

UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA

UNITED STATES OF AMERICA,

Plaintiff,

v.

1. WILLIAM JAMES DAVIS, and
2. JORDAN JAMES DAVIS,

Defendants.

INDICTMENT

CR 15-247 PJS/SER
18 U.S.C. § 2
18 U.S.C. § 371
18 U.S.C. § 666(a)(1)(A)
18 U.S.C. § 1341
18 U.S.C. § 1343

THE UNITED STATES GRAND JURY CHARGES THAT:

INTRODUCTION

1. At all times relevant to this Indictment, defendants WILLIAM JAMES DAVIS and JORDAN JAMES DAVIS were residents of Minnesota. WILLIAM DAVIS is the father of JORDAN DAVIS.

2. At all times relevant to this Indictment, WILLIAM DAVIS was the Chief Executive Officer ("CEO") of Community Action of Minneapolis ("CAM"). At all times relevant to this Indictment, CAM was a non-profit organization created to provide services to low-income residents of Minneapolis related to the elimination of poverty. These services included weatherization of homes, energy assistance, nutrition assistance, and services for children and families. As CEO, WILLIAM DAVIS had a fiduciary duty to act in the best interests of CAM.

3. In or about October 2006, JORDAN DAVIS became employed full-time as a Community Service Officer with the Minneapolis Police Department. In or about

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January 2008, JORDAN DAVIS became a Minneapolis Police Officer and has been so employed full-time since that date.

COMMUNITY ACTION OF MINNEAPOLIS

4. At all times relevant to this Indictment, CAM's primary funding sources consisted of federal grants issued by the United States Department of Health and Human Services and the United States Department of Energy, administered by the Minnesota Department of Commerce ("DOC") and the Minnesota Department of Human Services ("DHS"). CAM also received funding directly from the Minnesota DOC and the Minnesota DHS. In order to obtain grant funds from each of these government agencies, CAM had to sign contracts agreeing to particular uses of the funds and to certain reporting and audit requirements.

5. At all times relevant to this Indictment, CAM also received funding from CenterPoint Energy ("CenterPoint") and Xcel Energy ("Xcel") pursuant to a Minnesota state mandate requiring energy companies to contribute funds to conservation-related programs. CAM received the funds from CenterPoint and Xcel in exchange for providing certain conservation and weatherization services to qualifying homeowners.

6. At all times relevant to this Indictment, CAM was a non-profit corporation under the direction of a Board of Directors. The Board of Directors was composed of low-income residents of Minneapolis, representatives of the private sector, and elected public officials and their alternates. In addition to determining policy and directing the general management and control of CAM's affairs, CAM's bylaws provided for the Board of Directors to have the following powers:

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- a. To hire, discharge, and review the performance of the President/Chief Executive Officer;
- b. To determine major personnel, organization, fiscal, and program policies;
- c. To determine overall program plans and priorities, including provisions for evaluating progress and outcomes;
- d. To make final approval of all program proposals and budgets;
- e. To enforce compliance with all conditions of grants;
- f. To review the participation of low-income participants in the programs;
- g. To determine rules and procedures for the Board; and
- h. To select the officers and the executive committees, if any, of the Board.

7. As CEO of CAM, WILLIAM DAVIS reported directly to the Board of Directors and was responsible for the overall administration and management of CAM. At all times relevant to this Indictment, WILLIAM DAVIS was responsible for hiring and firing CAM employees and determining employees' compensation and annual bonuses. Between 2008 and 2013, WILLIAM DAVIS's annual wages as CEO of CAM ranged from approximately \$176,000 to \$210,000 per year.

8. At all times relevant to this Indictment, WILLIAM DAVIS was issued a Wells Fargo credit card as CEO of CAM, for which CAM paid the balance due each month. At all times relevant to this Indictment, WILLIAM DAVIS's compensation plan agreement with CAM's Board of Directors required that WILLIAM DAVIS use his corporate credit card "for agency authorized activities only."

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THE SCHEME TO DEFRAUD

9. From at least in or about March 2007 until in or about October 2014, WILLIAM DAVIS, at times individually and at times aiding and abetting and being aided and abetted by his son, JORDAN DAVIS, devised and executed a scheme and artifice to defraud CAM by diverting CAM funds to his own personal use and that of his son.

