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June 16, 2010

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At the request of the Tulsa City Council by and through your office, a formal investigation has been conducted into whether any senior member of the current Mayoral Administration, including Mayor Dewey Bartlett or Mayoral Chief of Staff Terry Simonson made false statements to the City Council and/or the U.S. Department of Justice as it relates to Justice Assistance Grant/Byrne fund and its availability or reallocation.

A thorough investigation has since been completed with respect to the aforementioned matter and a detailed report has been completed for review by your office and the Tulsa City Council. I am forwarding this report to your office as requested.

Please let me know if I may be of any further assistance in this or any other matter.

Respectfully,

A handwritten signature in black ink, appearing to read "Terry L. Laflin", written in a cursive style.

Terry L. Laflin
Laflin Investigative Group

Table of Contents

EXECUTIVE SUMMARY 2

 Specific Topics Investigated 16

 Establishing Time Frames..... 16

 Verification of Statements Made..... 21

Interviews..... 33

 Daryl Webster - Deputy Chief 33

 Chuck Jordan - Police Chief 37

 Shane Tuell – Internal Affairs 38

 Jonathan Brooks - Captain 39

 Art Surratt – TPD Grants Coordinator 40

 Mark McCrory - Deputy Chief 43

 Ron Bartmier – Current FOP President 47

 Cad Miller – IAFF Lodge Secretary 48

 Stan May – IAFF President 49

 Ron Palmer - Former Police Chief 49

 Dennis Larsen - Deputy Chief 50

 Phillip Evans - FOP President 51

 Stuart McCalman - Former Governmental Affairs Director 52

 James Moore - FOP Attorney 55

 Pat Connelly - Finance Division Manager 56

 Cathy Crisswell – Chief Risk Officer 59

 Kim Macleod – Communications Director 60

 Jeff Mulder – Director of Airport, Transportation & Facilities 63

 Dafne Pharis – Director of Department of Grants Administration 64

 Mike Bunney –Director of Economic Development 65

 Jim Twombly – Director of Administration 65

 Susan Neal – Director of Community Development & Education 68

 Mike Kier – City Clerk 69

 Dewey Bartlett - Mayor..... 71

 Chief of Staff – Terry Simonson 78

EXECUTIVE SUMMARY

As requested, an investigation was initiated as it relates to issues involving the Justice Assistance/Byrne Grant (hereon referred to as JAG) and whether any senior member of the current Mayoral Administration, including Mayor Dewey Bartlett or Mayoral Chief of Staff Terry Simonson, made false statements to the City Council and/or the U.S. Department of Justice as it relates to JAG and its availability or reallocation.

Numerous e-mails and documents have been reviewed and witness interviews have been conducted in an effort to answer questions relating to the council investigative request of May 20, 2010. The following is a summary of the findings of this investigation.

As a result of this investigation, this investigator has determined that certain Tulsa Police Department Management Team members along with the Tulsa Police Grants Administrator recognized in late October that a layoff of officers was likely. As December arrived it became even more apparent that this may be further possible, so members of the Police Department began researching grant mechanisms to help offset or prevent such a layoff. Part of that process was to use COPS grant funds to re-hire 18 of 21 officers previously laid off. Inquiries were made of the Department of Justice in an effort to determine if JAG Grant funds could be utilized to rehire the 3 remaining officers not hired under the COPS Grant and to determine if JAG Grant funds could be utilized to prevent future layoffs.

Officers were able to determine that this was indeed possible and requested a reallocation of JAG Grant funds under then Mayor Kathy Taylor in an effort to fund the rehiring of the other 3 officers. This reallocation request was approved but not acted upon by then Mayor Kathy Taylor. On December 8, 2009, TPD Grants Coordinator identified an example in a Department of Justice Supplanting Guide entitled "Recovery Act" wherein an example of a city intending to lay off police officers applies for and receives grant funds to retain officers. This document was e-mailed to Governmental Affairs Director Stuart McCalman on December 8, 2009 and at least two other occasions, one in January and one in March.

Stuart McCalman encouraged members of the Police Department to set up a meeting with Mayor Dewey Bartlett and/or Chief of Staff Terry Simonson to discuss the JAG Grant issue. This was verified in an e-mail. On December 11, 2009 Deputy Chiefs Daryl Webster and Mark McCrory met with Mayor Bartlett and Terry Simonson and stated that they advised them of the existence of the JAG Grant and its potential use for preventing officer layoffs. Mayor Bartlett and Terry Simonson both deny that the JAG Grant was discussed and state that only the COPS Grant was discussed.

On December 18, 2009 Deputy Chief Mark McCrory, Deputy Chief Dennis Larson and Captain Jonathan Brooks met with Terry Simonson and submitted a budget reduction report to Mr. Simonson. The officers state that they discussed in detail the parameters of the JAG Grant with Terry Simonson, making him aware of the use of the grant to save officers' jobs from layoff. Terry Simonson denies that they discussed the JAG Grant and stated that the officers spoke of a COPS Grant and mentioned a Byrne Grant but admits that the report mentions that there was grant funding available. He claims that there was no mention of the JAG Grant and that he didn't know what the Byrne Grant was. Mr. Simonson

initially stated that he did not learn about the JAG Grant in December but later admitted that he might have heard about JAG in December.

On December 21, 2009, Fox News Reporter Abbie Alford sent an e-mail to Chief of Staff Terry Simonson and Kim MacLeod, (City Communications Director) indicating that she had been receiving calls about alternative funding sources for police salaries. Specifically Ms. Alford mentioned the 2.2 million dollar JAG Grant and mentioning that the money could be transferred into payroll with federal approval. Ms. Alford requested a phone call and Kim MacCleod forwarded the e-mail to Terry Simonson who advised that he would call Ms. Alford, but according to Ms. Alford Mr. Simonson never returned her phone call.

On December 29, 2009 Mayor Dewey Bartlett sent a memorandum to FOP President Phil Evans. In this memorandum, Mayor Bartlett lists a subtitle on page two entitled, "There is federal grant money available that could be used to save some positions." In this paragraph, Mayor Bartlett states, "We have been told that there are JAG funds available that could be used to save some, not all of the projected job losses. This would certainly indicate that the Mayor had knowledge of the JAG Grant and its potential use.

On January 1, 2010, Terry Simonson requested Deputy Chief Mark McCrory's personal e-mail address and sent him an e-mail from his (Simonson's) personal e-mail account asking Deputy Chief McCrory if the JAG Grant funds had been received and then asked how many officers could be retained if half the grant money was used for a period of twelve months. This would also indicate the Terry Simonson had at least some knowledge of the potential use of the JAG Grant funds early on.

