

F. WILLIAM E. McGLASHAN, Jr.

130. Defendant WILLIAM E. McGLASHAN, Jr. is a resident of Mill Valley, California. McGLASHAN is a senior executive at a global private equity firm.

131. As set forth below, McGLASHAN participated in both the college entrance exam cheating scheme and the college recruitment scheme, including by conspiring to bribe Donna Heinel, the senior associate athletic director at the University of Southern California (“USC”), to facilitate his son’s admission to USC as a recruited athlete.¹⁵

132. CW-1 has advised law enforcement agents that McGLASHAN agreed to make a purported donation of \$50,000 to KWF, with the understanding that CW-1 would arrange for CW-2 to serve as a purported proctor for McGLASHAN’s son’s ACT exam at a test center that CW-1 “controlled,” and that CW-2 would, in exchange for money, correct his son’s answers after the test was completed.

133. On or about November 20, 2017, McGLASHAN’s assistant sent CW-1 an e-mail attaching a “Request for Arranged Testing” form for the ACT, requesting that McGLASHAN’s son be permitted to take the ACT at the West Hollywood Test Center instead of at his own high school in Marin County, California. CW-1 forwarded the form to Dvorskiy, who completed required portions and sent it back to CW-1. CW-1, in turn, forwarded the forms back to McGLASHAN, noting, “Bill the forms are attached. Please send into ACT.”

134. On or about November 30, 2017, Masera e-mailed McGLASHAN an invoice for “payment regarding [the West Hollywood Test Center]. You are welcome to wire the funds or remit a check.”

¹⁵ Heinel has been indicted by a federal grand jury in the District of Massachusetts on a charge of racketeering conspiracy, in violation of Title 18, United States Code, Section 1962(d).

135. On or about December 6, 2017, three days before the ACT exam, McGLASHAN made a purported donation of \$50,000 to the KWF charity from his personal charitable donation fund.

136. On or about December 8, 2017, CW-2 traveled to Los Angeles from Tampa to proctor the test for McGLASHAN's son and two other individuals on December 9, 2017. CW-2 has advised investigators that, while at the West Hollywood Test Center, he met McGLASHAN, and that after McGLASHAN's son completed the exam, CW-2 corrected his answers. CW-2 returned to Tampa on or about December 10, 2017.

137. I have reviewed historical cell site data obtained through a Court-authorized search warrant for phones used by both McGLASHAN and his son. The records indicate that on the evening of December 8, 2017, both telephones traveled from the San Francisco area to Los Angeles. At approximately 7:30 a.m. on the morning of December 9, 2017, both telephones hit off cellular towers near the West Hollywood Test Center. Shortly after 3:00 p.m., both phones left Los Angeles and returned to the San Francisco area, where they remained for the rest of that evening and the next day.

138. After administering ACT exams, Dvorskiy returned the testing materials to ACT, Inc., together with a form called an "ACT Administration and Payment Report – Special Testing." The form showed that McGLASHAN's son took the English and math sections on December 9, 2017, and the reading, writing and science sections on December 10, 2017, all at the West Hollywood Test Center. Accordingly, while the records Dvorskiy provided to ACT, Inc. showed McGLASHAN's son taking the exam in Los Angeles on December 10, 2017, cell site records indicate that McGLASHAN's son was hundreds of miles away, in Marin County, at that time.

139. On or about December 19, 2017, CW-1 caused KWF to pay Dvorskiy \$40,000, and on or about December 27, 2017, CW-1 caused KWF to pay CW-2 \$35,000.

140. McGLASHAN's son received a score of 34 out of a possible 36 on the exam.¹⁶

141. On or about July 30, 2018, CW-1 and McGLASHAN discussed repeating the ACT cheating scheme for McGLASHAN's two younger children, and the need to obtain extended time on the exam in order to facilitate the scheme. The following is an excerpt from the conversation, which was intercepted pursuant to a Court-authorized wiretap.

McGLASHAN One other, just family question, with [my younger son] now entering his sophomore year, and sort of, the process is beginning, we have him on time and a half. I told [my spouse] yesterday, and [my daughter] by the way, who is the, who I think is the one who needs the most time, has no extra time currently. And [my spouse] is talking to the doctor that assessed them, to get her to ask, to request time for [my daughter]. I told her she should be requesting double time for all of them.

CW-1 100% multiple days. No matter what, multiple days. So, even if it's 50%, time and a half, multiple days.

McGLASHAN So is that a different ask to get multiple days versus--

CW-1 Well the 100%.

McGLASHAN And if they get time and a half, can they use your facility to take the test?

CW-1 No, not unless it's multiple days.

