

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA

CRIMINAL COMPLAINT

v.

CASE NUMBER:

DERRICK SMITH

UNDER SEAL

I, the undersigned complainant, being duly sworn on oath, state that the following is true and correct to the best of my knowledge and belief:

From on or about December 2011 to the present, in Chicago, Illinois, in the Northern District of Illinois, defendant DERRICK SMITH, being an agent of the State of Illinois, a State government which during a one-year period, beginning November 2011 and continuing to the present, received federal benefits in excess of \$10,000, corruptly solicited, demanded, accepted and agreed to accept a thing of value, namely, \$7,000, intending to be influenced and rewarded in connection with business and transactions of the State of Illinois involving a thing of value of \$5,000 or more, namely, a \$50,000 Early Childhood Construction Grant from the Capital Development Board, an agency of the State of Illinois; in violation of Title 18, United States Code, Section 666(a)(1)(B).

I further state that I am a Special Agent with the Federal Bureau of Investigation, and that this complaint is based on the facts contained in the Affidavit which is attached hereto and incorporated herein.

Signature of Complainant
BRYAN M. BUTLER
Special Agent, Federal Bureau of Investigation

Sworn to before me and subscribed in my presence,

March 12, 2012 at Chicago, Illinois
Date City and State

NAN R. NOLAN, U.S. Magistrate Judge
Name & Title of Judicial Officer

Signature of Judicial Officer

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

AFFIDAVIT

I. BACKGROUND

I, Bryan M. Butler, first duly sworn, depose and state as follows:

1. I have been employed as a Special Agent with the Federal Bureau of Investigation (“FBI”) since August 2009. Since January 2010, I have been assigned to a Public Corruption Squad in Chicago, and have investigated federal criminal violations, including 18 U.S.C. §§ 666, 1341, 1343, 1346 and 1951.

2. I am familiar with the facts and information contained in this Affidavit from my participation in the investigation of DERRICK SMITH, including, but not limited to, my own personal observations, witness interviews, analysis and review of consensually recorded phone calls and in-person meetings, and discussions with other law enforcement officials, including other FBI special agents.

3. This Affidavit is being submitted for the purpose of establishing probable cause in support of a criminal complaint charging that: From on or about December 2011 to the present, in Chicago, Illinois, in the Northern District of Illinois, defendant DERRICK SMITH, being an agent of the State of Illinois, a State government which during a one-year period, beginning November 2011 and continuing to the present, received federal benefits in excess of \$10,000, corruptly solicited, demanded, accepted and agreed to accept a thing of value, namely, \$7,000, intending to be influenced and rewarded in connection with business and transactions of the State of Illinois involving a thing of value of \$5,000 or more, namely, a \$50,000 Early Childhood Construction

Grant from the Capital Development Board, an agency of the State of Illinois; in violation of Title 18, United States Code, Section 666(a)(1)(B).

4. Because of the limited purpose of this Affidavit, I have not included every detail known to me concerning SMITH and this investigation. Instead, I have included only those facts that are necessary to support the charges alleged herein.

II. FACTS SUPPORTING PROBABLE CAUSE

A. Derrick Smith

5. DERRICK SMITH is an Illinois State Representative for the 10th District, which includes portions of Chicago's near west and near northwest sides. In March 2011, SMITH was appointed to this position after the seat was vacated by the prior office holder. SMITH is currently running for election in 2012.

6. As described herein, SMITH agreed to write an official letter of support for a state grant application, in exchange for a \$7,000 cash bribe.

B. Illinois Capital Development Board

7. The Capital Development Board ("CDB") is a state agency created by Illinois law (20 ILCS 3105 *et seq.*). CDB is responsible for managing the state's capital improvements program, including administering state grants to fund capital improvement projects. According to the web site maintained by the Illinois State Comptroller, the State of Illinois received over \$10,000 in federal funds in January 2012.

8. According to CDB's website, CDB has an "Early Childhood Construction Grant Program" (hereinafter, "ECCG grant"), which provides grant funds "to assist early childhood centers with the renovation and expansion of their facilities."

9. The application for the ECCG grant, available on CDB's website, directs applicants to "[d]escribe. . . community partnerships that will support the program" and "[a]ttach letters of agreement and/or support as applicable."

10. According to CDB personnel, some applications for CDB grants, including ECCG grants, attach letters of support from state and local elected officials.

C. Information from CS-1

11. In approximately December 2011, FBI began receiving information from a cooperating source ("CS-1")¹ concerning SMITH. CS-1 has known SMITH for approximately six years. CS-1 works on SMITH's campaign, primarily distributing campaign literature. In approximately 2010, CS-1 worked on SMITH's unsuccessful campaign for Cook County Commissioner.

12. According to CS-1, almost immediately following his appointment as State Representative in March 2011, SMITH agreed to present CS-1 as a contractor so that CS-1 could apply for and receive a state grant. SMITH told CS-1 that the grant funds would be used to pay CS-1 for his/her campaign work. SMITH told CS-1 that SMITH, in turn, would take a "fee" for approving the grant. CS-1 declined the offer.