While conducting this investigation, this investigator was allowed to inspect a file maintained by Communications Director Kim MacLeod. While inspecting the file and finding a copy of the personal e-mail from Terry Simonson to Deputy Chief Mark McCrory on January 1st wherein Terry Simonson asks about how many officers could be retained for 12 months using JAG funds, Mrs. MacLeod said, 'I guess you found what you needed'. Mrs. MacLeod said that she brought this e-mail to the attention of Terry Simonson and Mayor Bartlett but they did not request or ask about this e-mail.

Having said that, Mayor Bartlett and Terry Simonson both state that the Mayor was not at all interested in using grant money and thus it was not even considered until late January when it became apparent that they would not be able to achieve the desired budget reduction goals of the Police Department since the Police Department had not agreed to certain wage reductions that could have reached as high as 8 percent. At that point, Mayor Bartlett reportedly conceded to the use of JAG funds in negotiations with the FOP as part of a concessions package.

On January 5, 2010 responding to a question about JAG funds being used for something else, Chief Ron Palmer stated, "We've made that option available to the administration for consideration to prevent layoffs." This comment was made while Terry Simonson was present in the room and he did not object.

On January 10, 2010 Chief Ron Palmer sent interoffice correspondence to Mayor Dewey Bartlett, Terry Simonson, Jim Twombly and his Deputy Chiefs advising that alternative funding scenarios existed that could be used to eliminate or reduce the need for any "Job actions."

On January 12, 2010, Chief Palmer and Deputy Chief Daryl Webster addressed the City Council about the use of JAG/Byrne Grant funds in the presence of Terry Simonson. Chief Palmer advised that JAG Grant funds have been on the table since their original submission on December 18, 2009. Deputy Chief Daryl Webster explains that JAG funds can be reallocated for officer salaries but that certain figures would be

needed before submission for grant reallocation could occur such as the number of layoffs and the length of time the funds would be needed. Again, Terry Simonson did not object.

On January 21, 2010, Chief Palmer and Jim Twombly communicated via e-mail and Chief Palmer relayed to Mr. Twombly figures for the JAG grant and describing how many officers could be saved for how many months.

Also on January 21, 2010, Mayor Bartlett announced that layoffs would occur if an agreement could not be reached by noon on January 22, 2010. No agreement was reached between the City and the FOP.

January 22, 2010 Mayor Bartlett announced layoffs and layoff notices were issued to officers. On this same date Chief Chuck Jordan was sworn in and the FOP received a proposal that included the use of JAG Grant funds. In this agreement it states that if approved by the FOP there would be no permanent layoffs. Officers are slated for layoff on January 29, 2010, as a seven day notice is required by contract.

Also on January 22, 2010, Stuart McCalman sent an e-mail to Terry Simonson describing to him that he was the principal on the COPS Grant and telling him that he wanted to make sure he had the right information as pertains to the JAG Grant. In this e-mail, Mr. McCalman tells Terry Simonson that the JAG funds are only available upon application after layoffs occurred so as to demonstrate need. During interviews of Mayoral staffers, this seemed to be a prevailing thought that the JAG Grant could only be used as the COPS Grant was used, which was to rehire police officers after they were laid off.

On January 25, 2010 a new proposal was presented to the FOP. after an \$800,000 error was found in a previous City proposal. In the January 25, 2010 proposal JAG Grant funds were also included and additional language was added that said, "Alternative Reductions to Laying off Police Officers.

On January 27, 2010 the FOP voted on the contract and turned it down. FOP officials indicated that the reason the proposal was turned down was that additional concessions were added to the proposal that were not included in the January 22, 2010 proposal. Also on January 27, 2010, the Tulsa Police Department was instructed to submit a reallocation request for the JAG Grant funds for 58 officers for 11 months.

On January 28, the Tulsa Police Department received direction from Jim Twombly to change the reallocation request from 58 officers for 11 months, to 58 officers for 9 months, as the figures did not add up correctly for the original submission.

Before the first submission request was changed, the Police Department received notice that the City would be requesting to change the numbers yet again, so no new submission was sent. The original reallocation request for 58 officers for 11 was still active and pending.

On January 29, 2010 Stuart McCalman sent an e-mail to Mayor Dewey Bartlett and Terry Simonson stating that the DOJ Grant reallocation request for 58 officers for 11 months was pending and that he expected the request to be approved and that a couple of decisions had to be made. Specifically, Mr. McCalman outlined three options if the funds were approved; a)decide if monies should be used to rehire positions, b) remain as a carrot for further potential negotiations or c) have TPD submit another request to DOJ for reprogramming for another purpose.

Mr. McCalman also advised that there may still be time to withdraw the reprogramming request but that the window on that is closing if not already closed.

In a January 29, 2010 and a February 3, 2010 Tulsa World News Article, Mayor Bartlett was quoted as saying that he had not yet decided whether seek to redirect the 2.4 million in Justice Assistance Grant money to hire back some of the officers.

On January 30, 2010 Mayor Bartlett instructed the Tulsa Police Department to cancel the DOJ reprogramming request for JAG funds that could have been used to retain police officers.

On February, 8 2010, Stuart McCalman began communicating via e-mail with Councilor Bill Christianson and indicating that it was not necessary for the officers to be laid off in order to submit a reallocation request to DOJ for JAG Grant funding.

A new request for reallocation or reprogramming of JAG funds was authorized by the Mayor's Office February 8, 2010.

On February 19, 2010, Deputy Chief Daryl Webster sent an interoffice correspondence to Chief Chuck Jordan expressing his concerns about the use of JAG Grant funds in negotiations between the City and the FOP. Chief Webster indicated that to do so would risk violating grant rules or the intent of the grant. He also indicated that use of grant funds in negotiations implies that the grant funds can be offered as something of value in negotiations and to include them in negotiations there may be certain liability on the part of the City. He also suggested that City legal be contacted to render an opinion.

As you know, for various reasons already discussed the JAG funds were not authorized until on or about February 19, 2010, which was after the officers were laid off and severance monies had already been paid out.

In a February 23, 2010 Urban and Economic Development Committee Meeting, Terry Simonson addressed Tulsa City Councilors when questioned about JAG funds and its use for retaining officers and he advised, "We could not use the JAG grant money for repurposing or redirection until the police officers had actually been laid off." In this same meeting, Terry Simonson said that once the FOP turned down the proposal, the layoff process started and that would have been when we could have asked the Department of Justice and tell them that layoffs are imminent.