10. It was part of the scheme to defraud that WILLIAM DAVIS intentionally withheld material information from CAM's Board of Directors about his use of his position as CAM's CEO to divert CAM funds to his personal use and that of his friends and family. This information would have been material to the Board members' execution of their duties, but WILLIAM DAVIS did not disclose it even though he regularly attended CAM's monthly Board meetings and gave reports on CAM's operations.

11. It was further part of the scheme to defraud that WILLIAM DAVIS concealed his diversion of CAM funds to his personal use by charging the majority of his CAM-paid personal expenses to a "slush fund" on CAM's books. The slush fund was created using excess funds provided by CenterPoint and Xcel in exchange for CAM's agreement to provide conservation and weatherization services to homeowners. If CAM could provide the services for less than the amounts provided by CenterPoint and Xcel, CAM was permitted to keep the difference to use for other CAM-related activities at the discretion of the Board of Directors. CAM carried these funds on its books as a slush fund that was not subject to the type of oversight applicable to CAM's state and federal

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grant proceeds, and WILLIAM DAVIS could therefore instruct CAM's fiscal staff to charge his personal expenses to this slush fund with less risk of detection.

12. It was further part of the scheme to defraud that WILLIAM DAVIS used intimidation and retaliation to prevent CAM staff from informing anyone, including, in particular, CAM's Board of Directors, that WILLIAM DAVIS was using his position as CAM's CEO to divert CAM funds to his personal use and that of his family and friends. For example, WILLIAM DAVIS issued written reprimands to employees, prohibited employees from communicating with state agencies and CAM's financial auditors, threatened employees who failed to follow his directives with suspension and termination, and ordered one CAM employee to look up the definitions of the words "insubordination" and "loyalty" after the employee contradicted WILLIAM DAVIS in front of other staff members.

13. As a result of the fraud scheme, between in or about March 2007 and in or about October 2014, at least \$250,000 in CAM funds were diverted to the personal use of WILLIAM DAVIS and his family and friends, including JORDAN DAVIS, instead of being used to provide services to the low-income residents of Minneapolis. As part of the scheme to defraud, WILLIAM DAVIS, at times aiding and abetting and being aided and abetted by JORDAN DAVIS, caused CAM funds to be used for personal payments including, but not limited to, payments to JORDAN DAVIS for a no-show job at a Ben & Jerry's ice cream shop operated by CAM; payments for personal travel, dining, and entertainment for WILLIAM DAVIS and his friends and family members; a personal

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vehicle for WILLIAM DAVIS; and health and dental insurance for one of WILLIAM DAVIS's girlfriends.

Payments to Jordan Davis for No-Show Job

14. At times relevant to this Indictment, CAM operated a Ben & Jerry's PartnerShop near the University of Minnesota campus in Minneapolis, Minnesota. The Ben & Jerry's PartnerShop was an ice cream shop for which Ben & Jerry's waived its standard franchise fees so that CAM could use the Ben & Jerry's PartnerShop to offer job and entrepreneurial training to underprivileged youth facing barriers to employment.

15. At all times relevant to this Indictment, CAM funded operations for the Ben & Jerry's, including payroll, through a bank account in the name of Metro Community Investments, LLC ("MCI"), an entity created to operate the Ben & Jerry's PartnerShop.

16. From in or about 2002 through at least in or about October 2006, WILLIAM DAVIS's son, JORDAN DAVIS, worked as the manager of the Ben & Jerry's PartnerShop. In or about October 2006, JORDAN DAVIS obtained employment with the Minneapolis Police Department, and thereafter he stopped working at the Ben & Jerry's. In or about March 2007, CAM staff hired a new manager to replace JORDAN DAVIS at the Ben & Jerry's.

