

# Georgia Tech dragged its feet on investigation, tipster complained



Four former top officials of Georgia Tech are out following allegations they misused their positions. They are (from left) Steve Swant, former executive vice president of administration and finance; Tom Stipes, former director of digital networks; Lance Lunway, former executive director of parking and transportation services; and Paul Strouts, former vice president of campus services.

Georgia Tech reacted so slowly to anonymous ethics complaints last spring that a tipster threatened to go to the news media, in a move that elevated the case to authorities above the university and led to the resignation of three employees, according to records obtained by Channel 2 Action News.

“Since you have done nothing but tip off the fraudsters and cover your own corrupt doings, this is going to Richard Belcher, so he can do something about it,” the tipster complained on Tech’s ethics website on May 15.

A copy of that complaint, and several others obtained by Channel 2’s Belcher, depict a lethargic university ethics enforcement system that left concerned employees feeling isolated.

Tech President George P. "Bud" Peterson has been under a bright light since the [wayward ethics controls](#) at his university were exposed in July.

His boss, University System of Georgia Chancellor Steve Wrigley, told him in a letter Monday: “you are ultimately responsible.”

Peterson [has promised](#) to "fix" the situation, and has already made some organizational changes.

It all seems to have started with the threat by that tipster to go public.

That mid-May complaint got action: Officials at the University System learned about it that day, emails show. Tech launched an investigation into the activities of three Tech administrators: Paul Strouts, Lance Lunsway and Tom Stipes. They resigned before the results were released July 26.

The tipster also complained that their boss, Executive Vice President Steve Swant, knew about their activities — from goofing off when they were supposed to be working to exploiting vendor relationships for personal benefit. Swant, though, did not disclose the information from his meeting with the tipster, university system officials said.

Swant, a leader of one of Tech's three big divisions who was making half a million dollars a year, was ultimately fired, but not because he failed to corral his wayward employees.

Peterson fired him July 19, one day after the University System released the results of its own investigation. It turned out that Swant had been serving as a paid board member of a company with contracts to do work for Tech, and that Swant was helping the company get work at Tech, the system investigation said.

Peterson knew about the former but not the latter, the University System determined. It launched its investigation after a tip on May 21 about Swant and his three employees bypassed Tech, going straight to the system's hotline.

"These issues have been going on and people raise them without any follow-up," the tipster complained.

Georgia Tech's Internal Auditing office received seven tips between March 16 and March 23 about Lunsway, Stipes, and Strouts, according to the reports obtained by Channel 2. The tips said Lunsway and Strouts falsely reported time away from the office to play golf and to go to a baseball game, and Strouts asked a vendor to pay for meals at Ferst Hall, a campus eatery. Strouts asked a vendor to take him and Lunsway golfing, but the vendor "is uncomfortable with this as she can't see a business purpose," the tipster reported.

One of the tips said the information had been forwarded to Swant. "Employees are concerned about retaliation," the tipster reported.

The May 15 tip — the one to Tech that got the University System's notice — showed clear frustration: "You people have been provided with MULTIPLE complaints with proof about high level fraud, theft, abuse, retaliation and many other things. You're not getting another chance," the tipster said.

The tip a week later that went straight to the University System's hotline showed the corrosive effect on morale of a failure to enforce ethical behavior.

"It's not clear if these behaviors are okay or are ignored," the May 21 tip says. "We're trying to do the right thing, but seeing these types of things happen repeatedly is discouraging. Are these types of things okay to do?"

Aisha Oliver-Staley, who will become Tech's interim vice president for ethics, compliance and risk management on Sept. 1, said in a message to faculty and staff Tuesday that to help Tech regain trust, ethics and other complaints will go to the University System's Office of Organizational Effectiveness.

"One of the recent breakdowns was the failure of management to properly handle an in-person complaint. It is important to me and to the success of Georgia Tech that every single complaint is pursued," she wrote.

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## **The story so far**

**Previously:** Three Georgia Tech officials resigned and a top-ranking administrator was fired after investigations said they exploited relationships with vendors, abused their privileges or rank or had serious conflicts of interest. Georgia Tech President George P. "Bud" Peterson began reorganizing his staff and is working on measures to avoid ethics violations and conflicts of interest.

**The latest:** Documents show Georgia Tech's internal audit office received tips about the administrators in March, but a tipster complained in May the information wasn't being investigated and threatened to contact a Channel 2 Action News reporter. The auditor's office released its report in July.

**What's next:** University System of Georgia Chancellor Steve Wrigley has ordered an update from Peterson by Nov. 12.