In this same meeting, Terry Simonson stated, "Well we knew that we would have layoffs if they turned it down. So we knew we could at least ask for it. We could say ask the DOJ this will help us save, if we don't have this as part of it, we'll lose jobs as a package." When asked by Councilor Bill Christianson, "What you are saying is that you couldn't ask for the JAG money to be used for salaries until such time as you laid off the officers, is that right? They had to be laid off?" Terry Simonson replied by stating, "That's what we were told by Chief Palmer, that's right."

Again, in this same meeting Terry Simonson said that the JAG funds had been used in proposals to the FOP to avoid layoffs if they could. Mr. Simonson also said that the FOP could have avoided the layoffs. In this same meeting Jim Twombly was asked by Councilor Bill Christianson if he was certain that we couldn't have gotten permission to use the JAG grant money to avoid layoffs and asking if the officers had to be physically laid off before we could say that we wanted to use the money to rehire them. Mr. Twombly replied, "That is my understanding. I haven't spoken personally to DOJ."

Later, when interviewed by this investigator, Jim Twombly said that he had agreed with Terry Simonson in the council meeting that officers had to be laid off but that he thought that Terry Simonson was

relying on those who knew about the JAG grant and that he thought that Terry Simonson had gotten his information from the Police Department. Mr. Twombly states that he now knows different and that the Police were right. Mr. Twombly advised that Terry Simonson only said after the fact that officers had to be laid off before JAG funds could be used but stated that he did not remember that ever having been discussed beforehand.

On March 5, 2010 Terry Simonson sent an e-mail to Carol Poole summarizing what he referred to as two points of view. In this e-mail, Terry Simonson states that the idea of repurposing JAG funds to rehire officers first came to Mayor Bartlett's attention in January and that the Mayor was told by members of the Tulsa Police Department Management that before the money could be used, before the request for repurpose of JAG funds could be submitted, that the layoff officers had to have actually occurred and not just might occur at some point. As you are aware, Carol Poole responded by stating that the funds could be used for retaining jobs as well as restoring or creating new jobs, further stating that 'Sorry – that is probably not the information you wanted to hear'.

In a March 9, 2010 Public Works Committee Meeting, Mayor Dewey Bartlett addressed the Council's concern over the use of the JAG grant. In this meeting, Mayor Bartlett told the Council, "We were informed and my understanding is, in order for the use of the money to be changed, layoffs had to occur."

In this same meeting, when asked if it was written somewhere that says that the officers have to be laid off before the JAG grant could be used, Mayor Bartlett, "There was an e-mail that we received that essentially said that, yes. It said that certainty had to occur before the permission could be given to change the use of the money." Councilor Barnes again asked, "So the e-mail said it had to be done that way?" Mayor Bartlett responded by stating "Yes".

Other statements were made by Terry Simonson and Mayor Dewey Bartlett in KRMG and KFAQ radio interviews that give indications that the JAG funds could have been applied for before police officers were laid off. In one interview Mayor Bartlett acknowledged that a proposal to the FOP was a 'no layoff policy'. In an interview with KRMG Terry Simonson acknowledged that the JAG funds could be requested of DOJ to retain or rehire and also acknowledged that the proposal voted on by the FOP would have included no layoffs.

The fact that both Mayor Bartlett and Terry Simonson acknowledged that the proposal presented to the FOP could have included no layoffs if the proposal was accepted, indicates that the funds could have been used to retain officers and not just lay them off and rehire them. In some of these same radio interviews, both Mayor Bartlett and Terry Simonson state that it is either illegal or improper to utilize federal grant funds in the negotiation process but also admit that the JAG grant funds were included in proposal to the FOP.

On March 15, 2010 Deputy Chiefs submitted a memo to Chief Jordan outlining allegations that Terry Simonson lied to the Department of Justice.

In a March 22, 2010 radio interview, Pat Campbell asked Terry Simonson, "The final one you actually included JAG money did you not? Terry Simonson replied by stating, "We did because that would have saved some officers, that's right and that would have been our presentation to the Department of Justice is that if we could use this money, it will save thirty or thirty five officers, so we always knew at some point we were going to have to make the request to the Department of Justice which, which we did and they granted and the money was used.

Stuart McCalman was interviewed and when asked about conversations with Chief of Staff Terry Simonson, Mr. McCalman said that Terry Simonson did in fact tell him that he was going to tell the City Council that he did not learn of the JAG Grant until January. When asked to explain this further, Mr. McCalman explained that Terry Simonson called him to his office after the news broke of the Deputy Chiefs memo regarding JAG funding.

Upon his arrival in Terry Simonson's office, Mr. McCalman said that Communications Director Kim McLeod was present with Terry Simonson. He went on to explain that Terry Simonson told him in Kim McLeod's presence that in his memory he didn't even hear of JAG until mid January, stating that it could have been the COPS Grant that he heard of. He said that Terry Simonson also told him that the Deputy Chiefs came over and briefed him on the wrong grant and that they briefed him on the COPS Grant and that he never heard of JAG in December.

Mr. McCalman also admits that he cannot recall if he actually briefed Mayor Bartlett or Terry Simonson on the JAG Grant but states that he thinks that he did and that he had told Kim MacLeod this as well. He also said that he felt as though he and the Deputy Chiefs were going to be the "Fall guys."

Finance Manager Pat Connelly was interviewed and he advised that under the COPS Grant, he recalls that Chief Palmer told him that the officers had to be laid off but yet admitted that under the COPS grant the officers never lost any time. He explained that he thought the JAG Grant was like the COPS Grant and assumed that the JAG Grant would be similar and states that this colored the way he looked at things.

According to Mr. Connelly, no one was being all that precise. He said that nobody looked at the JAG requirements that he was aware of. He explained that he believed that the prevailing assumption was that the officers had to be laid off and that this was everyone's common view. Mr. Connelly said that he and Mike Kier had the understanding that officers had to receive layoff notices but not necessarily walk out the door.

During review of documents relating to JAG, Mr. Connelly referenced a budget report prepared by the Police Department and stated that as he recalls now that the Police Department suggested the use of JAG funds initially. He also advised that the Police Department suggested that that JAG Grant funds could be used to defer or avoid layoffs.