13. According to CS-1, since his appointment, SMITH has talked with CS-1 about his need for assistance in campaign fundraising. CS-1 stated that, in Fall 2011, SMITH told CS-1 that

¹ CS-1 has one prior arrest for domestic assault, but no convictions. Over the past 3-4 years, CS-1 has received approximately \$1,200 from the FBI for his/her assistance in other investigations. In connection with this investigation, to date, FBI has paid CS-1 \$4,000. The government has also provided CS-1 with financial assistance for purposes of relocation. During the period of CS-1's cooperation, at least some of the time at the direction of SMITH, CS-1 has taken down campaign signs of SMITH's challenger in the Democratic primary, Candidate A.

he wanted donations in the range of \$5,000-7,000. CS-1 said that SMITH told him/her that he knew contributors would expect something in return for their contribution and SMITH stated he was willing to accommodate donors' requests so long as the requests were reasonable.

14. In approximately December 2011, acting in coordination with law enforcement, CS-1 met with SMITH. This meeting was not recorded. According to CS-1, during this conversation, CS-1 told SMITH that CS-1 knew an individual who owned a daycare (hereinafter, "Daycare Owner"). CS-1 told SMITH that Daycare Owner was a female owner/silent partner of a local daycare (hereinafter, "Daycare"). CS-1 said Daycare Owner might be willing to contribute to SMITH's campaign. CS-1 told SMITH that Daycare needed repairs. CS-1 told SMITH that Daycare Owner might be looking for a state grant. According to CS-1, SMITH said he would help Daycare Owner with obtaining a state grant in return for a \$5,000 political contribution. Later, SMITH told CS-1 that if Daycare Owner was "legitimate," she could come up with a \$7,000 contribution. SMITH told CS-1 he was willing to meet with Daycare Owner, but SMITH wanted CS-1 to do all of the talking.

15. Daycare is an actual daycare center. Daycare was not, however, applying for a state grant, nor was Daycare seeking to bribe SMITH. Daycare Owner is fictional.

D. SMITH Agrees To Accept a \$7,000 Bribe In Exchange For Writing a Letter Of Support For Daycare Owner's Purported Grant Application.

16. As described in detail in the following paragraphs, between approximately January 24, 2012, through the present, during multiple consensually recorded in-person meetings and phone calls, SMITH agreed to and did write a letter of support for Daycare Owner's purported ECCG grant application in exchange for a \$7,000 bribe. Early on, SMITH and CS-1 discussed various types of

support SMITH could provide Daycare Owner.² CS-1 told SMITH that Daycare Owner was willing to pay \$7,000 for SMITH's assistance. Ultimately, SMITH agreed to write an official letter of support for Daycare Owner's purported ECCG grant application. SMITH provided the official letter of support on March 2, 2012. Between March 2-8, 2012, SMITH and CS-1 had multiple recorded conversations concerning the form in which SMITH wanted the \$7,000. SMITH told CS-1 that he wanted the \$7,000 in cash, explaining "I don't want no trace of it." SMITH further agreed to provide CS-1 with \$2,000. On March 10, 2012, SMITH accepted \$7,000 cash from CS-1.

1. SMITH and CS-1 visit Daycare, discuss whether Daycare could obtain a "capital improvement" grant and discuss whether SMITH could provide Daycare with a "letter of commitment."

17. On January 24, 2012, CS-1 and SMITH met in-person.³ The meeting was consensually recorded. During the meeting, CS-1 and SMITH discussed visiting Daycare and CS-1

² For example, during these conversations, CS-1 and SMITH discussed SMITH providing Daycare Owner with: (a) a "letter of commitment," indicating Daycare Owner would receive a state grant; (b) assistance in obtaining letters of support from third-parties in Daycare's community, which Daycare Owner could attach to his/her ECCG grant application; and (c) a "letter of support" from SMITH, which Daycare Owner could attach to his/her ECCG grant application.

³ At various points in the Affidavit, I will offer my interpretations of certain recorded conversations in brackets and otherwise. My interpretations of these conversations are based on my knowledge of the investigation to date, including, but not limited to, interviews of CS-1 and my review of multiple recorded conversations between SMITH and CS-1 obtained during this investigation. My understanding is also based on conversations with other agents involved in this investigation and my training and experience in public corruption investigations. Quoted sections of recordings are based on FBI's preliminary analysis of the recordings and are not final transcripts. The voice identification of SMITH is based on the following: (a) information from CS-1; (b) a comparison to videos of SMITH with audio posted on YouTube; and (c) content of certain recordings, in which SMITH, among other things, responds to the name Derrick and the nickname "D" and discusses his official duties as a state representative and campaign-related activities. Some of these summaries do not include references to all the topics covered during the course of the conversation. In addition, the summaries do not necessarily include references to all statements made by the speakers on the topics that are mentioned.

