

IN THE EXECUTIVE ETHICS COMMISSION
OF THE STATE OF ILLINOIS

IN RE: STEVE McCLAIN,) OEIG Case #16-02506

OEIG FINAL REPORT (REDACTED)

Below is a final summary report from an Executive Inspector General. The General Assembly has directed the Executive Ethics Commission (Commission) to redact information from this report that may reveal the identity of witnesses, complainants or informants and “any other information it believes should not be made public.” 5 ILCS 430/20-52(b).

The Commission exercises this responsibility with great caution and with the goal of balancing the sometimes-competing interests of increasing transparency and operating with fairness to the accused. In order to balance these interests, the Commission may redact certain information contained in this report. The redactions are made with the understanding that the subject or subjects of the investigation have had no opportunity to rebut the report’s factual allegations or legal conclusions before the Commission.

The Commission received this report from the Governor’s Office of Executive Inspector General (“OEIG”) and a response from the agency in this matter. The Commission, pursuant to 5 ILCS 430/20-52, redacted the final report and mailed copies of the redacted version and responses to the Attorney General, the Governor’s Executive Inspector General, and to Steve McClain at his last known address.

The Commission reviewed all suggestions received and makes this document available pursuant to 5 ILCS 430/20-52.

FINAL REPORT

I. ALLEGATIONS

The Office of Executive Inspector General (OEIG) received a complaint alleging that University of Illinois at Chicago (UIC) Men’s Basketball Head Coach Steve McClain was paid by vendor FastModel Sports in exchange for UIC buying FastModel’s product. The \$2,500 payment was allegedly sent to a company, SMBC LLC, that was run by Mr. McClain.

II. BACKGROUND

A. University Of Illinois Chicago

UIC is a State-funded public university located in Chicago, Illinois. UIC competes in the NCAA Division I Horizon League as the UIC Flames. Mr. McClain was named the Men's Basketball Head Coach in March 2015 with a formal start date of September 14, 2015.

B. FastModel Sports

FastModel Sports was founded in 2004 by CEO Ross Comerford. FastModel develops several basketball coaching software products, including FastDraw, FastScout, and FastRecruit.¹

FastDraw is a tool to draw, organize, and share basketball plays and drills. FastScout allows coaches to create professional scouting reports that are customized for their team. FastRecruit is a mobile application for college coaches that provides tournament schedule updates and scores allowing for better staff coordination during recruitment.

III. INVESTIGATION

In this investigation, OEIG investigators obtained and reviewed UIC's records involving purchases from FastModel, Mr. McClain's personnel file, and records from FastModel, including documentation of communications between Mr. McClain and Mr. Comerford. OEIG investigators also interviewed Mr. Comerford, former [FastModel Employee 1], and Mr. McClain.

A. Documentation Of Transactions Between FastModel And UIC Or Steve McClain

Investigators reviewed records from UIC and FastModel related to purchases UIC made from FastModel since 2013. The invoices and corresponding receipts reflect that the UIC Men's Basketball team made the following purchases from FastModel since 2013.

July 8, 2013 Invoice for the 2013-2014 Season

FastDraw/FastScout	<u>\$2,500</u>
Total	\$2,500

July 2, 2014 Invoice for the 2014-2015 Season

FastDraw/FastScout	<u>\$2,500</u>
Total	\$2,500

July 1, 2015 Invoice for the 2015-2016 Season

¹ According to FastModel's website, the products are used by coaches at every level, including all U.S. professional teams, 85% of college teams, and over 8,000 high school and youth teams from over 75 countries.