Risk Manager Cathy Crisswell was interviewed and she advised that she felt like the severance payouts could have been avoided and that Stuart McCalman had asked her about how he should respond to the City Council regarding the severance payouts and that she told Mr. McCalman that he should just admit that they made a mistake.

Communications Director Kim MacLeod was interviewed and she advised that Terry Simonson told her that it was his belief that officers had to first be laid off or that a layoff was occurring before the JAG funds could be used. She indicated that this would have been after the Deputy Chiefs wrote the memo relating to JAG Grant funds.

Additionally, Mrs. Macleod explained that Terry Simonson told her that Stuart McCalman never gave him any information on the JAG Grant and that he would tell the City Council that Stuart McCalman never gave this information to him and that she was present in Terry Simonson's office when Chief of Staff Terry Simonson told Stuart McCalman this.

Additionally, Mrs. Macleod explained that she was not sure if this was in the same meeting or not but that Terry Simonson referenced a proposal prepared by Deputy Chiefs and then displayed the document to her and pointed out to her that the report specifically mentioned the COPS Grant not the JAG Grant, stating that the Deputy Chiefs made a mistake.

Mrs. Macleod explained that the way she looks at it was the Mayor's position to request the repurposing of the JAG Grant to retain officers and that to her, it does not matter when they knew what they knew, it was the Mayor's call to repurpose the Grant or not.

Jim Twombly, Director of Administration was interviewed and he advised that as he recalls the first discussion of the JAG Grant being conceptually being used to prevent the layoff of officers during a two week period from the end of December 2009 to the first of January 2010. He said that the consensus was that they did not want to lay officers off and that is why the JAG Grant was in the picture. Mr. Twombly states that he has some vague recollection early on that the JAG Grant was not going to be used until it could be evaluated.

Additionally, Mr. Twombly further stated that the Deputy Chiefs submitted a budget report dated December 18, 2009 and that this document was discussed in a meeting with Terry Simonson, Mike Kier and Mayor Bartlett. In this discussion they were shaping what the Mayor's position on this might be. He also relayed that there were discussions about the frustration with the Deputy Chiefs' document and whether they should use the JAG funds and for how long. Apparently the frustration over the document made them feel that the Deputy Chiefs' budget report left the Police Department virtually untouched and that they thought that this was unrealistic. Mr. Twombly also relayed that there was a brief discussion about the Mayor addressing the FOP's concerns in a memo dated December 29, 2009 to FOP President Phil Evans.

Mr. Twombly explained that Chief Palmer did discuss the JAG Grant and how the grant could be reprogrammed, when it could occur and the figures needed to submit the request to the Department of Justice. He said that his recollection is that they needed to know what they were asking the Department of Justice for. He went on to state that the information on JAG was coming from the Police Department and that in his mind, they were the experts and that he believes that Chief Palmer knew what he knew from the guys in the department that had knowledge of the grants.

Mike Kier, City Clerk was interviewed and explained that he had a better understanding of the COPS Grant than he did of the JAG Grant and that he looked at the JAG Grant as more of a block grant and more flexible in its use. As it relates to the COPS Grant, Mr. Kier stated that his understanding was that officers had to be laid off first. He explained that it was semantics to him as to whether officers were actually laid off at the time notices are given even if they don't walk out the door.

As it relates to the JAG Grant, Mr. Kier advised that it was his understanding that officers had to be laid off before the funds could be used but that he admits that he never read the grant regulations and admits that he is not sure where he attained that understanding.

Mr. Kier advised that the management team was waiting for the FOP to vote and that they thought that if the FOP voted for concessions it would not be necessary to lay off officers. He went on to advise that Mayor Bartlett said that they didn't have to layoff officers if the FOP had agreed to contract concessions. Mr. Kier also said that he does not recall anyone ever saying that they didn't have to lay off officers. He went on to state that the Ccity was hopeful that the FOP would agree to concessions.

When asked about Stuart McCalman, Mr. Kier explained the Mr. McCalman was in some meetings that he attended but did say that in one of the Management Team meetings, Stuart McCalman said something about this being all his fault and that he would fall on his own sword.

Mayor Dewey Bartlett was interviewed and he stated that in late December he became aware of the JAG Grant. He indicated that the FOP had mentioned COPS or the JAG Grant as a means to supplement their budget and that at the time, he was not interested in using grant money he was more interested in restructuring the Police Department.

According to Mayor Bartlett, he does not recall if the Deputy Chiefs discussed JAG or not but that he thinks the COPS Grant was discussed and that he just remembers that grants were being discussed and states that he thinks he heard the COPS grant mentioned. He advised that he recalls that the Police Department wanted to use grants to fund the Police Department and that they wanted to discuss the financial situation of the department and that he does not think there was a discussion of layoffs, just budget shortfalls. He again stated that he was not interested in grant money at the time, only restructuring.

When we discussed the Deputy Chiefs' Budget Report, Mayor Bartlett read option three of this report out loud and then stated that, "It speaks for itself" but then stated that it was historical information and was not new information. When this investigator attempted to question Mayor Bartlett in more detail about this option, he stated that he didn't want to be painted into a corner. He said that he gets a lot of opinions and that he has found out with Stuart McCalman that his opinion was a lie.

Further, Mayor Bartlett stated that he didn't specifically recall a conversation with the FOP in late December as it related to JAG availability, and then he said that when asked if he knew that JAG could be used to save jobs, he replied "Not necessarily." He went on to state that he relied mainly on Stuart McCalman to tell him about JAG and that he can't recall what Stuart McCalman said about JAG.

A discussion was then had in reference to the Recovery Act or supplanting information provided by the Department of Justice as it relates to grants. Mayor Bartlett said that he never saw this document until it was displayed on the screen in a March 9, 2010 committee meeting. Mayor Bartlett said that he assumes that he has seen most of the proposals that have been presented to the FOP. We then had a discussion about example # 3 in the supplanting guide which clearly states that grant funds could be used to retain officers.

Mayor Bartlett said that Stuart McCalman told him that layoffs "had to be imminent and had to have occurred" and that if there was potential for layoffs not occurring then a request for re-application would have been premature. When questioned further about Stuart McCalman's understanding of when the JAG Grant could be used, Mayor Bartlett said that this was also his understanding. At the same time, Mayor Bartlett admitted that if the FOP had agreed upon the proposal that included JAG funds there would have been no layoffs.

This investigator then asked Mayor Bartlett how then, if officers had to be laid off before they could make reapplication for JAG funds to be used, could they offer JAG funds to avoid layoffs. Mayor Bartlett responded by saying the he did not know the answer to that but admits that the proposals to the FOP are approved by him.