told SMITH that Daycare Owner was willing to pay \$7,000 for SMITH's assistance. Specifically, CS-1 told SMITH that Daycare was planning some "renovations" and "modifications." CS-1 told SMITH that Daycare Owner was looking for a "capital. . ." and SMITH finished CS-1's sentence with "improvement." CS-1 said, "Yeah. That's what they tryin' to do. You know. . . you think you might be able to handle it?" SMITH responded, "We can go talk to her [Daycare Owner], but be sure and talk to, uh, [Alderman A]." Later in the meeting, SMITH said, "I try to, I try to help. . . . (UI⁴) I know what you're saying." CS-1 said, "The broad [Daycare Owner] is gonna give. . . ." SMITH interrupted and said, "I got you, mother fucker. I told your ass, I got you." CS-1 said, "Look, look. The broad is gonna give seven [\$7,000], with no problem." SMITH responded, "Okay." CS-1 said, "I'mma take you out there so you can look at the place [Daycare]." SMITH said, "I already know it." CS-1 said, ". . . and listen to them talk. . . . And let you handle it. It's yours." SMITH responded, "Figure somethin' out young man. Show me how creative you are. I got to get over here with the people." CS-1 said, "Alright. The reason I'm kinda pushin' this is 'cause I don't want her [Daycare Owner] to run back out a town before I get everything situated. . . . Okay? So I need to know where you stand. What you want me to do?" SMITH responded, "It's not a problem. I told you that (UI)."

18. On January 26, 2012, at approximately 9:15 a.m., CS-1 called SMITH (Call #7). The call was consensually recorded. During the call, SMITH told CS-1 that he had gone by Daycare. SMITH asked CS-1 questions about Daycare's purported expansion plans. CS-1 again asked SMITH to go to Daycare. SMITH agreed.

⁴ "UI" reflects portions of the recordings that are, based on a preliminary review, unintelligible.

19. Later on January 26, 2012, at approximately 1:17 p.m., SMITH and CS-1 went to Daycare. The meeting was consensually recorded. Individual A was also present. During the meeting, SMITH and CS-1 toured Daycare and SMITH was given information about Daycare's purported expansion plans. During the meeting, SMITH asked whether Daycare had completed a grant application. SMITH told Individual A, ". . . you know that capitals [capital improvement grants], those grants take a while. You [Daycare] just need a commitment to take to the bank, right?"

20. Later on January 26, 2012, at approximately 9:09 p.m., SMITH called CS-1 (Call #13). The call was consensually recorded. SMITH asked, "Yeah did your girl [Daycare Owner]. . . your girl call back?" CS-1 said, "Yeah we talked a little bit." SMITH said, "Okay. We'll talk about it tomorrow. . . . That was cool, how I played it [during visit to Daycare]?" CS-1 responded, "Yeah, that was right on time. Perfect."

21. On January 27, 2012, CS-1 met with SMITH in-person. The meeting was consensually recorded. During the meeting, CS-1 and SMITH discussed whether SMITH could provide Daycare Owner with a "letter of commitment" and SMITH explained to CS-1 that the grant process can take a long time. In particular, SMITH stated, "a letter of commitment, sayin' that. . . she's approved. Now that, that, that takes a minute. I mean, it depends on what. . . she [Daycare Owner] tryin' to, to apply for. What type of grant they tryin' to apply for." CS-1 asked, "So can we get that? How we go about gettin' that to her?" SMITH replied, "She gotta apply [for the grant] first. She can't, you can't get no damn letter of commitment just because. She gotta apply." Later in the meeting, SMITH explained further, "Yeah, but that don't come out all the time. . . . I don't know which one they need to apply for. They have to. . . they wanna purchase a place. They wanna extend their. . . property out. Capital improvement. That don't come out all the time." CS-1 then

stated, “D, we really don’t give a fuck, if they get the money or not.” SMITH then said, “No, I can’t give them somethin’ and they give it to somebody and then they come back and hit me on it. We gotta do everything by the book with that.” Later SMITH explained, “Sometime it takes two. . . it may take a year or two to get that damn money.” At the end of the meeting, CS-1 asked, “So how you want me to proceed?” SMITH responded, “Let me think about it. (static – UI) I don’t want her [Daycare Owner] actin’ funny with me.”

22. On February 3, 2012, SMITH called CS-1 (Call #31). The call was consensually recorded. During the call, CS-1 asked, “What you think about my girl [Daycare Owner] man.” SMITH responded, “It’s on you man. . . I told you.” CS-1 said, “One minute you say one thin’ and the next minute you sayin’ somethin’ else. One minute you know what’s goin’ on and the next second you don’t. I mean come on man. (laughing) This shit I don’t know what to say or do. . . you know. . . you know what I’m sayin’. Let me know exactly where you at, then I can take it from there. I know how to talk. I don’t know what to say.” SMITH answered, “What she gonna do? That’s. . . the bottom line.” CS-1 responded, “D, she ready to rock-n-roll man. Matter of fact you know what? You must have thought I was bullshittin’ when I told you about about her [Daycare Owner] (laughing).” SMITH replied, “I ain’t thought you was jivin’, but she [Daycare Owner]. . . she wasn’t. . . she wasn’t there [Daycare Owner was not present during SMITH’s January 26, 2012 visit to Daycare].” Later SMITH stated further, “They don’t know which direction [type of grant application] they want to go.” CS-1 then mentioned the “capital thing” and SMITH said, “But it’s not there right now. That’s that’s what I told [Individual A]. It’s not there right now. They got to go out there and they got find out what they want to do.” CS-1 then asked, “Okay, so you want me to relay that message there?” SMITH said, “Yeah see see which way they want to go. . . You know

I can't. . . I can't tell them which way to go. They got to decide. . . Then they work on getting that letter of commitment. . . .”

2. CS-1 tells SMITH that Daycare is applying for an ECCG grant and asks SMITH to provide a letter of support for Daycare's application.

