disbursements to local police departments.

Some new details about the Reams investigation and the now-shuttered Rockingham County Forfeiture Account were released with

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Reams

more than 2,500 documents in response to a Right-to-Know request filed by the New Hampshire Union Leader. Of the 2,594 pages included in the release, 1,338 pages are blacked out, after the information contained on them was redacted.

The documents are expected to be the first installment of records to be produced in response to the newspaper’s request. The records also show investigators focused on how former Salem police Sgt. Eric Lamb — husband to current county attorney Patricia Conway — had his name “cleared” from a list of current and former police officers with potential credibility problems.

The state ultimately closed the forfeiture account as a result of the investigation.

“The RCAO Forfeiture Account was not on the county’s books for audit/budget/funding purposes. It was an asset that the county had and should have been reflected more clearly in the auditing and budgeting process,” state investigator Tom Flanagan concluded in one report.

Flanagan concluded that 56 percent of the overall travel expenditures from this forfeiture account went to Reams to attend out-of-state meetings of the National District Attorneys Association (NDAA). According to Flanagan, the next closest recipient of travel funds from the account was Conway, at 8 percent.
Over the life of the account, $241,555.74 was deposited, while $219,513.42 was disbursed. The fund had co-mingled both federal asset forfeiture money and local court-ordered fines generated from liquor violations or gambling offenses.

Federal officials acknowledged during the investigation that Reams’ office should not have been comingling funds, but that he would likely face no penalty for it. Reams received a letter on May 7, 2013, from the Asset Forfeiture and Money Laundering Section of the U.S. Department of Justice, telling him that “participation in the Equitable Sharing Program has been suspended” for not filing the required paperwork.

Brian Boylin, a federal employee with the program, told state investigators that “the county is currently ineligible to receive any further funds and could be forced to pay back funds up to $10,000 before being put back on the program.”

A worksheet, drafted by auditors Melanson, Heath and Co., of Nashua, includes an overall conclusion regarding the account that reads, “Controls do not appear adequate surrounding the disbursement process for the forfeiture account.”

The worksheet cited transactions from the account, concluding that, “Jim Reams is approving his own expenses; Not consistently attaching backup for expenses” and that an iPad purchased for Reams with no prior approval had a “questionable” business purpose. “Invoices (were) not formally approved for disbursement,” the auditors concluded.

Investigators were later told by county Finance Director Theresa Young that Reams first opened a forfeiture account in 2003. About three years later, county commissioners became aware that Reams’ office was awarded $30,065 in forfeiture funds from Massachusetts for a joint drug investigation that led to an arrest in New Hampshire.

Reams deposited the money into a new account at Sovereign Bank in December 2006 — one of three bank accounts he maintained at the time, according to investigators.

“At the time of the various unauthorized Sovereign Bank accounts being opened, Reams’ wife worked at Sovereign Bank in Manchester,” Flanagan said in a report.

County Commissioners became aware of the money in 2007 and required Reams to move the funds to TD Bank “in order to be in compliance with county banking policy.”

Two employees who once worked under Reams, Brynda Poggi and Karen Senecal, told investigators about efforts they undertook to get their boss to provide a fuller accounting of what he spent forfeiture money on. Poggi told investigators, “she was ‘kept in the dark’ with respect to the Forfeiture Fund. She said she asked a few times for data from Reams so that she could update the spreadsheet but that Jim never got back to her.”

“She described Reams as being ‘aloof’ with respect to the forfeiture account,” Flanagan said in a report.

Travel probe

While investigators probed uses of the forfeiture account, they also met some resistance from members of the National District Attorney’s Association when they were asked for records in reference to Reams, according to the documents. On January 30, Scott Burns, executive director of the NDAA, told investigators he had not spoken with Reams since he was removed from office on Nov. 6, 2013. But investigators extracted data from Reams’ county-issued cell phone showing Burns sent Reams the following text message on Nov. 8, 2013: “Can I (we) do anything for you? Call in the Calvary? We are all behind you Jim!”