This investigator then stated, for this to be true, (that layoffs could have been prevented of the FOP. voted to accept the proposal), then they would have had to make application for the reallocation of grant funds before the layoffs actually occurred. The Mayor responded by stating, "I might have been mistaken. I guess I will have to reevaluate my position on that one then." This investigator then stated that apparently someone was aware that JAG funds could be applied for to prevent layoffs because that was what was offered and Mayor Bartlett replied, "That's probably the case."

Mayor Bartlett would not say that his position was incorrect and again said that he would have to reevaluate his position on that one. He then said that he wanted to make a phone call and that he would call me back and give me a better answer. I told Mayor Bartlett that I would rather sit here and talk about it and he replied, "I'm sure you would but I don't want to." Mayor Bartlett then got up and said that he had to make a phone call and said that he didn't want to be painted into a corner. Mayor Bartlett then asked this investigator to wait for him and he would be back. The Mayor then walked out and closed the door and did not return for approximately 15 minutes.

When questioned further about this, Mayor Bartlett said that he was going to defer to Terry and that he can't recall the information that I was asking and that he had to "refresh his information." When asked who he talked to when he left the room, Mayor Bartlett said twice that it was not important and that he was going to let Terry answer his question and said that he will give you my answer.

Further, when asked how he authorized something the he didn't know he could get or even apply for, Mayor Bartlett paused for a very, very long time apparently thinking about his answer and then Mayor Bartlett asked if I smelled something burning. He said that he smelled something electrical, took his cell phones out of his pocket and sniffed them and asked me again if I smelled that. I told him no each time and he said, "I guess it was the peppermint I just ate." There was no odor of anything burning in the room either before or after this point.

This investigator again asked Mayor Bartlett how he could authorize something that you don't know that you can get or apply for, Mayor Bartlett said, "I'm not going to answer that." He went on to state that he just doesn't recall, that it is a complicated answer, I don't have all the answers at my disposal, I don't remember it very well.

Mayor Bartlett admitted that he did not talk to anyone at the Department of Justice prior to the layoffs occurring and that he has no documentation that would support his view that layoffs had to occur. He did admit however, that he could have called the Department of Justice in advance and ask them when the funds could have been used. He also stated that he doesn't recall if he ever gave any thought to calling the DOJ to get pre-approval for the reallocation of the JAG funds and admits that someone could have called to do that and that he assumed that somebody had.

Mayor Bartlett again agreed that his understanding was that layoffs had to occur before a reallocation request could be submitted to DOJ but admits that his understanding and recollection might be incorrect. When asked if it would be possible to submit a reallocation request to DOJ before layoffs occurred, Mayor Bartlett said that he really had no idea.

When asked if he was aware that a reallocation request had been submitted to DOJ prior to layoffs occurring, Mayor Bartlett replied, "Terry, you're trying to put me in a corner again and I'm not going to go there." I told him that I was just asking and he replied, "I know you are asking but I'm not going to go there." I again asked Mayor Bartlett if he was aware that a reallocation request went out, Mayor Bartlett said, "I don't even know what you are talking about."

This investigator then asked Mayor Bartlett that if a submission was made to DOJ for reallocation of funds before officers were actually laid off, if that would fly in the face of his statement that officers had to be laid off before a request could be made, Mayor Bartlett replied, "Might."

Terry Simonson, Chief of Staff was interviewed in the presence of his attorney, Dave Omelia. Mr. Simonson advised that he relied on Stuart McCalman and the Recovery Act Supplanting Guide in forming his opinion of how the JAG Grant funds could be used and when. Mr. Simonson also advised that the Deputy Chiefs never advised him of the JAG Grant but instead spoke of the COPS Grant and referenced a Byrne Grant that he knew nothing about. He did admit however that there was a reference in the Deputy Chiefs' report to 2.2 million dollars in available grant money that they suggested could be used to retain or rehire.

Terry Simonson also admitted that he might have heard of JAG in December but that he could not recall and that he did not hear of JAG in any depth until January. He said that the Police Department was not asking him to make a request in December as there were no planned layoffs and that you had to wait until personnel have been laid off. He said that there would have been no cause to apply for funds in December, there was no one laid off and layoffs were not imminent. He said you have to wait until they are laid off to make the request.

When asked what his definition of retain and rehire is, Mr. Simonson said that to him, everyone has their own idea. He said his opinion, just his opinion, purely his opinion, is that officers are not retained until they are in jeopardy. He explained that retain would be when an officer is kept after a layoff notice is given and before they go out the door. After they go out the door and they are brought back would be his definition of rehire.

When asked about what the Mayor understood about JAG and when, Mr. Simonson said that he does not know what the Mayor's understanding of JAG is, or when he gained that understanding, except for the fact that he informed the Mayor himself about the potential supplanting issues, by showing him the supplanting guide/Recovery Act document that Mr. McCalman provided to him. (Note: Mayor Bartlett advised that he never saw the supplanting guide until March 9, 2010 in the City Council meeting). He further stated that the Mayor did not know of repurposing until he gave it to him in January.

When asked if he ever called the Department of Justice to enquire as to when he could submit the grant for reallocation, Mr. Simonson said that he did not and that he never directed anyone to call. He said that he was not sure if the Mayor called DOJ or not before the layoff notices went out. He went on to say that Stuart McCalman could have called on his own. He did state that the grant could not be applied for repurposing until the layoff notices were given.

Mr. Simonson advised that based on the supplanting guide, there had to be an official document created in the normal course of business by an executive officer and that the first date the City would have had such a document would have been January 22, 2010. Mr. Simonson explained that his opinion was that a layoff had occurred at the time that they layoff notices were handed out and that it would not have been before that time that a reallocation request could have been submitted.

Mr. Simonson explained that he sent an e-mail to Mrs. Poole in March and that he was talking with her to try and figure out when he could have made a request for repurposing because of what Stuart McCalman was telling him. He explained that when he talked to her on the phone she told him he did everything right but because Mr. McCalman was giving him multiple dates that he could have applied

for the funds, such as on January 22nd or January 28th and told him that the council is confused, he wanted to clarify with Mrs. Poole. Mr. Simonson essentially said that Mrs. Poole's response to him basically supported his opinion.