23. On February 10, 2012, at approximately 10:05 p.m., CS-1 called SMITH (Call #44). The call was consensually recorded. During this call, at the direction of law enforcement, CS-1 told SMITH that Daycare was going to apply for an “Early Childhood Construction Grant” from CDB. CS-1 told SMITH that the application “has a section on it. . . askin’ for a letter of support.” CS-1 told SMITH that before Daycare Owner proceeded with the application, she wanted to know “if they could probably get a letter” because the application “takes a lot of time to do” and is a “little expensive.” SMITH responded, “Can they get a letter?. . . Can they get a letter of support and they need it from an elected official.” CS-1 responded, “Uh. . . yeah yeah I would assume so. Yeah probably so yeah.” SMITH replied, “Uh-huh. I’d write him a letter of support.”

3. SMITH asks CS-1 to confirm Daycare Owner's agreement to pay \$7,000 and CS-1 and SMITH discuss whether SMITH can assist Daycare in obtaining letters of support from others in the community, in addition to SMITH writing his own official letter of support.

24. On February 11, 2012, CS-1 met in-person with SMITH. The meeting was consensually recorded. During the meeting, CS-1 provided SMITH with a page from the ECCG grant application, available online, which directs applicants to “[d]escribe. . . community partnerships that will support the program” and “[a]ttach letters of agreement and/or support as applicable.” While reviewing the document, SMITH stated, “She got ahh, community partnership that will support the program. A community partnership.” Later in the conversation, SMITH stated, “Okay. Alright. Now with that. We can't give that. We're givin' a letter to. . . givin' a letter to them of support from us [SMITH], but they still need some people from the neighborhood to support

them. Another community organization to support it.” CS-1 responded, “I guess that’ll be a separate letter then.” SMITH replied, “Cause ah, we just did one of these for [Company A].” SMITH stated, “I’ll keep this [referring to the application page].” CS-1 then asked, “So you think you might be able to handle it or not?. . . Can you get it?” SMITH responded, “We’ll see.” CS-1 responded, “Man, you better come on, man. You better come on. You fuckin’ around now. (Laughs). I’m gettin’ tired of hittin’ this broad [Daycare Owner] back.” CS-1 and SMITH then discussed other topics, including money SMITH owed CS-1 for campaign work. Later in the meeting, SMITH and CS-1 had the following conversation:

CS-1: Look, can you handle that? Can you get that broad [Daycare Owner] the letter.

SMITH: If I can write the letter, I’ll write the letter. But what I got to find out is that if she needs a letter from support from another community organization, then I’ll, that’s when I’ll ask somebody else to get that other letter.

* * *

CS-1: What you want me to tell her? Derrick, from what I’m understandin’ is the, the, the application is expensive, man. You know what I’m sayin’? It costs money. So they don’t, she just don’t wanna. . . spend all her money up, without knowing if, if she’s gonna be alright. So if she gonna be alright, (UI), you know?

SMITH: I can’t tell her too much.

CS-1: I know that, she already know that. But it’s a, it’s a fuckin’ letter, D.

SMITH: No, I’ll get the letter, I’m talkin’ . . .

CS-1: Okay.

SMITH: I can’t guarantee that she gonna get [the grant] (UI).

CS-1: Oh, she know that. But it's just. . . she tryin'. She tryin'. And what she tryin' to do is. . . a pretty good thing to me.

CS-1 and SMITH then discussed the amount Daycare Owner was willing to pay:

SMITH: What she [Daycare Owner] doin'?

CS-1: They gonna' try to get that buildin'. Knock that wall out.

SMITH: No I mean. . .

CS-1: Expand her shit. . .

SMITH: What she gonna do?

CS-1: For the money? Okay. What you want man? It's a letter. What you want? Tell me what to do?

SMITH: You said. . .

CS-1: I'll see if I can get it done.

SMITH: You already said a number now. I'm just tryin' to see if you remember what you said.

CS-1: I know exactly what I said. Okay, she, she's talkin' about gettin' us \$7,000 man.

SMITH: Alright.

CS-1: Alright. . . That's what you want? That's what you get. That's what you want? You got to tell me man, so I know what to do.

SMITH: You already said what you said, I ain't sayin' nothin'.

CS-1: Okay, that's good. . .

SMITH: (UI) said what you said.

CS-1: We rock and roll. Get the letter. I get that chop [money].

SMITH: I'll give her a letter of support. But she gotta say who, to who. . . .

25. On February 15, 2012, at approximately 2:27 p.m., CS-1 called SMITH (Call #70). During the call, CS-1 provided SMITH with the purported name of Daycare Owner's organization.⁵ After providing the name, CS-1 stated, "Alright. So uh, you know as soon as you get that [letter of support] did, you know what I'm sayin? Get it at me and uh, I'll take care of my end." SMITH replied, "Okay."

26. On February 15, 2012, at approximately 4:11 p.m., CS-1 called SMITH (Call #72). During the call, CS-1 asked when SMITH would have the letter. SMITH told CS-1, "I got to see. . . I mean the, the letter of support [from SMITH] that's not the thing. . . . She has to get one from somebody else too. . . not just me. And I got to see if I'm gonna. . . I'm really gonna be able to write it or do I have to get it from somebody else and then support it. . . .Okay?" CS-1 responded, "Okay. . . .Do what you got to do. I'll take care of my end." SMITH answered, "Alright. Got a whole lot of things workin' at once. Ok."