FastDraw/FastScout	\$2,500
FastRecruit	\$5,000
Discount ²	- \$5,000
Total	\$2,500

July 1, 2016 Invoice for the 2016-2017 Season³

FastDraw/FastScout	\$2,500
FastRecruit	\$3,000
Discount	- \$500
Total	\$5,000

To obtain further context about these transactions and the relationship between FastModel and Mr. McClain, OEIG investigators also obtained and reviewed text messages sent between phone numbers belonging to Mr. McClain and Mr. Comerford as well as emails.⁴ Specifically, the following text messages appeared to be related to work performed by Mr. McClain for FastModel, UIC's purchase of FastModel's products, and a \$2,500 check issued to SMBC LLC:

<u>Date & Time</u>	<u>From</u>	<u>To</u>	<u>Message</u>
June 19, 2015			
10:45 AM	Comerford	McClain	Steve great to chat with you. I am really happy we are working together. I want to be a great partner and help you be successful. Keep me posted with [redacted]. Ross
July 5, 2016			
9:21 AM	McClain	Comerford	I'm confused got a bill for 3,000 for fast recruit so what am I getting for helping and making calls.
9:25 AM	Comerford	McClain	It is our error. Disregard it. Who sent it to you?
9:26 AM	McClain	Comerford	[name redacted]
9:28 AM	McClain	Comerford	But [FastModel Employee 2] sent the first one ⁵
9:29 AM	Comerford	McClain	Ok. Don't worry. I will get it straight on this side.
9:30 AM	McClain	Comerford	If it's a problem let me know did you get Loyola
9:31 AM	Comerford	McClain	They are done.
9:32 AM	Comerford	McClain	I don't think [name redacted] knows our deal. I will get it straight.

² The invoices did not indicate what the discounts were for or to which product the discounts applied.

³ There were two invoices for this season, dated July 1, 2016 and August 16, 2016, which were identical except for the date.

⁴ FastModel sent the OEIG these records and identified these phone numbers as belonging to Mr. McClain and Mr. Comerford. In addition, Mr. McClain's UIC personnel file identified the same number for Mr. McClain.

⁵ [FastModel Employee 2] was the FastModel salesperson assigned to UIC at the time according to FastModel's records.

August 16, 2016

11:36 AM	Comerford	McClain	What is your email ?
11:39 AM	McClain	Comerford	[redacted]@uic.edu
12:09 PM	McClain	Comerford	You said 2,500 it says 3,000
12:15 PM	Comerford	McClain	Our mistake. Will resend. Sorry
12:36 PM	Comerford	McClain	It's discounted the list price is 3K. The 500 discount is reflected on the invoice The total bill is 5k
12:37 PM	McClain	Comerford	Ok

August 28, 2016

5:50 PM	McClain	Comerford	What do you need from me to finish the transaction ⁶
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August 29, 2016

8:14 AM	Comerford	McClain	Hi Steve please send me the name of your LLC and a W9. Might be after labor day people are out this week
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On August 29, 2016, someone sent an email to Mr. Comerford from the email address [redacted]@gmail.com. The email simply stated, "See attached. Thanks," and included a W-9 and Employer Identification Number (EIN) confirmation letter listing SMBC LLC and Steven McClain.⁷ On September 20, 2016, Mr. McClain texted Mr. Comerford asking when he would receive his check. Mr. Comerford replied that it would be done that week.

FastModel also provided the OEIG with a copy of a check written to SMBC LLC from FastModel's account, dated October 27, 2016, for \$2,500. The check did not include a notation indicating what it was for. A FastModel QuickBooks journal entry related to the check included a notation stating, "Payment for Getting UIC to buy Product."

B. Documentation Regarding SMBC LLC's Involvement At UIC

The OEIG also looked into Mr. McClain's company, SMBC LCC, to learn more about what it was and how it was related to UIC and Mr. McClain.

On October 31, 2016, Mr. McClain submitted a Report of Non-University Activities to UIC listing SMBC LLC as a non-university income producing activity.⁸ The report was approved

⁶ Records suggest that this message was not read by Mr. Comerford until August 29, 2016 at 8:13 AM.

⁷ Form W-9 is used to provide the correct EIN to the person who is required to file an information return with the Internal Revenue Service to report, for example, income paid.