When asked how a proposal could have been offered to the FOP that would have included a provision for no layoffs, Mr. Simonson explained that a layoff had occurred when the layoff notices had been handed out and that a request for reallocation to DOJ would have been for retention of the officers before they actually walked out the door. Essentially, he said that layoff notices were handed out which constituted a layoff but that the grant funds could be applied for at that point because documentation existed to support the position that 'but for the available grant funds officers would be laid off'.

Mr. Simonson provided his explanation (or opinion) of a layoff that fit his explanation to the Council that layoffs first had to occur in order to have the documentation available so that a reallocation request could be made to DOJ for grant fund approval. However, Mr. Simonson also told the Council that the FOP vote would have been a triggering event for applying for reallocation of grant funds and that he would have only said this because that was the position that the Mayor took. Also in other documents and radio interviews, Mr. Simonson relayed information regarding the JAG grant that did not fit with this explanation.

In particular, Terry Simonson sent an e-mail to Kim Macleod giving her a response to a question from reporter Doug Clark about JAG and whether it could have been requested before the layoff. In his response Terry Simonson stated that before the request to repurpose the money could be submitted we needed to tell the DOJ these things. Number one on the list was that the officers had been laid off and that this happened after the vote.

In a second interview with Terry Simonson, in the presence of his attorney, Mr. Simonson said the difference between what he told this investigator and what he told the City Council would be that he was offering this investigator his opinion but that he was representing the Mayor's position to the City Council. In essence, Mr. Simonson's attorney explained that he (Simonson) was in a position where he had to present the position of the Mayor and the City despite the fact that this position differed from his opinion. It is Terry Simonson's position that he did not lie to the City Council and that he did not lie to the Department of Justice.

When asked if Chief Ron Palmer had ever told him that officers had to first be laid off before JAG grant funds could be used, Mr. Simonson advised that he never told him that personally but that it was somehow presented to the Mayor's Management Team that he did.

Mr. Simonson went on to say that he thought that Stuart McCalman lied to the Council but he doesn't think that Stuart McCalman lied to him. If that is the case, He wanted to know why the Council is not filing charges on Stuart McCalman because he clearly, through his own emails and confession, lied with the hopes that they would take some action and do something different. He said, "Why are they not pressing charges against Stuart McCalman?"

Terry Simonson's attorney presented this investigator with a response in brief form outlining his response to the allegations against him. Having just received this document, I have not had time to review the document in its entirety but it is included as an exhibit in this report for review.

In summary, information discovered in this investigation definitely shows that a great deal of information was available and provided to Mayor Bartlett, Terry Simonson and Mayoral Staff members

both in written form and verbally as it relates to the availability of JAG Grant funding to avoid layoffs by the Police Department in December and January.

It is also been revealed that the JAG Grant funds could have been used to retain police officers, and that the officers did not have to be laid off prior to submitting a reallocation request to the Department of Justice. Both Terry Simonson and Mayor Bartlett have acknowledged now that officers could have been retained and not laid off.

It is clear that, at the very least, a request for reallocation of grant funds could have been made on January 22, 2010 and that officers could have been retained and severance monies not paid out given that DOJ approval could have been received in the time frame necessary.

It would appear that delays in authorizing the grant reallocation submission caused a one week delay in getting the reallocation request submitted to DOJ, and it would also appear from newspaper articles that Mayor Bartlett had not fully decided whether to utilize the grant funds as late as February 3, 2010.

Mayor Bartlett admitted that he had no interest in using grant funds of any type despite having that information and funding available. The JAG Grant funding was not even considered until late January in earnest and only because it became necessary to utilize the funds to achieve the necessary budget reduction goals for the Police Department.

This investigation also reveals that Mayor Bartlett and Terry Simonson relied primarily on Governmental Affairs Director Stuart McCalman for information regarding the grant and that it appears that little consideration was given to information provided by the Police Department as it relates to the JAG Grant. In the Mayor's words, the Police Department would have had a self serving view of grants.

Mayor Bartlett, Terry Simonson and other Mayoral staffers admit that no one contacted the Department of Justice to independently verify information provided to them on the JAG Grant parameters or to make an inquiry as to when a reallocation request could have been submitted. Terry Simonson stated that he focused on the documentation required in the Recovery Act Supplanting Guide, which told him what documentation was necessary in order to make a reallocation request.

With respect to any false statements made to the City Council about when any current members of the administration were informed that JAG funds could be used to eliminate or reduce the need for TPD officer layoffs, it is clear that a great deal of information was provided to Terry Simonson and Mayor Bartlett with regard to the JAG Grant being utilized to retain jobs in both December and January. This investigator has not obtained sufficient information to determine if either would have made false statements to the Council as to when they learned of JAG.

With respect to any false statements made to the City Council regarding assertions that TPD layoffs had to occur before JAG funds could be used to re-employ laid off police officers, Mr. Simonson told the City Council that officers had to first be laid off before a request for reallocation of JAG grant funds could be submitted. Terry Simonson told this investigator that it was his opinion that a request for reallocation could not be submitted until the officers were laid off and that in his opinion the officers were laid off the day they received the layoff notices. This, in his mind, would coincide with his statement to the City Council that layoffs had to occur.

However, Mr. Simonson also told the City Council that the triggering event for the layoffs would have been when the FOP voted to turn down the City's proposal and that the layoff process would begin at

that time. This statement would contradict the former. Mr. Simonson and his attorney told this investigator that any difference in what he told the City Council versus the statement given in this investigation would have resulted because he held the opinion that layoffs occurred at the time layoff notices were given to officers but that he was obligated to present the Mayor's position on this subject which differed from his opinion.

It appears that Terry Simonson gave a statement to the City Council that he knew was not accurate, but claims that he was under obligation to present the Mayor's position and not his own opinion. However, this would require further legal review in an effort to determine if it would be prosecutable as a violation of Title 27, Section 310, of the City Penal Code.

As it relates to Mayor Dewey Bartlett, he also told the Council on March 9, 2010 that "We were informed and my understanding is, in order for the use of the money to be changed, layoffs had to occur". This statement in and of itself would not necessarily be untrue, as it was apparent that Stuart McCalman was advising the Mayor along those lines.