17. When JORDAN DAVIS stopped working at the Ben & Jerry's, WILLIAM DAVIS instructed CAM's fiscal staff to continue issuing JORDAN DAVIS the full paycheck that he had been receiving for managing the Ben & Jerry's. WILLIAM DAVIS concealed from CAM's Board of Directors that he had ordered CAM's fiscal staff to pay his son for a job he did not perform. This fact would have been material to the Board

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members' execution of their duties, but WILLIAM DAVIS did not disclose it at any of the dozens of Board meetings he attended during the time JORDAN DAVIS was being paid for a no-show job at the Ben & Jerry's.

18. From at least in or about March 2007 through in or about January 2011, JORDAN DAVIS continued to receive his full paycheck, \$1,320 gross bi-weekly, purportedly for his work at the Ben & Jerry's, even though he was doing no work for the Ben & Jerry's. Every two weeks, JORDAN DAVIS endorsed the checks and deposited them in his bank account at City County Federal Credit Union. In total, JORDAN DAVIS endorsed and deposited at least 105 paychecks, purportedly for his work at the Ben & Jerry's, while he was doing no work for the Ben & Jerry's.

19. During the nearly four years that JORDAN DAVIS was being paid for a no-show job at the Ben & Jerry's, CAM's fiscal staff repeatedly advised WILLIAM DAVIS to stop the payments, but WILLIAM DAVIS refused. On or about December 20, 2010, WILLIAM DAVIS sent an e-mail to CAM's Chief Financial Officer ("CFO") in which WILLIAM DAVIS "agreed that JORDAN's last day on payroll for Ben & Jerry's is Dec 31st," and instructed CAM's CFO to issue JORDAN DAVIS his payroll check for the period ending December 31, 2010, along with a "bonus check for \$6,000." JORDAN DAVIS endorsed both checks and deposited them in his bank account, even though he had done no work for the Ben & Jerry's for nearly four years.

20. As a result of WILLIAM DAVIS and JORDAN DAVIS's fraud scheme, CAM, through MCI, paid JORDAN DAVIS over \$140,000 for a job he did not perform.

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21. In or about April 2011, CAM closed the Ben & Jerry's PartnerShop because CAM could no longer afford the rent for the store, and CAM terminated its youth job skills training program.

Use of CAM Funds for William Davis's Non-CAM Travel

22. Beginning no later than in or about January 2009 and continuing through October 2014, WILLIAM DAVIS used his CAM-issued credit card to pay for personal travel, including vacations, airline tickets for friends and family members, and trips to attend out-of-state meetings and conferences which WILLIAM DAVIS attended for his personal benefit. For example:

- a. An airline ticket for WILLIAM DAVIS's girlfriend, D.M., to accompany him to the Ben & Jerry's annual meeting in Florida in January 2009;
- b. An airline ticket, a hotel room, car rental, and tickets to events surrounding the Presidential inauguration in January 2009;
- c. An airline ticket for WILLIAM DAVIS's daughter, N.Y., to fly from Baltimore to Minneapolis in May 2010;
- d. An airline ticket, a hotel room, car rental, and airport parking for WILLIAM DAVIS to attend the Democratic National Committee Winter Meeting in San Juan, Puerto Rico in November 2010;
- e. An airline ticket for WILLIAM DAVIS to travel to Orlando, Florida in May 2011 for a Caribbean cruise with family members;
- f. A hotel room, car rental, and airport parking for a vacation to Las Vegas for WILLIAM DAVIS and his girlfriend, P.B., in November 2011;
- g. An airline ticket, car rental, airport parking, and meals for WILLIAM DAVIS to travel to Milwaukee, Wisconsin and Dayton, Ohio, to visit his girlfriend, P.B., and her parents in January 2012;