⁸ Mr. McClain's UIC employment contract states, "Employee agrees that he will not personally or through any agency actively negotiate for or accept other full-time or part-time commitment(s), whether in the form of an employment, consulting, independent contractor or other contract, employment, sponsorship, business involvement of any nature, endorsements, or charity work during the Term without first having obtained the written permission of the Athletic Director and such commitment (s) shall be in accordance with University policies and procedures, including conflicts of interest policies." It further states, "Employee shall annually report...all income and benefits in any way related to athletics, or which arise out of his employment with the University...received from sources other than the University."

by UIC Athletic Director James Schmidt on November 14, 2016.⁹ The report stated that SMBC LLC hosted basketball camps over the summer. It indicated Mr. McClain had a financial interest of \$0 - \$4,999 in SMBC LLC and that the organization would use university resources, including several UIC staff members. The report identified UIC staff members that planned to help with these basketball camps, including [UIC Employee 1], [UIC Employee 2], [UIC Employee 3], [UIC Employee 4], and [UIC Employee 5]. No reports were submitted related to FastModel.

The OEIG also obtained a UIC Facility Use Agreement, dated June 6, 2016, signed in the name of Steve McClain as CEO of SMBC LLC, to host youth basketball camps in June and August of the same year. The agreement stated that the camps would occur on four weekend dates at the Flames Athletic Center Gymnasium, including June 12, June 18-19, and August 7, 2016. The contact person listed for SMBC was Mr. McClain, but the contact email appeared to be an email address for [UIC Employee 2]. The agreement stated that SMBC would pay UIC 10% of the gross revenue collected from the camps, which was estimated at \$5,000.

C. Interview Of Ross Comerford

On October 4, 2017, OEIG investigators interviewed FastModel CEO Ross Comerford. Mr. Comerford said that he founded FastModel in 2003 and moved the company to Chicago in 2013. Mr. Comerford said that FastModel has offered FastDraw since 2008 and FastScout since 2009. Mr. Comerford said that FastModel released FastRecruit in 2015, just before the summer recruiting season. Mr. Comerford told investigators that the products have varying price ranges due to bundling options and the different levels of the products, which dictate the availability of support, depth of data, customization, and the number of licenses.

Mr. Comerford said that UIC became a FastModel client in 2010 and the UIC Men's Basketball team currently uses FastDraw, FastScout, and FastRecruit. Mr. Comerford said that the team has used FastRecruit since it launched in 2015.

Mr. Comerford stated that he has been an acquaintance of Mr. McClain for approximately eight years. Mr. Comerford said he was unaware of what influence Mr. McClain had at UIC on purchasing FastModel's products.

When asked if he has any other business relationship with Mr. McClain, Mr. Comerford said that Mr. McClain had "helped" FastModel in the past. Mr. Comerford explained that he talked to Mr. McClain at a game in approximately May 2015 and showed him what was then a new product, FastRecruit, on his phone. Mr. Comerford said Mr. McClain was interested in the product and offered to make calls and introductions for Mr. Comerford to other coaches and friends that may have had an interest in using the product. Mr. Comerford denied offering Mr. McClain any compensation at that time for making the calls and said that it never became a more formal business arrangement. Mr. Comerford told investigators that he did not have any similar arrangements with any other coaches. Mr. Comerford said that he did not pay Mr. McClain for making these calls in 2015, but in 2016 he offered him \$2,500 and Mr. McClain accepted. Mr. Comerford stated that he came up with the amount himself because he thought that it was a fair amount based on the

⁹ Mr. McClain also submitted Reports of Non-University Activities to UIC on October 2, 2015 and October 3, 2016 indicating that he had no non-university income producing activities.

number of calls Mr. McClain made for FastModel and the fact that Mr. McClain was not compensated in any other way. Mr. Comerford stated that Mr. McClain did not make calls for FastModel in 2017.