However, Mayor Bartlett also told the City Council that he got in touch with a lady in D.C. who makes the decisions and she stated that "Certainty had to occur in her opinion" and that DOJ needed "Something of an official nature that did show that there was certainty that layoffs had occurred." When asked by Councilor Maria Barnes if it was written somewhere that says the officers had to be laid off before the JAG Grant money could be used, Mayor Bartlett responded by stating, "There was an e-mail that we received just recently that essentially said that, Yes." When asked by Councilor Barnes, "So the e-mail said it would have to be done that way?" and Mayor Bartlett replied, "Yes"

In an interview with Mayor Bartlett he advised that he had no documentation to support his statement that layoffs had to occur with certainty, and admitted that he had no contact with anyone in the Department of Justice relating to this matter prior to the layoffs having occurred. As well, the e-mail received from Carol Poole on or about March 5, 2010 by Terry Simonson does not state that layoffs had to occur, nor does it say that the certainty of layoffs had to occur.

When Mayor Bartlett was interviewed, he was not totally cooperative and refused to answer certain questions. The Mayor also stated, multiple times, that he did not want to be painted into a corner and had to leave the interview at one point, to speak to Terry Simonson in order to get an answer to a question asked of him.

With this in mind, Mayor Bartlett appears to have made a statement to the City Council that was not entirely accurate. However, this would require further legal review in an effort to determine if it would be prosecutable as a violation of Title 27, Section 310, of the City Penal Code.

As it relates to whether or not any false statements were made to the City Council by any staff member as to his/her role in directing Deputy Chief Webster to contact the U.S. Department of Justice and cancel the request to use the JAG funds. This investigator has not obtained sufficient information to determine if false statements were given to the City Council regarding this subject matter.

As it relates to any member of the administration and whether false statements to the U.S. department of Justice regarding the City of Tulsa's understanding, position or intention regarding the reallocation of JAG Grant funds by the City of Tulsa.

In the course of this investigation, this investigator has been able to determine that Terry Simonson and Mayor Bartlett would have had some knowledge of JAG Grant funds and their availability for retaining or saving jobs in December. What I have not been able to determine is what Terry Simonson knew about what Mayor Bartlett knew about JAG and when. Mr. Simonson said that he knows that the Mayor became aware of JAG in January because he briefed him on it. The Deputy Chiefs state that they did advise Terry Simonson and Mayor Bartlett in December of 2009 that JAG funds could be used to retain jobs and not layoff officers.

As it relates to Terry Simonson's comment to Carol Poole, that the Mayor was advised by Tulsa Police Department Management that layoffs had to occur, I have not found any evidence to suggest that any member of the Tulsa Police Department ever advised the Mayor or his staff that layoffs had to first occur. Quite to the contrary! In their respective interviews, Terry Simonson and Mayor Bartlett advised that they do not recall that Chief Palmer ever made such a statement to them.

Terry Simonson did advise that the Mayor's Management Team had an understanding that Chief Palmer had made this known to him but could not provide any specificity, stating that Chief Palmer never told him that directly. Mayor Bartlett also said that he could not recall specifically if Chief Palmer would have told that JAG could have been used to save jobs or not.

While there are statements made to the Department of Justice by Terry Simonson that were contradictory to what he has stated was his opinion, Mr. Simonson claims that he was representing the Mayor's position and not necessarily his own opinion.

Again, I believe I can show what Terry Simonson knew about JAG, and when; and I can show what Mayor Bartlett knew, and when; but what I have not been able to independently verify is what Terry Simonson knew about what the Mayor's knowledge of JAG was, and when he acquired that knowledge, aside from the testimony of the Deputy Chiefs. I believe that further legal review will be necessary in order to make this determination.

Specific Topics Investigated

As requested, I have attempted to address specific topics to be investigated in this report. In addition to the executive summary, I have provided information specific to each bullet point for your review as detailed below.

Establishing Time Frames

Was any senior member of the current Administration—including Mayor Dewey Bartlett and Terry Simonson, Chief of Staff—around or sometime after November 1, 2009

- **Briefed on, or otherwise made aware of, the JAG parameters and possibilities of avoiding layoffs using the JAG, by Stuart McCalman, any federal official, or any former elected official or former mayoral staff member?**

In early December 2009, Stuart McCalman became aware of a reprogramming request, submitted to the Department of Justice by the Tulsa Police Department, for reallocation of JAG funds to be used for the rehire of 3 officers who were not hired back under the former COPS grant.

Also, in early December 2009, as it became even more apparent that layoffs were likely, TPD Grants Coordinator Art Surratt began communicating with Stuart McCalman about the use of the JAG grant and the possibility of reallocating JAG funds in order to divert funds to salaries to retain officers. On December 8, 2009, and on at least two other occasions, Art Surratt e-mailed Stuart McCalman Recovery Act information regarding the JAG grant and making him aware of Example # 3 in this document, which gives an example of a city using JAG funds to retain officers. In the scenario provided, a city which intends to lay off personnel (providing that they can document the planned layoff) will use JAG funds for salaries and benefits for police officers who would have been laid off but for the availability of federal funds.

Stuart McCalman states that he is unsure if he advised Mayor Bartlett or Terry Simonson of the recovery act information despite the fact that on one occasion, he stated in an e-mail to Art Surratt that he was preparing a briefing package for the Mayor on the subject of the JAG grant and made a subsequent request to Art Surratt for the Recovery Act Information. In addition, an e-mail exists wherein Stuart McCalman sent an e-mail to Deputy Chief Webster on December 10, 2009, encouraging him to schedule a meeting with Mayor Bartlett and Terry Simonson to discuss the JAG grant issue.

On January 11, 2010, Stuart McCalman sent an e-mail to Kim MacLeod, Terry Simonson and Dewey Bartlett, titled 'JAG grant'. This e-mail was an apparent briefing for the January 12, 2010 8:00am Public Works Committee agenda as it relates to the \$1.2 million JAG grant funding and potential use for patrol officer salaries and benefits. In this e-mail, there is a breakdown of program allocations, which reflects the approved reprogramming of JAG grant funds to re-hire three officers that were not approved by the previous administration. (See # 35)

In this same e-mail, Stuart McCalman advised of TPD's intention to inform the Council of its intention to request from the Department of Justice that a total of \$2.5 million be allowed to be reprogrammed for the rehiring of officers if a reduction in force occurs. He went on to state that if there is a reduction in

force, TPD would look to use these monies, dependent upon DOJ approval to rehire a number of laid off officers for a period of at least 6 months.

Former Mayor Kathy Taylor was contacted in reference to this case and she advised that she made broad access available to Mayor Bartlett and his staff during the transition period between Mayors. She explained that she does not have access to her e-mails or most files which remain with the Mayor's office and that she has not been able to locate her book of handwritten notes made during the transition and that she does not personally recall whether or not the issue of the JAG grant was discussed. She did state that the COPS grant was discussed along with supplanting guidance that was provided to her by DOJ.