27. On February 21, 2012, SMITH called CS-1 (Call #86). The call was consensually recorded. During the call, CS-1 stated, "Check on that other thin' [letter of support] if you can. I'm good on my end." SMITH responded, "Yeah. . . I just got to see can I. . . do that thin' on my end and would it would be kosher. . . .Or how if we gotta do, do it so that. . . I been checkin' into it. . . .But I can do it personally."

⁵ As part of this investigation, law enforcement registered a fictional not-for-profit corporation with the Illinois Secretary of State's office. CS-1 provided the name of this organization to SMITH and stated that this was Daycare Owner's organization.

4. CS-1 tells SMITH that Daycare Owner does not need letters of support from others in the community and SMITH tells CS-1 that writing his own official letter of support is “not a problem.”

28. On February 25, 2012, CS-1 called SMITH (Call #103). The call was consensually recorded. During the call, SMITH stated, “Hey, our girl [Daycare Owner] called me this mornin’ man.” SMITH said, “Which one? Oh. . . Yeah. Ahh. . . I’m on top of that. I gotta figure out where I’m gonna get that other [letter], other one that they need in order to. . . to start the ball rollin’. I gotta get somebody to. . . close by her, to agree with the situation, along with mine [SMITH’s letter of support]. But. . . goin’ back and forth Springfield [for legislative session] don’t give me opportunity to go talk to ‘em.” CS-1 responded, “She said she already had that covered. . . She said she already had the other attachment letters covered.” SMITH said, “Okay, well. . . mine [SMITH’s letter] ain’t a problem, then.” CS-1 replied, “Right.” SMITH again stated, “That’s not a problem.” SMITH then later explained, “I thought she needed that. I thought she need that other one. . . other one, too.”

29. On February 27, 2012, CS-1 and SMITH met in person. During this conversation, CS-1 again asked for SMITH’s letter of support, stating, “Take about ten minutes to write a letter, man.” SMITH responded, “I’m right here I ain’t been trying to get to the office. But if you had your ass here on time, we (UI). I’m gonna get you the letter man.” Later, CS-1 told SMITH that Daycare Owner’s purported grant application was seeking \$50,000. SMITH told CS-1, “You’ll have it later on today.” SMITH then asked, “And she say she got everything else in order?” CS-1 responded, “She got everything else in order. All she waitin’ on is just to get that letter. . . .”

5. SMITH directs CS-1 to have Daycare Owner send a draft letter of support.

30. On February 28, 2012, SMITH called CS-1 (Call #110). The call was consensually recorded. During the call, CS-1 stated, “Hey, what’s up man?” SMITH responded, “What are you talkin’ about I’m not a man of my word and all that crap man [SMITH was referencing an earlier text message from CS-1⁶]? Don’t be sending me that crap over the daggone, textin’ me that crap. . . It’s more than just writin’ the daggone letter. . . . I need. . . tryin’ to go through you to her [Daycare Owner]. And I don’t wanna type up the letter, and the letter hurt her more than it, it helps her. When you don’t bring all the information that I need back to. . . do the letter. . . . You gotta understand, it’s, this stuff. . . it’s serious. . . .You can’t piece the information in and hope you’re right. And once you write the letter you can’t come back and say, oh, I made a mistake. So it’s gotta be perfect. You understand?” Later in the call, SMITH explained, “I write these letters up all the time, but what I normally do. . . is, I have. . . the people who I write the letter for, I normally have them to write the letter up, and then what I do is take the information, what they say they want me to give the letter of support to ‘em, and then I just put it on my letterhead. And I sign it.” CS-1 then said, “Oh, okay Basically all I got to do is get her to write up what she wants. . . .” SMITH then says, “And [Campaign Worker A] takin’ it from there.” Later in the call, SMITH further explained, “So that’s all we need. All we need from her [Daycare Owner] is for her to write up what she want, and then we’ll fix the language correct. . . .We’ll put the correct language in there.” SMITH told CS-1, “Yeah, if she [Daycare Owner] gets that back to us today, and then you take it in there to [Campaign Worker A], the letter, you could pretty much almost stand there and

⁶ In the text message, CS-1 wrote: “Man d wutzup man! Urnt keeping ur word, that’snt a good sign for things later dwn the road.”

the letter, or, or come back there later in the day and the letter will be done.” After some campaign-related conversation, SMITH turned back to the letter and told CS-1 that Daycare Owner could fax or e-mail the letter to Campaign Worker A. SMITH said, “We’ll make the language correct, and we’ll put the letter of support on our letterhead and I’ll sign it. It’s not a problem.” CS-1 said, “Okay, understood.”

6. Following SMITH’s directive to CS-1, law enforcement e-mails a draft letter of support.

31. On or about February 28, 2012, Campaign Worker A provided CS-1 with an e-mail address (“E-mail Account 1”) and told CS-1 that Daycare Owner should send the draft letter of support to this e-mail account. On or about February 28, 2012, using E-mail Account 2, law enforcement sent a draft letter of support (“Draft Letter 1”) to E-mail Account 1.