Mr. Comerford explained that he paid Mr. McClain for his work for FastModel with a check issued to SMBC LLC instead of to Mr. McClain directly because that is what Mr. McClain wanted. Mr. McClain stated that most coaches have LLCs and use them for payments to camps, radio shows, and speaking appearances so it was not an unusual request.

When asked why the check was written in October if FastRecruit was for use during the summer recruiting season, Mr. Comerford said that [FastModel Employee 1], was not good at her job and that accounts payable were often not done on time.¹⁰ When investigators asked Mr. Comerford about the journal entry indicating the check was for getting UIC to buy the product, Mr. Comerford stated that he only became aware of the entry when OEIG investigators requested FastModel records. Mr. Comerford said that it was part of [FastModel Employee 1's] duties to make the journal entries in the system when checks were issued. Mr. Comerford stated that only three employees had access to the system, himself, [FastModel Employee 1], and FastModel's Chief Technology Officer. Mr. Comerford denied making the entry and told investigators that the Chief Technology Officer also denied making it.¹¹ Mr. Comerford said he told [FastModel Employee 1] that Mr. McClain was a sales consultant when he provided her with Mr. McClain's W-9.

Mr. Comerford said that UIC did not receive discounts as a result of Mr. McClain promoting FastModel products. Mr. Comerford stated that institutions receive discounts for various reasons at the discretion of the account representative, including when they have new coaches or FastModel has a new product. Mr. Comerford said that for the first year of FastRecruit, they gave heavy discounts to many schools, and some schools including UIC, received it for free because they wanted the schools to use the product.

Mr. Comerford stated that for the 2016-2017 season, the UIC Men's Basketball team purchased the FastDraw/FastScout Silver package at the \$2,500 rate and FastRecruit at the \$3,000 rate. Mr. Comerford said that the pricing strategy for that year was to give the institutions that bought the bundle of all three products a \$500 discount, which meant that UIC paid a total of \$5,000 for all three products.

When investigators asked Mr. Comerford about the "error" he noted in his July 5, 2016 text conversation with Mr. McClain, Mr. Comerford could not recall what he was thinking at the time and said that there was not an error on the bill. When asked what the "deal" was that he referred to subsequently, Mr. Comerford said that the "deal" was just the relationship Mr. McClain had with FastModel. Mr. Comerford said that following their text conversation on July 5, 2016, he also called and spoke with Mr. McClain, who commented that he had done all of that work and wanted to know what Mr. Comerford was going to do for him. Mr. Comerford stated that he told Mr. McClain that the phone calls he made for FastModel had to be separate from UIC's purchase

¹⁰ Mr. Comerford stated that [FastModel Employee 1] was terminated December 8, 2016.

¹¹ Mr. Comerford stated that FastModel reviewed the system after learning of the above-referenced journal entry and did not find any other similar entries.

of the FastModel products. Mr. Comerford said that this is when he then offered Mr. McClain \$2,500 and Mr. McClain accepted.

D. Interview Of [FastModel Employee 1]

OEIG investigators also interviewed former [FastModel Employee 1]. [FastModel Employee 1] stated that her responsibilities as [redacted] included all financial duties at FastModel, including paying vendors and billing clients.¹²

[FastModel Employee 1] confirmed that she made the QuickBooks journal entry related to the \$2,500 check to SBMC LLC and included the notation stating, "Payment for Getting UIC to buy Product." [FastModel Employee 1] said that she did this at the direction of Mr. Comerford. [FastModel Employee 1] stated that FastModel originally planned to bill UIC \$2,500, but Mr. Comerford instructed her to bill them \$5,000 instead. [FastModel Employee 1] said that in October 2016, Mr. Comerford told her to send a check for \$2,500 to SMBC LLC, which is when she informed him she needed a W-9 for tax purposes. [FastModel Employee 1] stated that Mr. Comerford later informed her that the check was for the coach at UIC because the coach convinced UIC to upgrade the product so that other mid-level schools would see that UIC had it. [FastModel Employee 1] informed investigators that between August and September 2016, she also overheard phone conversations Mr. Comerford had with Mr. McClain wherein he stated he would reimburse Mr. McClain if he got UIC to buy the product. [FastModel Employee 1] confirmed that UIC was one of the first mid-level schools to purchase the product.

