



U.S. Department of Justice

Ronald C. Machen Jr.
*United States Attorney for the
District of Columbia*

*Judiciary Center
555 Fourth St. N.W.
Washington, D.C. 20530*

PRESS RELEASE

FOR IMMEDIATE RELEASE

Tuesday, March 15, 2011

For Information Contact:

Public Affairs

(202) 252-6933

http://www.usdoj.gov/usao/dc/Press_Releases/index.html

Former Treasurer of International Fraternity Sentenced In Connection With Bank Fraud

WASHINGTON - Terry Davis, 43, the former elected National Treasurer of Phi Beta Sigma, an international fraternal organization headquartered in Washington, D.C., has been sentenced to time served of 31 months in prison for committing bank fraud stemming from his theft of more than \$50,000 from the fraternity's bank accounts, announced U.S. Attorney Ronald C. Machen Jr. and James W. McJunkin, Assistant Director in Charge of the FBI's Washington Field Office.

Davis, formerly of Memphis, Tenn. and Herndon, Va., was sentenced on March 14, 2011 in the U.S. District Court for the District of Columbia by the Honorable Reggie B. Walton. In addition to the sentence of 31 months, Judge Walton ordered that the defendant pay restitution of \$50,000 to Phi Beta Sigma and be placed on five years of supervised release. The parties had agreed upon the period of incarceration and restitution amount as part of the plea agreement, which Judge Walton accepted as part of the sentence.

A federal jury sitting in the District of Columbia had convicted Davis of bank fraud and other charges on May 3, 2007. The District of Columbia Circuit Court of Appeals reversed those convictions on February 26, 2010. Davis had been imprisoned as part of the earlier convictions from May 3, 2007 through December 5, 2009.

On November 30, 2010, Davis pled guilty to a one-count Information charging bank fraud. As part of an Agreed Statement of Offense filed in connection with the plea agreement, Davis admitted that between January 2001 and June 2003, while he was the elected, National Treasurer of Phi Beta Sigma, he stole money from the fraternity's bank accounts by writing checks to cash, which he would then negotiate by means of his personal bank account. In order to circumvent the requirement of a second signature of another fraternity officer on the checks, Davis presented checks containing the forged signature of the fraternity's National President or simply negotiated the checks without the required second signature.

As part of the scheme to defraud, Davis admitted that he falsely represented on the memo line of some of the checks and to responsible officials at the fraternity that the checks to cash were written to fund legitimate fraternity activities, whereas, as Davis well knew, the checks were used for his own personal benefit. Davis admitted that he used at least \$50,000 of the proceeds obtained through the scheme for his personal benefit.

In announcing the sentence, U.S. Attorney Machen and Assistant Director McJunkin praised the investigative efforts of agents of the FBI's Washington Field Office. They also commended those who worked on the case from the U.S. Attorney's Office, including Paralegal Specialist Tasha Harris, Legal Assistant Jared Forney, and Assistant U.S. Attorneys Vasu B. Muthyala and Michael K. Atkinson, who prosecuted the case.

11-099

###