32. On February 29, 2012, SMITH called CS-1 (Call #114). The call was consensually recorded. During the call, CS-1 asked, “So, uh, uh, did [Campaign Worker A] do the letter yet?” SMITH responded, “Um, the let. . . she [Daycare Owner] is, the, uh, your girl didn’t, didn’t uh, didn’t e-mail it. . . .” CS-1 said Daycare Owner had e-mailed the draft letter. SMITH said Campaign Worker A had not yet received when s/he left the office the night before. SMITH then said, “[Campaign Worker A will] get it first thing in the morning, and then she’ll have it ready early in the morning.”

33. On February 29, 2012, Campaign Worker A asked for additional information to include in the letter of support. On or about February 29, 2012, using E-mail Account 3, law enforcement sent a second draft letter of support (“Draft Letter 2”) to E-mail Account 1. E-mail Account 3 received a response approximately one hour later, which read: “We will have the letter ready for the signature of the State Rep. tomorrow. Well done!”

34. On March 1, 2012, SMITH called CS-1 (Call #118). The call was consensually recorded. During the call, SMITH told CS-1, “. . . old boy fixed that letter up so that letter gonna be ready today.” CS-1 asked SMITH when he was scheduled to return from Springfield and stated, “[Campaign Worker A] was sayin’ you gotta, you gotta, sign it [the letter] or something don’t ya?” SMITH responded, “Yeah, I gotta sign it. . . .She’ll [Daycare Owner] have it. . . no later than tomorrow morning – put it in her hand. . . .Then she can do with it what she gotta do.” CS-1 responded, “Okay.” SMITH then said, “Then, then we’ll see what she made of. . . (laughing).” CS-1 replied, “That’s what I’m talkin’ about. I got ya’ don’t even worry about that part right there.” SMITH answered, “Okay.”

7. CS-1 picks up the letter of support.

35. On March 1, 2012, E-mail Account 3 received an e-mail from E-mail Account 1, which read: “Your letter is ready for pick up. Please give us a call.”

36. On March 2, 2012, at approximately 9:10 a.m., CS-1 called SMITH (Call #120). The call was consensually recorded. During the call, CS-1 said, “But listen though. . . the office been callin’ over there to [Individual A] tellin’ [him/her] to come by and grab that piece of paperwork [letter of support] man, uh, uh, what’s happenin’? They shouldn’t be doin’ that.” SMITH responded, “They don’t know what’s goin’ on. . . I never told them, and, and, and, just, just don’t worry about it. I’m going to the office in two seconds.” CS-1 answered, “Ok. Alright. I’ll slide through little later on and grab that [the letter] from them.” SMITH said, “Alright.”

37. On March 2, 2012, at approximately 12:31 p.m., CS-1 called SMITH (Call #121). The call was consensually recorded. During the call, SMITH said, “Did you go get that letter?” CS-1 answered, “Yeah, uh, no, I’m on my way over there to pick it up now. . . .” SMITH said “Alright. . . .What, uh, what, what, what do what, so, uh, she [Daycare Owner] ready for us?” CS-1

responded, “Yes sir. Yes sir. Let me get that uh, uh, that paperwork get it over there to her [Daycare Owner], I give you a phone call.”

38. On March 2, 2012, CS-1 picked up the letter of support from SMITH’s district office.

E. SMITH’s Official Letter of Support

39. CS-1 gave the letter to law enforcement. SMITH’s letter of support was on SMITH’s official letterhead, which read “Derrick Smith, State Representative, 10th District.” The letter was addressed to the Illinois Capital Development Board and signed “Derrick Smith.” In the letter, SMITH stated:

As a State Representative for the West Humboldt Park neighborhood, I support [Daycare Owner’s purported organization] in their application for a \$50,000 Early Childhood Construction Grant from the Illinois Capital Development Board.

F. After SMITH Provides the Letter of Support, SMITH Tells CS-1 that He Does Not Want the \$7,000 to be Traceable and Agrees to Accept the \$7,000 in Cash.

40. As described in the following paragraphs, between approximately March 2 and March 8, 2012, CS-1 and SMITH discussed how SMITH wanted to receive the \$7,000 from Daycare Owner. Ultimately, SMITH told CS-1 that he wanted the \$7,000 in cash. Further, SMITH agreed to give CS-1 \$2,000.

41. On March 2, 2012, at approximately 7:02 p.m., CS-1 called SMITH (Call #123). The call was consensually recorded. During the call, CS-1 asked SMITH if he wanted payment in the form of a cashier’s check. Specifically, CS-1 asked, “Cashier?” SMITH responded, “How soon? Huh?” CS-1 asked again, “Cashier? Cashier?” SMITH answered, “N . . . No. I don’t want no trace of it.” CS-1 answered, “Ok. Cash?” SMITH said, “Yeah, I don’t want no trace of it.” CS-1 said, “Ok. Alright.” SMITH asked, “When’s it going to be done?” CS-1 said, “Yo, give me, give me,

give me, I, I give you a call. . . .I'm working on that, I'm working on that as we speak." SMITH replied, "Alright. Call me back."