McGLASHAN So as long as it's multiple days, we're in.

CW-1 Correct, correct. Like it could be--

McGLASHAN And they, that's a separate filing?

CW-1 Overall it's the same. Well, so, you're saying [your younger son's] got a time and a half?

McGLASHAN Yeah.

¹⁶ On or about October 22, 2018, McGLASHAN's son submitted that fraudulently obtained score as part of his application to Northeastern University in Boston.

CW-1 So, what has to happen, is there has to be an appeal to get the multiple days. The doc's got to come up with stuff, discrepancies, to show why he needs multiple days. That he can't sit six and a half hours taking one test.

McGLASHAN Perfect.

CW-1 And so if he gets multiple days, then I can control the center.

McGLASHAN Thank you.

CW-1 Yes.

McGLASHAN And then what about-- If you get a, if you get double time, you automatically get multiple days?

CW-1 Automatically, yes.

McGLASHAN Oh, so it's either multiple days with 1.5, or double, two times time?

CW-1 Correct.

McGLASHAN Got it, okay, I'll make sure [my spouse] goes to work.

CW-1 And we don't care if it's SAT or ACT.

McGLASHAN Yup, yup.

CW-1 Because we're just going to take it one time and be done anyway.

142. On the same call, CW-1 described the college recruitment scheme to McGLASHAN, which CW-1 referred to as “the side door.” CW-1 told McGLASHAN that the scheme could enable McGLASHAN's older son to receive a letter of admission to USC—where McGLASHAN said his son hoped to attend the Jimmy Iovine and Andre Young Academy, a specialty program in arts, technology and business—“before he even applies,” as set forth in the excerpt below.

CW-1 Sure, so, so, in this path, you'd pay 250. You'd get accepted. Let me get his stuff and I'll take it to them. If they [USC] can accept him in the fall.

McGLASHAN Yup.

CW-1 He may be-- It may be before he even applies.

McGLASHAN See, that would be great.

CW-1 Right.

McGLASHAN I would do that in a heartbeat.

CW-1 Right, and then you get this unofficial, official letter.

McGLASHAN Now does he, here's the only question, does he know? Is there a way to do it in a way that he doesn't know that happened?

CW-1 Oh yeah. Oh he--

McGLASHAN Great.

CW-1 What he would know is, that I'm going to take his stuff, and I'm going to get him some help, okay?

McGLASHAN So that, that he would have no issue with. You lobbying for him. You helping use your network. No issue.

CW-1 That letter, that letter comes to you.

McGLASHAN Yup.

CW-1 So, my families want to know this is done.

McGLASHAN Yup.

CW-1 Right, so they want this letter to come to them, so I have them, I have admissions, and that's why I extend the letter to you, you hold it.

McGLASHAN Right.

CW-1 You don't have to tell him a thing.

McGLASHAN Yup.

CW-1 At that, at that point, that, as soon as you get that letter, then they expect just a \$50,000 check, and it goes to Women's Athletics.

McGLASHAN Great.

CW-1 And then the other 200 comes in March, after you get your official, official letter, but the letter you're actually getting [in the fall] is the same letter you're getting in March.

McGLASHAN I love it.

143. CW-1 went on in the same call to explain that in order to take advantage of the “side door,” CW-1 would need to create a fake athletic profile for McGLASHAN’s son, which he said he had done “a million times” for other families. CW-1 explained, in substance, that the fake profile would allow McGLASHAN’s son to be admitted to USC as a recruited athlete, as set forth in the excerpt below.

CW-1 I have to do a profile for him in a sport, which is fine, I’ll create it. You know, I just need him-- I’ll pick a sport and we’ll do a picture of him, or he can, we’ll put his face on the picture whatever. Just so that he plays whatever. I’ve already done that a million times. So--

McGLASHAN Well, we have images of him in lacrosse. I don’t know if that matters.

CW-1 They don’t have a lacrosse team. But as long as I can see him doing something, that would be fine.

McGLASHAN Yeah.

CW-1 And then what happens is, then what you have to do, because this would be a specialty program, is that you have to then talk to the department and say, “Hey listen, can you take him in the department? We’ve gotten him accepted into the university.”

McGLASHAN Yup. Well I can handle, I think I, I mean, I’ll know after this lunch. I think I can handle them at Iovine and Young.

CW-1 Right.

McGLASHAN Yeah. Which is where he really wants to go.

CW-1 Right. So you’re saying, “Hey listen, I think I can get him into this school.”

McGLASHAN Yup.

CW-1 Now, now, can you, ’cause they’re going to come to you and say, this is a selective program, would you want this kid? And he’s quote an “athlete” who’s coming to you. In fact, would you take him? And the department says yes.