E. Interview Of Steve McClain

On July 18, 2017, investigators interviewed UIC Men's Basketball Head Coach Steve McClain. Mr. McClain said that in addition to coaching and recruiting, he also is responsible for the team's budget. Mr. McClain said that his former [UIC Employee 2], also handled much of the day-to-day operations.

Mr. McClain said that he is responsible for approving purchases for the team. Mr. McClain said that generally the products come from a recommendation by one of his assistant coaches.¹³ Mr. McClain said FastModel's products were recommended by [UIC Employee 2] so he approved their purchase. When asked about his relationship with FastModel, Mr. McClain said that although he was probably using their products when he coached previously at Indiana University, he was not familiar with the company until he began at UIC. Mr. McClain noted that UIC used FastModel's products before he started coaching there.

Mr. McClain recalled that he met Mr. Comerford at a high school basketball game during his first year of coaching at UIC. Mr. McClain said that Mr. Comerford was trying to promote a new product, FastRecruit, and asked him to call coaches he knew to say that he used the product and would recommend it. Mr. McClain said that he agreed to do so but ultimately only called

¹² [FastModel Employee 1] stated that she was terminated in December 2016 for "misconduct," but that she did not know specifically what the misconduct was that she had allegedly engaged in.

¹³ OEIG investigators also interviewed [UIC Employee 6] and confirmed that assistant coaches provide input on purchases, but the ultimate decision is made by the head coach.

approximately four or five coaches on behalf of FastModel. Mr. McClain denied ever being paid for recommending FastModel products or referring other schools to FastModel. Mr. McClain said that there was never any discussion about payment for the work and he was not promised anything in return, including discounts for UIC.

When investigators asked Mr. McClain about the \$2,500 check from FastModel, Mr. McClain said Mr. Comerford wrote him the check because Mr. McClain asked FastModel to sponsor his basketball camps. Mr. McClain said that it was written to SMBC LLC because UIC requires coaches to have an LLC to run basketball camps.¹⁴ He said that he put on the camps in 2015 using his own money and he either lost money or broke even. Mr. McClain noted that the only other source of funds for the camps is the entrance fees. He also stated that UIC receives 10% of the camp profits for use of the facilities and equipment. Mr. McClain said he pays the coaches and staff with whatever money is remaining.

Mr. McClain said that the camps take place the second week in June and the first week in August. He said he asked Mr. Comerford for the sponsorship sometime between March and June 2016. Mr. McClain said that in 2016, FastModel was the camp's only sponsor and there were no sponsors in 2017 because the camp was more established. Mr. McClain told investigators that [UIC Employee 2] was primarily responsible for setting up the camps and the budget, so [UIC Employee 2] also approached other potential sponsors, but Mr. McClain said he could not recall the names of any of the companies [UIC Employee 2] contacted. Mr. McClain admitted that he did not report FastModel's sponsorship to UIC.

Mr. McClain said that he filed for the LLC, that it does not have any employees, and its sole purpose is to run the camps. Mr. McClain also said that he signs every check written by SMBC.¹⁵ Mr. McClain estimated that he makes approximately \$500 to \$1,000 annually running the camps.

