



# Department of Justice

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Middle District of Alabama

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**FORMER AUBURN UNIVERSITY PROFESSOR/ARMY LT. COL. SENTENCED TO  
63 MONTHS WITHOUT PAROLE, ORDERED TO PAY OVER \$1.3M IN  
RESTITUTION**

*Longest Sentence Issued for a 9/11 Disaster Funds Case.*

**MONTGOMERY, ALABAMA**—A former Auburn University Professor and Army Lt. Col., Loyd Frank Lawing, Jr., age 53, was sentenced to 63 months in federal prison without parole for singlehandedly embezzling nearly \$100,000 from the Small Business Administration (SBA) in 9/11 disaster relief funds and over \$940,000 from the Auburn University branch of Alpha Tau Omega (“ATO”), Leura G. Canary, United States Attorney for the Middle District of Alabama, announced today.

During the sentencing hearing, United States District Judge Myron Thompson enhanced Lawing’s sentence based on the amount of money stolen, the number of victims involved, and the sophisticated means by which the fraud was executed. The sentence was also enhanced because Lawing abused his fiduciary duty to ATO and the SBA.

Lawing’s 63 month sentence is the longest sentence handed down for a case arising from fraud involving SBA 9/11 disaster relief loans in the nation, according to SBA’s Office of Inspector General. Lawing was also required to pay nearly \$1M to ATO, nearly \$100,000 to the SBA, and over \$300,000 to the IRS. Upon release from prison, Lawing will be required to be under the supervision of the U.S. Probation Office for three years and to perform 120 hours of

community service.

“Mr. Lawing misused his fiduciary position with ATO and the SBA to embezzle funds,” said U.S. Attorney leura Canary. “His abuse of trust was reprehensible. Mr. Lawing’s sentence should serve as a warning to anyone else who is tempted to use their position to steal.”

Aaron Collins, Special Agent in Charge of the Eastern Region, Small Business Administration, Office of Inspector General, Investigations Division, stated, “SBA will continue to vigorously pursue any allegations of fraud as it relates to the misuse, abuse, mis-allocation, or fraudulent procurement of disaster loans.” Collins added, “We appreciate the support of the Department of Justice in carrying out our mission.”

Rebecca A. Sparkman, Special Agent in Charge for the IRS, Criminal Investigation Division, stated, “The prosecution of individuals who intentionally conceal their income, even if obtained from an illegal source, is a vital element in maintaining public confidence in our tax system.”

This matter is the result of a year-long joint investigation. The case was investigated jointly by the Auburn Police Department, the IRS’s Criminal Investigation Division, and SBA Office of Inspector General, Investigations Division. Additional assistance was provided by Lee County District Attorney, Nick Abbett. This case was prosecuted by Assistant United States Attorney Christopher A. Snyder.

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