According to the AG’s office, a review of Reams’ personal cell phone show a call placed at 11:02 a.m on Dec. 5, 2013, to the NDAA offices where Burns worked (he has since taken a job in Utah). The call lasted 68 seconds.

In a report, Flanagan points out the NDAA was the subject of an extensive audit by the U.S. Office of the Inspector General in 2010, covering 2001 to 2007 — including three years when Reams served as NDAA Treasurer, from 2006
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According to Flanagan, that audit determined that over those three years NDAA did not meet Dept. of Justice grant reporting, expenditure tracking and cost allocation requirements; NDAA submitted financial reports detailing inaccurate expenditure activity; NDAA charged more than $4 million in expenses to over 16 grants, expenses that were ultimately considered unsupported or unallowable; and NDAA's travel transactions totaling more than $250,000 were not supported with adequate documentation to include travel authorizations, vouchers and receipts of invoices.

Investigators said they were also puzzled by an email from Curtis T. Hill, an NDAA member, which he accidentaly copied to Associate Attorney General Jane Young. Hill wrote: “Excellent first salvo Scott,” referring to an email exchange between Scott Burns, the NDAA director, and Young. “If they no longer want you (to testify) it is an indication that they fear you might help Jim’s cause. If they do want you to come it’s an indication that they underestimate your abilities. I always enjoy a good underestimate.”

Investigators wrote back to the NDAA blasting the email.

“This is not a war,” Flanagan wrote. “Beyond being simply inappropriate it is also offensive as well as incredulous that an NDAA member and, I assume, prosecutor (Mr. Hill) would make the comment that our office would ‘fear’ evidence or testimony that would help Mr. Reams’ cause ...”

In another travel issue, a memo from Reams to Rockingham County Commissioners dated Feb. 8, 2006, said he “cannot reconstruct the calculations” that he did to determine charges he and Reid submitted to cover the cost of their wives attending the N.H. Chief’s Association Convention at the Balsam’s.

Both Reams and Reid wrote personal checks to Rockingham County, repaying $149.04 in charges.

Laurie List Probe

The state probe that started with allegations of sexual harassment, financial and ethical lapses later zeroed in on the removal of a former Salem police sergeant’s name

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from the state’s Laurie List.

Reams acknowledged in an affidavit that he likely was the one who re-designated former Salem police Sgt. Eric Lamb as “cleared” from the county’s Laurie List, but said he had no specific memory of doing it.

Lamb, who is married to current county attorney Patricia Conway, is among 21 law enforcement officers in Rockingham County on the confidential list that tracks police officers with potential credibility problems. Names on the list were redacted by the Attorney General’s office.

Lamb was placed back on the Laurie list after investigators found no evidence supporting his “cleared” designation.

Investigators interviewed Conway on May 8 as part of their probe. The interview has not been released. However, one report made public shows that Conway was communicating with Reams’ wife about her husband’s court battle with the state over his suspension from office. Investigators took a screen shot of a text message on Conway’s cell phone.

“The message was sent to Janis Reams' phone and congratulated her on the Supreme Court refusing to take the appeal.”

Days earlier, the state Supreme Court refused to accept the state’s appeal on a decision in Reams’ lawsuit that cleared the way for him to return to his job while state removal proceedings were underway.
The text message, “goes on to discuss that Conway was trying to contact Paul Holloway with respect to her campaign. There was a response text from Janis Reams' phone that stated the Commissioners were recommending a salary of $89,250 for the County Attorney in 2015.”

Just hours after she was elected, Conway fired Jerome Blanchard, a longtime assistant county attorney and the main whistleblower in the investigation of Reams. Blanchard tipped off state investigators about Lamb's designation on the list and the asset forfeiture account maintained by Reams. Conway denied she had any knowledge about Blanchard's key involvement in the case.

pfeely@unionleader.com jkimble@newstote.com