

# Georgia Tech V.P. retiring amidst staff changes after investigations

A Georgia Tech vice president who played a role in the events that triggered the firing last month of a top official will retire at the end of August.

Institute spokesman Lance E. Wallace said the departure of Patrick J. McKenna has nothing to do with the recent investigations.

McKenna, the vice president for legal affairs and risk management, however, did play a role in the events that led to that firing and three resignations. He advised the fired Tech executive about the executive's service on the board of a company doing business with Tech. McKenna helped design a plan that was supposed to manage the conflict of interest, but it failed, a University System of Georgia review said. Another university system probe said McKenna offered no counsel about correcting a reporting structure that marginalized an ethics compliance officer.

McKenna could not be reached for comment.

University President George P. "Bud" Peterson said McKenna's position will be renamed, and the person in it will report directly to him as the chief ethics officer "with sufficient authority and responsibility to ensure an independent and objective assessment of potential conflicts of interest and ethical concerns."

Peterson also announced a number of staff shifts Friday to "strengthen our organizational structure, and address some of the issues from the recent investigative reports."

The investigations detail how four Georgia Tech officials earning six-figure salaries used their positions to line their pockets. With little or no accountability, three misused taxpayer funds and exploited relationships with vendors. There was a free football suite, courtesy of a bookstore vendor, golf outings during work hours, routine meals and after-hours drinking billed to taxpayers.

McKenna had been involved in discussions with the only official who was fired, former Executive Vice President Steven Swant. McKenna advised him about whether he could continue to be a paid board member for RIB, a German company that held contracts for work at Georgia Tech. A state investigation completed last month found Swant's arrangement and out-of-school business dealings to be an "impermissible and unmanageable conflict of interest."

Questions about Swant's dealings got attention in December 2017, when Tech's internal auditor received a tip to investigate the relationship between Swant and RIB. The auditor looked into it and found "no merit or basis to the allegation" that Swant used his influence to help RIB win a Tech contract.

The findings were troubling enough to cause concern at the top. By April Swant was corresponding with Peterson and McKenna about remaining on RIB's board while reducing a potential conflict of interest.

Swant would stay on the board, but he wouldn't accept the company's money, except for expenses. Swant was making about \$495,000 a year in salary and other compensation from Tech, records show. Now Tech would make up the forgone trustee pay by adding \$17,000 to Swant's compensation.

This is where McKenna comes in: he advised Swant about the arrangement. In an April 16 email to Swant, McKenna cautioned him about the “fine lines” they were drawing between promoting Tech’s interests, and RIB’s.

“Separate from the conflict of interest question, we have to be careful about the prohibition against using Institute resources for the benefit of a private company. We don’t want to give the impression that GT is paying you for your RIB work, instead, you are being compensated for the lost opportunity” McKenna wrote.

“Removing the remuneration element addresses the financial conflict of interest, but we want to avoid the appearance of a conflict.”

On May 21, an anonymous report to the University System of Georgia raised questions about Swant and his relationship with RIB.

That same day Peterson asked Swant to resign from the RIB board.

McKenna turned in his letter of retirement May 30. He has worked for the university for 32 years.

Peterson fired Swant July 19, one day after the university system released the results of its second investigation, which focused on his conflict of interest. It said Swant “reportedly” didn’t tell Peterson that RIB was making money from work for Tech, through arrangements with Georgia Tech Research Corp., a non-profit that contracts for Tech.

“Mr. Swant should have disclosed the full nature of the RIB and GTRC relationship as part of his conflict of interest disclosure,” the investigators wrote.

University System Chancellor Steve Wrigley asked Peterson to present an action plan by Aug. 15 that addresses the concerns in the audit and investigation.

Peterson’s personnel moves include naming Aisha Oliver-Staley, currently executive director of Affiliated Organizations, to replace McKenna effective Sept. 1.

Other changes include Georgia Tech’s Internal Auditing department will report directly to Peterson and to the University System of Georgia’s Vice Chancellor for Internal Audit.

Also, Mark Demyanek, who’s worked nearly three decades in the USG and currently Georgia Tech’s assistant vice president for Facilities Management’s Operations and Maintenance, will become interim senior vice president for administration, leading campus services, human resources, the police department and other areas.