When investigators asked Mr. McClain about the discount UIC received on FastModel's products, Mr. McClain said he did not know what the \$5,000 discount was for in 2015. Mr. McClain said he also did not know what the \$500 discount was for during the 2016-2017 season, stating that [UIC Employee 2] would know.¹⁶

When asked about the text messages between himself and Mr. Comerford, Mr. McClain explained that the text from July 5, 2016 about the \$3,000 bill was his effort to try to get Mr. Comerford to lower the price of FastRecruit. Mr. McClain said he thought Mr. Comerford would help UIC out since he was helping Mr. Comerford out. Mr. McClain stated that he knew UIC had paid FastModel a total of \$2,500 the previous year and received the same products so he thought the bill would be the same as the previous year. Mr. McClain claimed the "deal" referenced later was that he was making calls for Mr. Comerford. Mr. McClain said that he was unaware the \$500

¹⁴ Mr. McClain stated that UIC did not require an LLC the first year he ran the camps, but subsequently changed the policy, so he created an LLC.

¹⁵ Mr. McClain informed investigators that his wife is also on the LLC filing and the bank account, but is not involved with either.

¹⁶ [UIC Employee 2] left UIC in May 2017 and moved out of state. OEIG investigators attempted but were unable to reach [UIC Employee 2] for an interview.

discount had already been applied prior to speaking to Mr. Comerford. Mr. McClain could not recall speaking to Mr. Comerford on the phone that day, but stated the check he received was unrelated to the text conversation with Mr. Comerford. Mr. McClain denied ever having a conversation with Mr. Comerford wherein Mr. Comerford said that FastModel could not discount UIC for Mr. McClain's calls and had to pay him separately.

IV. ANALYSIS

A. Steve McClain Accepted Money From A Prohibited Source In Violation Of The Ethics Act Gift Ban

The Ethics Act Gift Ban provisions prohibit a State employee from intentionally soliciting or accepting any gift from any prohibited source.¹⁷ A "gift" is defined as, among other things, a discount, cash, or any tangible or intangible item having monetary value.¹⁸ A "prohibited source" includes, among other things, any person or entity who does business with a State employee or State agency, conducts activities regulated by a State employee or State agency, or has interests that may be substantially affected by the performance or non-performance of the official duties of a State employee.¹⁹

As a vendor of UIC, FastModel clearly did business with a State agency. Therefore, FastModel is a prohibited source. Mr. McClain, on behalf of UIC, approved purchases of FastModel products for \$2,500 in 2015 and \$5,000 in 2016, before FastModel issued the SMBC LLC check on October 27, 2016. Mr. McClain told investigators that the \$2,500 check to SMBC LLC, which is owned and managed by Mr. McClain, was to sponsor his basketball camps and was not compensation for any phone calls he made on behalf of FastModel.²⁰ Mr. McClain said he could not recall any other potential sponsors that may have been contacted. The text message conversations show that Mr. McClain contacted Mr. Comerford to "finish the transaction" on August 28, 2016, three weeks after the last date for his camp and only 12 days after the date indicated on FastModel's invoice. Mr. Comerford, however, maintained that the check was compensation for Mr. McClain calling other coaches to recommend FastModel's products. Meanwhile, [FastModel Employee 1] stated that the check was for convincing UIC to buy FastRecruit. Thus, while it may be unclear if the \$2,500 payment was directly related to the basketball camps, Mr. McClain's work for FastModel, or the purchase of FastModel products by UIC, it is clear that Mr. McClain accepted an item of value from a prohibited source. Indeed, if Mr. McClain's own statement is to be believed, then at the very least he accepted a \$2,500 monetary gift (in the form of a sponsorship donation) from a prohibited source.

¹⁷ 5 ILCS 430/10-10.

¹⁸ 5 ILCS 430/1-5.

¹⁹ *Id.*

²⁰ Mr. McClain's UIC contract requires him to obtain UIC approval before engaging in all other forms of employment. Mr. McClain's statement that the check from FastModel was not compensation for calls he made is corroborated by the fact that Mr. McClain did not list FastModel on the Report of Non-University Activities he submitted four days later, on October 31, 2016.