McGLASHAN Now, would he see that, ’cause that, he’s going to be fairly well seen at the school, because half the board knows me, and I’m going to be sort of

calling in and asking people to help, you know [Board Member 1] and [Board Member 2], and all those guys?

CW-1 But, so-- what I would suggest is, have you called them? Any of them yet?

McGLASHAN No.

CW-1 Good, don't.

McGLASHAN Okay.

CW-1 Because you don't need, because when this, the way this, the quieter it, the quieter this is, the better it is, so people don't say, "Well, okay, this guy, why are all these people calling us? The kid's already been accepted. He's coming here as an athlete. He's already in." What you just want is, the person you're meeting with on Friday to say, you know, what we want [is] this kid.

McGLASHAN So he doesn't have to know how he got in. Is that the case?

CW-1 What I would say to him, if you want to have that discussion now with [your son] there, that we have friends in athletics, they are going to help us, because [he] is an athlete, and they're going to help us. From the--

McGLASHAN But I can't say that in front of [my son], 'cause he knows he's not.

CW-1 No, no, right.

McGLASHAN Yeah.

CW-1 And just say, you know what, we're going to get, we're going to get some, we're going to get people to help us.

McGLASHAN Why wouldn't, why wouldn't I say, "Look, leave it to me to worry about getting him in, 'cause I have a lot of friends involved in the school."

CW-1 Perfect, perfect.

144. CW-1 continued in the call to explain how the "side door" scheme worked, as set forth in the excerpt below.

CW-1 What is going to happen when they see his application, he'll be flagged as an athlete.

McGLASHAN Okay.

CW-1 But once he gets, once he gets here, he just goes, he doesn't go to the athletic orientation. He goes to the regular orientation like all my other kids just did. They all got home, and everything's fine. The issue is the specialty program. And he could do--

McGLASHAN So how does he-- just as a, just as a, just as this plays out, my worry on this is, [my son] starts getting letters at home from the athletics program and--

CW-1 He won't.

McGLASHAN Okay.

CW-1 He won't. What he will get in the summer is a letter saying come to the athletic orientation. Okay, but here's what I would--

McGLASHAN What, yeah, what do we do about that?

CW-1 Here's what I would do. I would just tell him. I would tell him, "Listen I got lots of friends in athletics. You're an athlete kind of guy, and my friends in athletics are going to help you. So I'm letting you know. They're going to help you get in. Because they have the easiest way in. And, all the coaches, I'm friends with all the coaches. So, they're going to help you get in." And, but maybe here's a better idea. Maybe this is a better idea. We go this path. You work with the dean, but, but, how, how would you feel about, if you already know that he's going to get into the program, but we apply to letters and sciences as a regular student?

McGLASHAN Yup.

145. McGLASHAN and CW-1 continued to have additional telephone discussions about the "side door" scheme throughout August 2018, not just with respect to USC but also with respect to Stanford University. The conversations were intercepted pursuant to a Court-authorized wiretap. On or about August 22, 2018, CW-1 left McGLASHAN a voicemail message explaining, in substance, that CW-1 would create a fake football profile using Photoshop software, which would allow McGLASHAN's son to be admitted as a purported football recruit.

CW-1 Hey Bill, so we're gonna-- met with [USC], because the [high school your son attends] does not have a football team, I'm gonna make him a kicker/punter and they're gonna walk him through with football, and I'll

get a picture and figure out how to Photoshop and stuff, so it looks like it and the guy who runs the biggest kicking camp is a good friend, so we'll put a bunch of stuff about that on his profile, and we should be in pretty good shape to get that done. It's just a matter of, when I get the profile done, get it to them and figure out when they're gonna have a sub-committee meeting, so I'll let you know. Stanford said no, too tough, grades too low, just don't want to make that an exception right now for him. So I wanted you to know that as well, and then I think I'm seeing you next Tuesday, so if there's anything you need from me just let me know. See ya. Bye-bye.

146. A few minutes later, McGLASHAN returned CW-1's phone call. The following is an excerpt from the conversation.

McGLASHAN [CW-1].

CW-1 Hey, so you got an NFL punter huh?

McGLASHAN You there [CW-1]?

CW-1 Yes.

McGLASHAN Oh there you are, perfect. Lost ya.

CW-1 You got an NFL punter?

McGLASHAN I did. That's just totally hilarious. So he-- so this is for, so, the one part you were garbled at the beginning is, the school doesn't have a football team, meaning, obviously [USC] does. What does that mean?

CW-1 Your high school.

McGLASHAN Oh, the high school. Yes, of course. Got it.

