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Subject: Attorney General Conway, KY Department of Education, and BBB Warn Schools of Fake Invoice Scam
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ATTORNEY GENERAL CONWAY, KY DEPARTMENT OF EDUCATION, AND BBB WARN SCHOOLS OF FAKE INVOICE SCAM

FOR IMMEDIATE RELEASE
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FRANKFORT, Ky. (September 22, 2014) – Attorney General Jack Conway, the Kentucky Department of Education, and the Better Business Bureau (BBB) are joining together to warn Kentucky school districts to be vigilant of a scam targeting schools throughout the country.

"Schools are receiving invoices for textbooks they didn't order," Attorney General Conway said. "It's troubling that scammers are preying on schools and attempting to steal taxpayer money used to pay for the resources needed to help educate our children. We want every school in Kentucky to be aware of these fraudulent invoices so that they can quickly identify and report them."

Schools nationwide, including at least one school in Kentucky, have received invoices in the mail from Scholastic School Supply for books they never ordered. The bogus invoices are for $647.50 for the bulk purchase of "English-Language Arts Practice Books" or $388.50 for math workbooks. The BBB first received a complaint on Aug. 20 and has since received 90 complaints from schools in 27 states. Attempts to contact the company have failed. Additionally, the phony invoices list an address in either Las Vegas, Nev. or Sewell, N.J., which are both mail drops.

"At a time when our schools are undertaking massive reforms to better prepare children for success in college and careers, it is unfortunate they now have to contend with scam artists who seek to undermine their work and the progress of Kentucky's children," Education Commissioner Terry Holliday said. "I urge school personnel to be vigilant in examining all vendor invoices to ensure they are legitimate before paying them, and ask them to report any suspicious invoices to the Kentucky Attorney General's Office and the Better Business Bureau. I applaud the Attorney General's Office for being proactive in this matter, and alerting us to this scam so that we can ensure that no Kentucky schools are caught up in its deception."

In an invoice scam, the scammer generally sends a phony invoice hoping the organization will pay before realizing it never ordered or received the products. Scammers often use names that are similar to well-known businesses to make their scams seem legitimate. In this case, the fake invoices are from Scholastic School Supply, a name similar to Scholastic, Inc., a supplier of education materials. Scholastic, Inc. has issued a statement regarding the fraudulent use of their name and trademarks.

"The BBB has heard from schools and school districts across the country that have received this phony invoice, including schools in both Kentucky and Indiana," said Charles Mattingly, president and CEO of the Better Business Bureau serving Louisville, Southern Indiana, and Western Kentucky. "The scammers are maliciously sending this invoice at exactly the time when schools are likely to be paying for legitimate book orders."

Schools and other organizations should remember the following tips to avoid potential scams:

- Encourage your financial staff to watch for invoice scams.
- Make sure the invoice is coming from a valid source.
- Check out the company that is sending the invoice.
- Centralize purchasing and billing so that the person or persons paying the invoices know what was ordered and who the vendors are.
- Do a basic Internet search to see if other organizations have reported similar problems.

Schools are advised to not pay suspicious invoices, but instead report them to Attorney General Conway's Office of Consumer Protection at www.ag.ky.gov/consumer or by calling 888-432-9257.

You can follow Attorney General Conway on Twitter @kyoag, visit the Attorney General's Facebook page or view videos on our YouTube channel.

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