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- h. Airline tickets, a hotel room, car rental, airport parking, and registration fees for WILLIAM DAVIS and his girlfriend, P.B., to attend the Ben & Jerry's annual meeting in the Bahamas in January 2012, nine months after CAM closed its Ben & Jerry's PartnerShop;
- i. A Caribbean cruise for WILLIAM DAVIS and his girlfriend, P.B., in February 2012;
- j. An airline ticket for WILLIAM DAVIS to fly to Fort Lauderdale, Florida, to go on the Caribbean cruise in February 2012;
- k. Airport parking for WILLIAM DAVIS during a trip to Cancun, Mexico with his girlfriend, P.B., in May 2012;
- l. An airline ticket, a hotel room, and car rental for WILLIAM DAVIS to attend the Democratic National Convention in Charlotte, North Carolina in September 2012;
- m. Airline tickets, a hotel room, car rental, airport parking, and meals for WILLIAM DAVIS and his girlfriend, P.B., to attend P.B.'s family member's wedding in Fort Lauderdale, Florida, in November 2012;
- n. An airline ticket, a hotel room, car rental, airport parking, and Inaugural Ball tickets for WILLIAM DAVIS to attend the Presidential inauguration in January 2013;
- o. An airline ticket, airport parking, and car rental for WILLIAM DAVIS to travel to Fort Lauderdale, Florida, in August 2013 for a cruise with family members, as well as hotel rooms for WILLIAM DAVIS and his family members the night before the cruise;
- p. An airline ticket for WILLIAM DAVIS to fly to Fort Lauderdale, Florida, and a rental car for a trip to Key West with his girlfriend, P.B., in December 2013;
- q. An airline ticket, a hotel room, meal, car rental, and airport parking for WILLIAM DAVIS to travel to Phoenix, Arizona, to visit his girlfriend, P.A., in June 2014;
- r. A Delta Airlines charge and airport parking for WILLIAM DAVIS to travel to Kona, Hawaii, with his girlfriend, P.A., in July 2014; and

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- s. Airline tickets, hotel rooms, car rentals, and meals for trips to Washington, D.C., Atlanta, Chicago, Virginia Beach, Tampa, San Jose, Fort Lauderdale, San Antonio, Palm Beach, and Austin for WILLIAM DAVIS to attend National Foundation of Black Public Administrators ("NFBPA") meetings.

23. When WILLIAM DAVIS received the monthly bills for his CAM-issued credit card containing personal expenses, he either submitted the bills to CAM's fiscal staff for payment out of CAM funds or instructed CAM's fiscal staff to make a phone payment without providing them with the credit card bill.

24. In total, between January 2009 and October 2014, WILLIAM DAVIS caused over \$77,000 in CAM funds to be used for personal travel expenses for himself and his friends and family members.

Use of CAM Funds for William Davis's Personal Vehicle

25. On or about May 18, 2011, WILLIAM DAVIS traded in a 2005 Chrysler 300 owned by CAM at Roseville Chrysler Jeep Dodge in Roseville, Minnesota. WILLIAM DAVIS used the \$10,079.53 in proceeds from the trade-in of the CAM vehicle toward the purchase of a 2011 Chrysler 300 for himself.

26. WILLIAM DAVIS used CAM funds to pay the remaining \$36,430 balance of the purchase price of the 2011 Chrysler 300. Nearly four months later, on or about September 8, 2011, WILLIAM DAVIS e-mailed three members of CAM's Board of Directors to request authorization to take out a personal loan from CAM for the purchase of a vehicle. WILLIAM DAVIS's e-mail to the Board members omitted material information, namely, that he had already purchased the vehicle using CAM funds without

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the Board of Directors' knowledge or authorization and that he applied \$10,079.53 in additional CAM funds from the trade-in of a CAM vehicle toward the purchase.

27. On or about May 31, 2011, WILLIAM DAVIS had pillar posts installed on his personal 2011 Chrysler 300 at Precision Auto Upholstery in Maple Grove, Minnesota. WILLIAM DAVIS charged the \$1,200.22 for the pillar posts to his CAM credit card and caused them to be paid for with CAM funds.

Insurance for William Davis's Girlfriend

28. In or about May 2012, WILLIAM DAVIS made a false material representation to CAM's human resources manager that he had married his girlfriend, P.B., and was therefore entitled to add P.B. as a dependent to his health and dental insurance coverage. In reality, WILLIAM DAVIS and P.B. have never been married.

29. On or about May 24, 2012, in reliance on WILLIAM DAVIS's false material representation about his marital status, CAM's human resources manager submitted a form to HealthPartners to add P.B. as a dependent to WILLIAM DAVIS's health insurance coverage. The form contained a false material statement, signed by WILLIAM DAVIS, that he and P.B. were married on May 5, 2012.