42. On March 3, 2012, at approximately 7:53 a.m., CS-1 called SMITH (Call #125). The call was consensually recorded. During the call, SMITH said, "I'm thinking about (UI) I've been trying to think about what's the best way, you know what we talked about. . . keep every, everything clean. You know what I'm sayin'?" CS-1 said, "Ok, so how you want to do it?" SMITH said, "Yeah, so ah before you get there and get with him, call me, so I can. . . 'cause I gotta think about it."

43. On March 4, 2012, at approximately 8:22 p.m.,⁷ CS-1 called SMITH (Call #134). The call was consensually recorded. During the call, CS-1 asked, "So, how you wanna do this?" SMITH responded, "Um, whatchu think the best way to do it? 'Cause I,. . . if it's gonna come and its gotta come out of there with something from name, I gotta have some info and be able to say who it came from if, if, if, we do it the other way. You know what I'm talkin' about?" CS-1 stated, "Yeah, I'm wich you. So. . . you need the name of the organization, or what? It probably be a corporate, if, if, you know, you wanna, you know." SMITH responded, "What? Yeah, but is it gonna be the one that, you know, you know what I'm sayin'?" CS-1 responded, "Yeah, probably. It, it, be the one that's on the uh, on the, on the app [application]." SMITH told CS-1, "No, it can't be."

⁷ On March 3, 2012, CS-1 was admitted to the hospital. CS-1 called SMITH from the hospital phone in an unrecorded call and told SMITH he would be unable to work on March 4, 2012. On March 4, 2012, SMITH called CS-1 at the hospital on the hospital phone. According to CS-1, during this call, CS-1 told SMITH that Daycare Owner was out of town, so CS-1 would be dealing with Individual A in obtaining the \$7,000.

44. On March 4, 2012, at approximately 9:03 p.m., SMITH called CS-1 (Call #136). The call was consensually recorded. During the call, SMITH and CS-1 again discussed the form of payment and CS-1 suggested that SMITH ask for “cash.” SMITH responded, “Yeah.” CS-1 said, “ain’t no strings attached.” SMITH responded, “Yeah, but. . . what did they agree to, seven stacks?” CS-1 said, “Yeah.” SMITH said, “So what you need?” CS-1 said, “Okay listen. She [Daycare Owner] out of town right now, and I’m gonna be dealing with [Individual A⁸], and uh, [Individual A] told me that she had told [Individual A] to go to the petty cash. So, once you let me know how you want it, [Individual A] gonna get, take it out the petty cash. So you know, you need to let me know, so you want cash, so I’ll just call [Individual A] and tell [him/her] to go ahead...” SMITH answered, “Cash.” CS-1 said, “...and do whatever it is that [Individual A] needs to do.” SMITH repeated, “Cash, and. . . so what’s our deal?” CS-1 answered, “We just leave, just leave it like it is man.” SMITH said, “Hmm?” CS-1 said, “Just leave it like it is ‘cause you’re trying to help yourself, so don’t worry about it.” SMITH said, “Na, na, na, na, na, no. What’s our deal?” CS-1 replied, “Five, two [\$5,000 for SMITH, \$2,000 for CS-1].” SMITH said, “Okay. That’s cool.” CS-1 said, “Alright.” SMITH then said, “And. . . then we cool, and you ain’t got to be botherin’ me no more.”⁹ CS-1 responded, “Yeah, you ain’t had to bother me no more, neither.” (SMITH and CS-1 laugh) CS-1 (laughing) said, “I be happy. I’ll be happy as shit, you know.” SMITH said, “Yeah.” CS-1 (laughing) said, “ Alright (UI) five, two, that’s seven, you know, so we good.” SMITH then said, “Yeah, okay. Then you don’t bother me no more and don’t be talking ‘bout I’m short and all

⁸ CS-1 was not, in fact, dealing with Individual A. The bribe money was to be supplied by law enforcement.

⁹ During multiple recorded calls, CS-1 asked SMITH for payment for his work on SMITH’s campaign. On multiple occasions, SMITH told CS-1 he was not in a position to pay him, or could only pay CS-1 a small amount.

that shit, right?” CS-1 (laughing) answered, “I got you dog. I got you man.” Later in the call, SMITH told CS-1 he was leaving for Springfield the next day. CS-1 asked SMITH when he would be back and SMITH responded, “Shit. I can’t let you hold that [the money] long. I might have to kill ya’ ass.” (SMITH and CS-1 laugh) CS-1 then said, “Okay. So. . . if I can’t get everything situated prior to you getting up out of here [leaving for Springfield], uh, it definitely be ready when you get back.” SMITH said, “Okay. Yeah, okay. Yeah, okay. I tell you where you, you take it.” CS-1 (laughing) responded, “My man, okay.” SMITH (laughing) then said, “We, we ain’t gonna’ play those games with each other. We’re gonna’ keep this shit fuckin’ real, right?” CS-1 and SMITH continued to laugh and talk. At the end of the conversation, CS-1 stated, “Alright man, I’ll talk to you later. . . I’ll let you know when things get in order man, alright?” SMITH answered, “Later, alright.”

45. On March 6, 2012, SMITH called CS-1 (Call #142). The call was consensually recorded. During the call, CS-1 asked SMITH “When you be back?” SMITH answered, “Friday. Probably.” CS-1 said, “Okay. Alright. Uh, I be ready for you when you get here.” (CS-1 told SMITH that CS-1 would have the money ready for him.) SMITH asked, “Are we good?” CS-1 replied, “Yes sir. No questions. . . I told you that.” SMITH asked, “You saw ‘em already?” CS-1 answered, “Ah, you know. . . I got you. . . just, don’t even got to worry about that. That’s done.”