Based on this evidence, the OEIG concludes that the allegation that Mr. McClain accepted a gift from Fast Model, a prohibited source, in violation of the Ethics Act Gift Ban is **FOUNDED**.²¹

B. Steve McClain Engaged In Activities In Violation Of UIC's Conflict of Interest Policies

UIC's conflict of interest policy states, "An employee will not engage in activities inside or outside the University that...might reasonably be considered to be in conflict with the employee's University obligations and responsibilities."²² Additionally, UIC employees are required to report in writing any potential conflict of interest to the unit head for approval before engaging in any activity that "is or may appear to be inconsistent with the employee's duties and obligations to the University."²³

The UIC Facility Use Agreement Mr. McClain signed on behalf of SMBC LLC to host the basketball camps in 2016 also states that the organization "shall disclose, to the best of its knowledge, any potential conflict of interest between it or its financial interests, and the University."²⁴

Mr. McClain told OEIG investigators that he contacted four or five coaches on behalf of FastModel to recommend their new product, FastRecruit. Mr. McClain denied receiving any compensation for doing this, but his outside organization, SMBC LLC, did receive a check for \$2,500 from FastModel in October 2016. As noted previously, Mr. McClain claimed the check was for sponsoring basketball camps that he used UIC facilities, equipment, and personnel to run. Mr. Comerford told investigators that it was payment for the work Mr. McClain had done for FastModel in recommending their product to other coaches. Regardless of the purpose of the check, the actions of Mr. McClain on behalf of FastModel could reasonably be considered to conflict with his UIC duties, given his role in selecting and approving purchases of FastModel's products for the UIC Men's Basketball team. Similarly, Mr. McClain failed to disclose the potential conflict of interest between SMBC LLC, FastModel, and UIC, as required by the Facility Use Agreement he signed in June 2016, approximately one year after he agreed to assist Mr. Comerford.

Based on this evidence, the allegation that Mr. McClain engaged in activities in violation of UIC's conflict of interest policy and Facility Use Agreement is **FOUNDED**.

V. FINDINGS AND RECOMMENDATIONS

As a result of its investigation, the OEIG concludes that there is **REASONABLE CAUSE TO ISSUE THE FOLLOWING FINDINGS:**

²¹ The OEIG concludes that an allegation is "founded" when it has determined that there is reasonable cause to believe that a violation of law or policy has occurred, or that there has been fraud, waste, mismanagement, misconduct, nonfeasance, misfeasance, or malfeasance.

²² University of Illinois Policy and Rules 16.01 Conflict of Interest

²³ University of Illinois Policy and Rules 16.011 Reporting Requirement

²⁴ UIC Facility Use Agreement 14.2 (executed June 6, 2016).

- **FOUNDED** – Steve McClain accepted a monetary gift from FastModel Sports in violation of the Ethics Act Gift Ban.
- **FOUNDED** – Steve McClain engaged in activities on behalf of FastModel Sports that created a conflict of interest in violation of UIC’s conflict of interest policy and Facility Use Agreement.

Based on the findings, the OEIG recommends that UIC take whatever disciplinary action it deems appropriate against Steve McClain for violating the Ethics Act and UIC policy. The OEIG also recommends that UIC ensure that Athletic Department staff are trained and educated regarding the Gift Ban provisions of the Ethics Act and UIC’s conflict of interest policy. The OEIG recommends UIC also take appropriate action to inform FastModel Sports of its responsibilities as a UIC vendor regarding the Gift Ban provisions.

The OEIG is also referring Mr. McClain’s violation of the Ethics Act Gift Ban provision to the Illinois Attorney General’s Office to file a complaint with the Executive Ethics Commission.

No further investigative action is needed, and this case is considered closed.

Date: **January 11, 2018**

Office of Executive Inspector General
for the Agencies of the Illinois Governor
69 W. Washington St., Suite 3400
Chicago, IL 60602

By: **Dirk De Lor**
Assistant Inspector General #143



Office of Executive Inspector General
for the Agencies of the Illinois Governor
 www.inspectorgeneral.illinois.gov

**AGENCY OR ULTIMATE JURISDICTIONAL AUTHORITY
 RESPONSE FORM**

Case Number: 16-02506

Return 20 Days After Receipt

Please check the box that applies. (Please attach additional materials, as necessary.)