30. From on or about June 1, 2012 through on or about November 30, 2013, as a result of WILLIAM DAVIS's false material statement about his marital status, CAM paid approximately \$7,826 in additional premiums to HealthPartners for health insurance coverage for P.B. During the same time period, as a result of WILLIAM DAVIS's false material statement about his marital status, HealthPartners paid approximately \$38,855 in claims to cover medical treatment for P.B.

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31. On or about June 1, 2012, in reliance on WILLIAM DAVIS's false material representation about his marital status, CAM's human resources manager notified Delta Dental to add P.B. as a dependent to WILLIAM DAVIS's dental insurance coverage.

32. From on or about June 1, 2012 through on or about October 31, 2014, as a result of WILLIAM DAVIS's false material statement about his marital status, Delta Dental paid approximately \$1,067.65 in claims to cover dental treatment for P.B.

Minnesota Department of Human Services Audit

33. In or about October 2013, the Minnesota DHS began an audit procedure intended to determine whether CAM was using the federal and state grant funds that it received through the Minnesota DHS in accordance with the terms of the applicable contracts. During the course of the audit procedure, Minnesota DHS personnel sought documents and information reflecting the purposes of various expenditures from CAM staff.

34. Throughout the first several months of 2014, WILLIAM DAVIS sought to prevent the discovery of his scheme to defraud CAM by resisting Minnesota DHS staff's requests for information.

35. On or about May 30, 2014, the Minnesota DHS provided a draft audit report to WILLIAM DAVIS, as well as to CAM's CFO and the Chair of CAM's Board of Directors. The draft audit report indicated, among other findings, that unallowable travel expenses for WILLIAM DAVIS, for which he had no business purpose, had been charged to the grants.

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36. After receiving the draft audit report, WILLIAM DAVIS sought to lull the Minnesota DHS and the Chair of CAM's Board of Directors into believing that he had not spent CAM funds on personal travel and to prevent the discovery of his scheme to defraud CAM. For example, on or about June 2, 2014, WILLIAM DAVIS caused a letter containing false material representations about his January 2012 trip to the Bahamas to be mailed and e-mailed to the Commissioner of the Minnesota DHS, and a draft copy of the letter to be e-mailed to the Chair of CAM's Board of Directors. In the letter, WILLIAM DAVIS falsely described his January 2012 trip to the Bahamas as "required training and attendance at the annual conference held by Ben & Jerry's Ice Cream Corporate in the Bahamas." He further falsely stated: "I attended this training conference along with the store manager. Our attendance is required as part of our agreement with Ben & Jerry's." In fact, as WILLIAM DAVIS well knew, CAM closed its Ben & Jerry's PartnerShop nine months prior to the 2012 Ben & Jerry's annual meeting in the Bahamas; WILLIAM DAVIS was permitted to attend the 2012 annual meeting as a guest, and his attendance was not required; and WILLIAM DAVIS traveled to the Bahamas with his girlfriend, P.B., not a Ben & Jerry's store manager, at CAM's expense.

37. On or about June 3, 2014, WILLIAM DAVIS attended a meeting with Minnesota DHS personnel to discuss the findings in the draft audit report. Two days later, WILLIAM DAVIS flew to Phoenix, Arizona to visit a girlfriend, P.A., using an airline ticket he caused to be purchased using CAM funds.

38. On or about August 7, 2014, the Minnesota DHS sent a copy of its final audit report to WILLIAM DAVIS and the Chair of CAM's Board of Directors. The final

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audit report concluded that CAM had charged unallowable costs to the federal and state grants administered by the Minnesota DHS, including travel expenses for WILLIAM DAVIS that had no business purpose.

39. Following the issuance of the Minnesota DHS audit report, several Board members resigned from CAM's Board of Directors. On or about October 13, 2014, the remaining CAM Board members passed a resolution indefinitely suspending WILLIAM DAVIS from his position as CEO without pay.