CW-1 So they asked me, "What sport could we put him through?" And I said, "Well, I don't want, you know," 'cause your school doesn't have football it's easy, because I can say, because they have all these kicking camps and these kickers always get picked up outside of the school--

McGLASHAN Yeah perfect. Perfect.

CW-1 So I'm gonna make him a kicker.

McGLASHAN (laughs) He does have really strong legs.

CW-1 (laughs) Well, this will be for-- this will be good for one of the--

McGLASHAN Maybe he'll-- maybe he'll become a kicker. You never know.

CW-1 Yeah! Absolutely.

McGLASHAN You could inspire him, [CW-1]. You may actually turn him into something. I love it.

CW-1 I know. Well I had a boy last year, I made him a long snapper. And--

McGLASHAN I love it.

CW-1 --he was 145 pounds. Long snapper. So--

McGLASHAN I love it. I love it. That is so funny. So, so, and then, just remind me again, we get all these done and the, the obvious deal you and I talked about, the 50K and the 200K. And-- and then, do we know he's in? You and I at least know he's in?

CW-1 Yeah, yeah. Because when he gets in, they'll send me a letter which will be the, and--

McGLASHAN Yup.

CW-1 The same letter that he's going to get later on.

McGLASHAN Yup.

CW-1 But it'll just be in your hands. It's always--

McGLASHAN Perfect

CW-1 For the parents to know that everything's cool.

147. CW-1 went on in the call to tell McGLASHAN, in substance, that if they could get his son accepted to USC as a fake "kicker" or "punter," his odds of admission would jump to 90 percent, as set forth in the excerpt below.

CW-1 So, you know, essentially she [Heinel] told me when I get all the paperwork together, and I gotta create this profile pic. So what I'll probably need, if you guys have any pictures of him playing multiple sports, or something where you can kind of see his face a little bit in action?

McGLASHAN Umm. Hmm.

CW-1 It would be helpful because I will Photoshop him onto a kicker.

McGLASHAN (laughs) Okay. Okay. Let me look through what I have. Pretty funny. The way the world works these days is unbelievable.

CW-1 It's totally cra-- like, last year I had a boy who did the water polo, and when the dad sent me the picture, he was way too high out of the water. That nobody would believe that anybody could get that high.

McGLASHAN Yeah--

CW-1 So I told that dad, I said, "What happened?" He said he was standing on the bottom! I said, "No no no no no."

McGLASHAN Yeah exactly. You gotta be swimming. Exactly.

CW-1 That's right.

McGLASHAN That's funny. That's great. Okay, well yeah, it's too bad that she doesn't have a lacrosse program with scholarship positions. That'd be easy.

CW-1 I know. It'd be much easier. But she said, "That's cool, let's do it that way." So, that's the path we're gonna go.

McGLASHAN Okay perfect. And then what are your sense of the odds at this point if we, once you get the package in and everything?

CW-1 90 percent.

McGLASHAN Okay. Great. Great. Well, I'll get you some photos and obviously I'll see you on the broader, the other matters on Tuesday on the business matters. And, and I'm gonna keep pushing him on the, on the, you know, the pitch.

CW-1 Good.

148. On or about August 30, 2018, CW-1 received a call from AGUSTIN F. HUNEEUS, whose daughter attended the same high school as McGLASHAN's son. HUNEEUS asked if "McGLASHAN [is] doing any of this shit? Is he talking a clean game with me and helping his kid or not? 'Cause he makes me feel guilty." HUNEEUS explained, in substance, that McGLASHAN's "kid had no idea ... that you helped him on the ACT." HUNEEUS noted: "And the way, kinda Bill McGLASHAN laid it out, which I know is not true, is he-- he laid it

out and he said, 'Look, I'm gonna push, I'm gonna prod, I'm gonna use my relationships, but I'm not gonna go and pay to get my kid in.' And that's kinda how he drew the line."

149. On or about September 1, 2018, CW-1 spoke with McGLASHAN about, among other things, his conversation with HUNEEUS. The following is an excerpt from the call.

CW-1 Your guy AGUSTIN.

McGLASHAN AGUSTIN HUNEEUS, yeah.

CW-1 He is pushing hard on trying to find out your guys' approach with [your son]. He came to me and I said I did not, I was not willing to talk to him about it.

CW-1 Right.

McGLASHAN And sort of wants the, he obviously wants to get your help, you know, with his daughter, and I just said, "Look, you gotta make your own call what you want to do." I said, "You just need to talk to [CW-1] and work with [CW-1]," not knowing, A, what you want to do with him or B, not wanting HUNEEUS to frankly be in our family business. So I did not.