46. On March 8, 2012, SMITH called CS-1 (Call #145). The call was consensually recorded. During the call, CS-1 stated, “Really waitin’ on you to get back, man.” SMITH responded, “Ah, they ain’t gonna’ do nothin’ till I get back?” CS-1 said, “No, that’s cool. . . I’m waitin’ for you to get back, ‘cause its fittin’ to be, you know. . . a hands on hands thing, its gonna’ be, you know, it’s gonna’ be cash. So I didn’t want to touch nothin’ until you got back. You know, business is business.” SMITH said, “Ah, they, they made it in yo’ name.” CS-1 answered, “No, you

said that you wanted cash. . . Remember? So I didn't want to touch nothin' until you got back.” SMITH said, “Alright, just leave it in the envelope. I'll be there so that I can unseal it for you.” (CS-1 and SMITH laugh)

G. SMITH and CS-1 Agree to Meet on March 10, 2012; SMITH Accepts the \$7,000 Cash From CS-1.

47. On March 9, 2012, CS-1 called SMITH (Call #148). The call was consensually recorded. During the call, CS-1 asked SMITH if he was back from Springfield. SMITH confirmed he had returned. CS-1 said he would “take care of things on my end” and told SMITH to answer his phone. SMITH asked, “They don't have to see me, right?” CS-1 answered, “No.”

48. On March 10, 2012, CS-1 called SMITH (Call #153). The call was consensually recorded. During the call, CS-1 asked SMITH if he could meet between 2:30 and 3:00 p.m. SMITH told CS-1 to call him and SMITH would give CS-1 his location. SMITH asked, “You got it? You got it?” CS-1 answered, “I got you. Don't worry about it.”

49. On March 10, 2012, CS-1 met with law enforcement, in anticipation of a meeting with SMITH. Law enforcement searched CS-1's person and CS-1's vehicle for money and contraband, with negative results. Law enforcement provided CS-1 with \$7,000 of United States currency in pre-recorded \$100 bills.

50. On March 10, 2012, at approximately 2:56 p.m., CS-1 met with SMITH in CS-1's vehicle. The meeting was consensually recorded. During the meeting, CS-1 stated, “You thought I was bullshittin' didn't you?” (CS-1 and SMITH laugh) CS-1 then stated (while counting the money), “One. Two. Three. Four. Five. Damn, stuck together. Six. Seven. (UI) Talk to you later.” SMITH then asked, “You don't want me to give you yours now?” CS-1 answered, “Holla' at you later, man. I get at you later man. I just want you to know I ain't playin' no games wich you,

serious.” SMITH said, “Alright, man.” CS-1 stated, “Do what you gonna do to keep your word. Holla at you later man.” SMITH said, “Alright. Get yours. When you want it? . . . When you want it?” CS-1 answered, “I’m gonna call you.” SMITH said, “(UI) pick out ya’ car first?” CS-1 said, “Yeah, I’m gonna get my car. . . but I got th, I, you know, your campaign now, you got to come on. Do what you gonna do man.” SMITH said, “Man, we gonna. I (UI) shit.” CS-1 said, “Do whatever you want me to have for the campaign, jus, just let me know.” SMITH said, “I’m gonna get you your two man!” CS-1 said, “Alright.” SMITH said, “You know what I’m talkin’ ‘bout. You know, and we said we gonna, we talk about it.”

51. After the meeting discussed in the prior paragraph, CS-1 again met with law enforcement. CS-1 told law enforcement that CS-1 gave SMITH the \$7,000 in United States currency. Law enforcement searched CS-1’s person and CS-1’s vehicle and found no money.

52. On March 11, 2012, CS-1 met in person with SMITH. The meeting was not recorded. During the meeting, SMITH provided CS-1 with approximately \$1,000 cash, in \$20 and \$50 denominations. CS-1 provided the approximately \$1,000 cash to law enforcement.

53. Later on March 11, 2012, CS-1 had an unrecorded phone call with SMITH. During the phone call, SMITH told CS-1 that CS-1 would receive an additional \$1,000 by check.

CONCLUSION

54. Based on the above, Affiant submits there is probable cause to believe that: From on or about December 2011 to the present, in Chicago, Illinois, in the Northern District of Illinois, defendant DERRICK SMITH, being an agent of the State of Illinois, a State government which during a one-year period, beginning November 2011 and continuing to the present, received federal benefits in excess of \$10,000, corruptly solicited, demanded, accepted and agreed to accept a thing of value, namely, \$7,000, intending to be influenced and rewarded in connection with business and transactions of the State of Illinois involving a thing of value of \$5,000 or more, namely, a \$50,000 Early Childhood Construction Grant from the Capital Development Board, an agency of the State of Illinois; in violation of Title 18, United States Code, Section 666(a)(1)(B).

FURTHER Affiant sayeth not.

Bryan M. Butler, Special Agent
Federal Bureau of Investigation

Signed and subscribed to before
me on this 12th day of March, 2012

HON. NAN R. NOLAN
UNITED STATES MAGISTRATE JUDGE