COUNTS 1-5

(Mail Fraud – No-Show Job)

40. The grand jury re-alleges and incorporates paragraphs 1 through 39 as if fully set forth herein.

41. Beginning no later than March 2007 and continuing through in or about January 2011, in the State and District of Minnesota and elsewhere, the defendants,

**WILLIAM JAMES DAVIS and
JORDAN JAMES DAVIS,**

each aiding and abetting one another, and being aided and abetted by one another and by others known and unknown to the Grand Jury, did knowingly and unlawfully devise and execute a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, promises, and material omissions, which scheme and artifice is described above in paragraphs 1 through 21.

42. On or about the dates set forth below, for the purpose of executing and attempting to execute the above-described scheme and artifice to defraud, the defendants knowingly caused to be sent, delivered, and moved by the United States Postal Service

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and commercial interstate carrier, according to the directions thereon, various mailings, items, and things, as described below:

Count	Date of Mailing (on or about)	Mailing
1	9/20/2010	Check written on Metro Community Investments bank account to JORDAN DAVIS in the amount of \$1,022.67, sent via UPS from ADP to CAM
2	10/18/2010	Check written on Metro Community Investments bank account to JORDAN DAVIS in the amount of \$1,022.67, sent via UPS from ADP to CAM
3	11/1/2010	Check written on Metro Community Investments bank account to JORDAN DAVIS in the amount of \$1,022.67, sent via UPS from ADP to CAM
4	12/13/2010	Check written on Metro Community Investments bank account to JORDAN DAVIS in the amount of \$1,022.67, sent via UPS from ADP to CAM
5	1/10/2011	Check written on Metro Community Investments bank account to JORDAN DAVIS in the amount of \$1,035, sent via UPS from ADP to CAM

43. All in violation of Title 18, United States Code, Sections 2 and 1341.

COUNTS 6-10

(Mail Fraud – William Davis Personal Expenses)

44. The grand jury re-alleges and incorporates paragraphs 1 through 43 as if fully set forth herein.

45. From at least in or about January 2009 through in or about October 2014, in the State and District of Minnesota and elsewhere, the defendant,

WILLIAM JAMES DAVIS,

did knowingly and unlawfully devise and execute a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses,

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representations, promises, and material omissions, which scheme and artifice is described above in paragraphs 1 through 39.

46. On or about the dates set forth below, for the purpose of executing and attempting to execute the above-described scheme and artifice to defraud, WILLIAM DAVIS knowingly caused to be sent, delivered, and moved by the United States Postal Service and commercial interstate carrier, according to the directions thereon, various mailings, items, and things, as described below:

Count	Date of Mailing (on or about)	Mailing
6	11/5/2010	Check in the amount of \$3,517.03 mailed from CAM to Wells Fargo to pay monthly bill with closing date 10/25/2010 on WILLIAM DAVIS's CAM credit card with account number ending in 6792
7	12/12/2011	Check in the amount of \$2,051.11 mailed from CAM to Wells Fargo to pay monthly bill with closing date 11/23/2011 on WILLIAM DAVIS's CAM credit card with account number ending in 6792
8	3/23/2012	Check in the amount of \$6,722.26 mailed from CAM to Wells Fargo to pay monthly bill with closing date 2/23/2012 on WILLIAM DAVIS's CAM credit card with account number ending in 6792
9	10/30/2013	Check in the amount of \$4,062.72 mailed from CAM to Wells Fargo to pay monthly bills with closing dates 9/24/2013 and 10/23/2013 on WILLIAM DAVIS's CAM credit card with account number ending in 6792
10	2/13/2014	Check in the amount of \$1,569.71 mailed from CAM to Wells Fargo to pay monthly bill with closing date 12/24/2013 on WILLIAM DAVIS's CAM credit card with account number ending in 6792

47. All in violation of Title 18, United States Code, Section 1341.

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COUNT 11

(Wire Fraud – William Davis Personal Expenses)

48. The grand jury re-alleges and incorporates paragraphs 1 through 47 as if fully set forth herein.

49. From at least in or about January 2009 through in or about October 2014, in the State and District of Minnesota and elsewhere, the defendant,

WILLIAM JAMES DAVIS,

did knowingly and unlawfully devise and execute a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, promises, and material omissions, which scheme and artifice is described above in paragraphs 1 through 39.