CW-1 No that's good. He was pushing hard, like, "You gotta tell me what they're doing." And I said, "Listen, that's their situation and you know Bill's very connected, and you need to discuss it with Bill, not discuss it with me."

McGLASHAN Well he tried that, he tried that, and just so you know, he had a conversation with another family and sort of started talking about the side door approach you have, and was sort of suggesting, "Do you think this is right and dut duh duh." And I made the comment to him, "You know, HUNEEUS, you shouldn't be talking about that. You know, what [CW-1] does is very specific to circumstances, and you think of it as, he's the best coach you could ever have as a kid, trying to figure out where to go to school, 'cause he helps kids get into the right school etcetera, etcetera." But it just bothered me he was out talking about it.

CW-1 Agreed, agreed yeah. And that's what, and that worries me too.

McGLASHAN Yup.

CW-1 So I said, "Listen, you are in a very competitive environment. You gotta keep what you do to yourself."

McGLASHAN Yup, yup.

CW-1 It will blow up on you, no matter who you think you know, it doesn't matter.

McGLASHAN That's right, yeah, so he's not discreet at all. So that's why I wasn't comfortable saying it to him.

CW-1 Good.

150. As noted above, after CW-1 was approached by law enforcement agents in or about September 2018 and began cooperating with the government's investigation, he secretly approached several subjects of the investigation, including McGLASHAN, and warned them about the investigation. CW-1 subsequently advised investigators that he called McGLASHAN and told him, in substance, that he needed to meet with him in person at the Santa Monica airport because he believed his phone was "wired." CW-1 further advised that he did not, ultimately, meet with McGLASHAN at the airport.

151. On or about October 24, 2018—after acknowledging to law enforcement agents his attempt to obstruct the government's investigation and agreeing to plead guilty to an additional charge of obstruction of justice—CW-1 spoke with McGLASHAN by telephone again, this time at the agents' direction. In the call, CW-1 told McGLASHAN that CW-2 had been interviewed by IRS agents in Florida with respect to payments he had received from CW-1's KWF charity. The following is an excerpt from the call, which was consensually recorded.

CW-1 So here's kinda what happened: [CW-2], who is the-- my expert test-taker, who took the test for [your son]--

McGLASHAN Mm-hmm.

CW-1 --at Igor's school, [the West Hollywood Test Center]. He called me to meet at Barney's Beanery, you know, in West Hollywood. Have you ever been there?

McGLASHAN Never.

CW-1 Okay. Well, it's a really cool place in West Hollywood. But he calls me, and he kinda comes out to L.A. every once in a while, and he just had his, his first child, so his in-laws live in L.A., so he said, "Let's meet at Barney's Beanery." So anyway, so [CW-2] starts talkin' to me and tells me a story that he, he got interviewed by the-- an IRS agent in Florida, because he lives in Bradenton, about the payments that he received from my foundation. And, as you know, when families pay for either, either takin' the test or goin' through the side door, all the money goes through my foundation, and then I pay it out to whoever needs to get paid, like I did for, you know, [your son]-- [your son's] test when he took the test at [the West Hollywood Test Center]. So I paid half of it to [CW-2] and half of it to [the West Hollywood Test Center] through my foundation, so that the family essentially has no connection back to what has happened. So I asked [CW-2] what he did with the agent, and what they talked about, and he told me that he hasn't been declaring his payments from my foundation as income for his taxes. So apparently he's been declaring all this income as a gift, which was stupid. But the agent said, "I'm really not so focused on [CW-2] and your payments; what I'm focused on is this foundation." And he kept asking him questions about the foundation's mission, what they do, how they help underserved kids, so on and so forth. So, you know, since [CW-2] does tutoring for us he told the agent that, you know, he works with kids for us-- underserved kids in the Bradenton area.

McGLASHAN Mm-hmm.

CW-1 So when he gets done speaking, I kinda freak out, right? Because now I'm thinking, "Oh, shit, I'm in a-- I'm in a lot of trouble here," and the IRS has me wired. They probably have me-- you know, bugged my house, the whole thing, because he's talking all about my foundation, and, you know, he really wants to dive into this. So when I met with [my lawyer], he told me, "[CW-1], hold on. Just relax. For them to get a wiretap on you, it takes a, a bunch of months to happen, and you just need to relax." So--

McGLASHAN Mm-hmm.

CW-1 --you know, overnight I'm a lot less worried than I was a couple days ago (laughs) when we talked, but I just-- you know, I'm gonna use this [other] phone, which is my son's phone, and I did it--

McGLASHAN Mm-hmm.

CW-1 --for us to talk so that there are, you know, no issues, just in case.

McGLASHAN Yep, yep.