We have implemented all of the OEIG recommendations. Please provide details as to actions taken:

The University Ethics Officer has advised Fast Motel Technology, LLC regarding the Gift Ban provisions of the Ethics Act. Please see enclosure.

We will implement some or all of the OEIG recommendations but will require additional time to do so.

We will report to OEIG within 30 days from the original return date.

We do not wish to implement some or all of the OEIG recommendations. Please provide details as to what actions were taken, if any, in response to OEIG recommendations:

Donna S. McNelly
 Signature

*University of Illinois
 University Ethics Officer*
 Print Agency and Job Title

Donna S. McNelly
 Print Name

2/2/18
 Date

RECEIVED

FEB 07 2018

UNIVERSITY OF ILLINOIS
URBANA-CHAMPAIGN • CHICAGO • SPRINGFIELD

University Ethics and Compliance Office
Human Resources Building, Room 20
One University Plaza, MS HRB 20
Springfield, Illinois 62703-5407

February 2, 2018

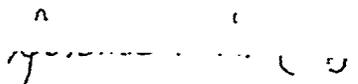
FastModel Technology, LLC
Attn: Ross Comerford, CEO
410 N. Michigan Ave., Suite 320
Chicago, IL 60611
Dear Mr. Comerford,

The University of Illinois is in receipt of an investigation report dated January 11, 2018 from the Office of Inspector General for Agencies of the Illinois Governor. The report concludes that FastModel Technology, LLC made a gift of \$2,500 to University of Illinois at Chicago basketball coach Steve McClain through a limited liability company (SMBC LLC) owned by coach McClain. The gift ban provisions of the Illinois State Officials and Employees Ethics Act (5 ILCS 430/10-10) prohibit a State employee from accepting a gift from any prohibited source. Per Section 1-5 of the Ethics Act, FastModel is a prohibited source because the company does business with the University of Illinois at Chicago. Section 10-10 of the Act specifically states "No prohibited source shall intentionally offer or make a gift that violates the Section" of the Gift Ban provisions of this law.

In the future, neither Coach McClain nor any other employee of the University of Illinois System should be offered or presented with a gift from FastModel Technology, LLC. Any potential payments or offers to any University of Illinois employee should be discussed in advance with the University Ethics Officer and the supervisor of the intended employee.

If there are any questions regarding this restriction, please contact me at 217-206-6202 or ethicsofficer@uillinois.edu.

Sincerely,


Donna McNeely
MBA, CPA, CCEP, CIA, CIG, CFSA, CGAP
Executive Director of University Ethics and Compliance
University of Illinois System



E-mail: ethicsofficer@uillinois.edu



MAR - 9 2018

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AGENCY OR ULTIMATE JURISDICTIONAL AUTHORITY RESPONSE FORM

Case Number: 16-02506

Return 20 Days After Receipt

Please check the box that applies. (Please attach additional materials, as necessary.)

We have implemented all of the OEIG recommendations. Please provide details as to actions taken:

A letter of expectations will be issued to the subject prior to March 31, 2018. The letter will be placed in the subject's personnel file.

Additionally, training regarding both gifts and conflicts of interest will be scheduled and conducted prior to May 31, 2018 to reduce the risk of future situations of this nature.

We will implement some or all of the OEIG recommendations but will require additional time to do so.

We will report to OEIG within _____ days from the original return date.

We do not wish to implement some or all of the OEIG recommendations. Please provide details as to what actions were taken, if any, in response to OEIG recommendations:

Signature

University of Illinois, University Ethics Officer

Print Agency and Job Title

Donna S. McNeely

Print Name

March 1, 2018

Date