50. On or about the dates set forth below, for the purpose of executing and attempting to execute the above-described scheme and artifice to defraud, WILLIAM DAVIS knowingly transmitted and caused to be transmitted by means of wire communications in interstate and foreign commerce, certain writings, signs, signals, and sounds, as described below:

Count	Date of Wire (on or about)	Wire
11	6/3/2014	Letter from WILLIAM DAVIS e-mailed to the Commissioner of the Department of Human Services containing false material representations concerning WILLIAM DAVIS'S CAM-paid travel to the Bahamas

51. All in violation of Title 18, United States Code, Section 1343.

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COUNT 12

(Theft Concerning Programs Receiving Federal Funds – 2014)

52. The grand jury re-alleges and incorporates paragraphs 1 through 51 as if fully set forth herein.

53. From on or about January 1, 2014 through on or about October 13, 2014, in the State and District of Minnesota and elsewhere, the defendant,

WILLIAM JAMES DAVIS,

being an agent of Community Action of Minneapolis, an organization receiving in the one-year period beginning January 1, 2014 benefits in excess of \$10,000 under grants funded by the United States Department of Health and Human Services and the United States Department of Energy, did embezzle, steal, obtain by fraud, intentionally misapply, and otherwise without authority knowingly convert to his own use property and funds valued at \$5,000 or more, which property and funds were owned by and under the care, custody, and control of Community Action of Minneapolis.

54. All in violation of Title 18, United States Code, Section 666(a)(1)(A).

COUNT 13

(Theft Concerning Programs Receiving Federal Funds – 2013)

55. The grand jury re-alleges and incorporates paragraphs 1 through 54 as if fully set forth herein.

56. From on or about January 1, 2013 through on or about December 31, 2013, in the State and District of Minnesota and elsewhere, the defendant,

WILLIAM JAMES DAVIS,

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being an agent of Community Action of Minneapolis, an organization receiving in the one-year period beginning January 1, 2013 benefits in excess of \$10,000 under grants funded by the United States Department of Health and Human Services and the United States Department of Energy, did embezzle, steal, obtain by fraud, intentionally misapply, and otherwise without authority knowingly convert to his own use property and funds valued at \$5,000 or more, which property and funds were owned by and under the care, custody, and control of Community Action of Minneapolis.

57. All in violation of Title 18, United States Code, Section 666(a)(1)(A).

COUNT 14

(Theft Concerning Programs Receiving Federal Funds – 2012)

58. The grand jury re-alleges and incorporates paragraphs 1 through 57 as if fully set forth herein.

59. From on or about January 1, 2012 through on or about December 31, 2012, in the State and District of Minnesota and elsewhere, the defendant,

WILLIAM JAMES DAVIS,

being an agent of Community Action of Minneapolis, an organization receiving in the one-year period beginning January 1, 2012 benefits in excess of \$10,000 under grants funded by the United States Department of Health and Human Services and the United States Department of Energy, did embezzle, steal, obtain by fraud, intentionally misapply, and otherwise without authority knowingly convert to his own use property and funds valued at \$5,000 or more, which property and funds were owned by and under the care, custody, and control of Community Action of Minneapolis.

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60. All in violation of Title 18, United States Code, Section 666(a)(1)(A).

COUNT 15

(Theft Concerning Programs Receiving Federal Funds – 2011)

61. The grand jury re-alleges and incorporates paragraphs 1 through 60 as if fully set forth herein.

62. From on or about January 1, 2011 through on or about December 31, 2011, in the State and District of Minnesota and elsewhere, the defendant,

WILLIAM JAMES DAVIS,

being an agent of Community Action of Minneapolis, an organization receiving in the one-year period beginning January 1, 2011 benefits in excess of \$10,000 under grants funded by the United States Department of Health and Human Services and the United States Department of Energy, did embezzle, steal, obtain by fraud, intentionally misapply, and otherwise without authority knowingly convert to his own use property and funds valued at \$5,000 or more, which property and funds were owned by and under the care, custody, and control of Community Action of Minneapolis.

63. All in violation of Title 18, United States Code, Section 666(a)(1)(A).

COUNT 16

(Conspiracy To Commit Theft Concerning Programs Receiving Federal Funds – 2010)

64. The grand jury re-alleges and incorporates paragraphs 1 through 63 as if fully set forth herein.

65. From on or about January 1, 2010 through on or about December 31, 2010, in the State and District of Minnesota and elsewhere, the defendants,

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**WILLIAM JAMES DAVIS and
JORDAN JAMES DAVIS,**

did unlawfully and knowingly combine, conspire, and agree with each other to commit an offense against the United States, namely,

WILLIAM DAVIS being an agent of Community Action of Minneapolis, an organization receiving in the one-year period beginning January 1, 2010 benefits in excess of \$10,000 under grants funded by the United States Department of Health and Human Services and the United States Department of Energy, to embezzle, steal, obtain by fraud, intentionally misapply, and otherwise without authority knowingly convert to their own use property and funds valued at \$5,000 or more, which property and funds were owned by and under the care, custody, and control of Community action of Minneapolis, in violation of Title 18, United States Code, Section 666(a)(1)(A).

PURPOSE OF THE CONSPIRACY

66. The purpose of the conspiracy was to embezzle, steal, and obtain by fraud CAM funds using WILLIAM DAVIS's position as CEO to direct paychecks to JORDAN DAVIS for a no-show job.

MANNER AND MEANS

67. The manner and means of the conspiracy included causing CAM, through the MCI bank account, to issue paychecks to JORDAN DAVIS for a no-show job in connection with CAM's Ben & Jerry's PartnerShop as described in paragraphs 14 through 21 of this Indictment.

OVERT ACTS

68. In furtherance of the conspiracy, a co-conspirator committed and caused to be committed the following overt acts, among others:

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- a. On or about September 20, 2010, JORDAN DAVIS endorsed and deposited a check for \$1,022.67 from MCI, funded with CAM funds, into his bank account;
- b. On or about October 7, 2010, JORDAN DAVIS endorsed and deposited a check for \$1,022.67 from MCI, funded with CAM funds, into his bank account;
- c. On or about October 18, 2010, JORDAN DAVIS endorsed and deposited a check for \$1,022.67 from MCI, funded with CAM funds, into his bank account;
- d. On or about November 1, 2010, JORDAN DAVIS endorsed and deposited a check for \$1,022.67 from MCI, funded with CAM funds, into his bank account;
- e. On or about November 15, 2010, JORDAN DAVIS endorsed and deposited a check for \$1,022.67 from MCI, funded with CAM funds, into his bank account;
- f. On or about November 29, 2010, JORDAN DAVIS endorsed and deposited a check for \$1,022.67 from MCI, funded with CAM funds, into his bank account;
- g. On or about December 14, 2010, JORDAN DAVIS endorsed and deposited a check for \$1,022.67 from MCI, funded with CAM funds, into his bank account;
- h. On or about December 20, 2010, WILLIAM DAVIS instructed CAM's CFO to provide JORDAN DAVIS with a paycheck for the pay period ending December 31, 2010 and a \$6,000 bonus check;
- i. On or about December 22, 2010, JORDAN DAVIS endorsed and deposited a check for \$4,464 from MCI, funded with CAM funds, into his bank account; and
- j. On or about December 29, 2010, JORDAN DAVIS endorsed and deposited a check for \$1,022.67 from MCI, funded with CAM funds, into his bank account.

69. All in violation of Title 18, United States Code, Section 371.

U.S. v. William James Davis, et al.

FORFEITURE ALLEGATIONS

All counts of this Indictment are hereby realleged and incorporated herein for the purpose of alleging forfeitures.

If convicted of any of the offenses charged in Counts 1 through 16 of this Indictment, the defendants shall forfeit to the United States pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), any and all property, real or personal, which constitutes or is derived from proceeds traceable to the violations of Title 18, United States Code, Sections 371, 666(a)(1)(A), 1341, and 1343.

If any of the above-described forfeitable property is unavailable for forfeiture, the United States intends to seek the forfeiture of substitute property as provided for in Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c).

A TRUE BILL

UNITED STATES ATTORNEY

FOREPERSON