Mrs. Taylor also said that neither Terry Simonson nor Mayor Bartlett have contacted her to discuss the terms of the JAG grant to the best of her recollection.

Gerardo Velazquez with the U.S. Department of Justice was contacted and he advised that he had no contact with anyone in the Mayor's office with the exception of Stuart McCalman via e-mail and that he forwarded that e-mail to Art Surratt with the Tulsa Police Department. Mr. Rodriguez declined to answer any other questions and referred this investigator to his supervisor, who is Carol Poole.

On March 5, 2010, Terry Simonson sent an e-mail to Carol Poole summarizing what he referred to as two points of view. In this e-mail, Terry Simonson states that the idea of repurposing JAG funds to rehire officers first came to Mayor Bartlett's attention in January and that the Mayor was told by members of the Tulsa Police Department Management that before the money could be used, or before the request for repurpose of JAG funds could be submitted, that the layoff had to have actually occurred and not just might occur at some point. As you are aware, Carol Poole responded by stating that the funds could be used for retaining jobs as well as restoring or creating new jobs, further stating 'Sorry-that is probably not the information you wanted to hear'.

Carol Poole with the U.S. Department of Justice was contacted and she advised that she would not give an interview via telephone but that she would respond to any questions that I would put in writing in an email to her. I submitted a list of questions that I requested that she answer but as of the date of this report I have received no response from her. I did receive notice via e-mail from Carol Poole on June 16, 2010 stating that she would provide answers to my questions on June 17, 2010

Was any senior member of the current Administration, including Mayor Dewey Bartlett and Terry Simonson, Chief of Staff—around or sometime after November 1, 2009

- **Briefed on, or otherwise made aware of, the JAG parameters and possibilities of avoiding layoffs using the JAG, by Deputy Police Chief Webster, Deputy Police Chief Larsen or any other senior ranking officer of the Tulsa Police Department? If so, was that senior member of the Administration expressly asked to use JAG funds to prevent TPD officer layoffs?**

On December 11, 2009, Deputy Chief Webster and Deputy Chief Mark McCrory met with Mayor Bartlett and Terry Simonson about budget issues in an attempt to avoid the layoff of personnel. They state that they discussed the potential use of T.A.R.E funds, the sale of a department helicopter and advised both the Mayor and Terry Simonson that the Police Department would like to use JAG/Byrne grant funds to save officers' jobs. They also state that they told Mayor Bartlett and Terry Simonson that they thought the Department of Justice would allow them to reprogram grant funds to save officers' jobs but that

they would need the number of officers that they intended to lay off and the time frame that they would like to use the funds.

On December 18, 2009, Deputy Chief McCrory, Deputy Chief Dennis Larsen and Captain Jonathan Brooks met with Terry Simonson and presented a Budget Reductions Report personally to him. In this document on page 21, they referenced the possibility of applying to the federal grantor to apply additional funds under the Byrne Grant (aka JAG) to retain and rehire additional laid off personnel. This description combines the rehire of three officers not rehired under the COPS Grant and references the Byrne Grant (aka JAG) to retain additional personnel. The Deputy Chiefs advised that they specifically explained in detail to Terry Simonson that in order to apply for reallocation of grant funds for retaining officers that they would need the number of officers to be affected by a potential layoff and the number of months that they wished to use the funds. (See # 5)

On January 5, 2010 in the Public Works Committee meeting, agenda item number 15, when asked by Councilor G.T. Bynum if the JAG Grant could be used for something else, Chief Palmer told the council in the presence of Chief of Staff Terry Simonson, "We've made that option available to the administration for consideration to prevent layoffs." It would appear now that Terry Simonson's position on this might be that if he was present, he did not hear what was referenced aside from the mention of JAG.

On January 10, 2010, Chief Ron Palmer sent an interoffice correspondence to Mayor Bartlett, Terry Simonson, Jim Twombly and Deputy Chiefs, Webster, McCrory and Larsen, titled 'Staff Reduction Proposal #2'. In this proposal on page number two, Chief Palmer outlines alternative funding scenarios, which included JAG/Byrne grant funds that he described as being available upon application, and that the funds could be used to eliminate or reduce the need for any job actions. (See # 10)

On January 12, 2010 in the Public Works Committee Meeting, item # 7 – Discussion with Chief of Police or his designee regarding 2.1 million JAG grant funding and potential use for patrol officers salaries and benefits. Councilor Bynum asked Chief Palmer for details about JAG and what the City's options are.

Chief Palmer responded in the presence of Chief of Staff Terry Simonson who was in attendance at this meeting by stating, "Obviously the JAG money has been on the table as an option since our original submission on or about December 18th." Additionally, Deputy Chief Daryl Webster explained to the council that the remaining JAG grant monies could be reallocated and stated that they would like to approach the grantor and request to reallocate funds for salaries. It would appear now that Terry Simonson's position on this might be that if he was present, he did not hear what was referenced aside from the mention of JAG.

Deputy Chief Webster also explained in the presence of Chief of Staff Terry Simonson that they would first need to know the number of layoffs or demotions they were facing and when that will happen so that they can have that number before they approach the grantor for reapplication. Deputy Chief Webster further relayed that as soon as they learn that number, they could make application that day.

The discussion continued about the numbers of officers and for what time periods that the grant money might be used and it was very clear from the conversation that the JAG funds could be used to retain officers. In fact, Chief Palmer stated that upon termination of the JAG funds the City would have to either assume the salaries for those officers or lay the officers off.

On January 21, 2010, Chief Ron Palmer sent an e-mail to Jim Twombly, as per his request, with a subject line of 'JAG.' In this e-mail, Chief Palmer conveys that "\$2.5 million from current for 18 months saves 24

jobs. Chief Palmer also advises that adding \$678k from previous JAG earmarked for lab equipment adds another 7 for 31 total and that they would have to ask for this to be redirected upon their request." This e-mail was carbon copied to both Mayor Dewey Bartlett and Chief of Staff Terry Simonson. (See #34) It is clear from this e-mail which was sent out the day before layoff notices were handed out that Chief Palmer does not convey that officers must first be laid off.

Did any senior member of the current Administration—including Mayor Dewey Bartlett and Terry Simonson, Chief of Staff, Mayor’s Office, City of Tulsa—around or shortly after December 18, 2010

- **Receive written information (via hardcopy or in electronic form) concerning, or directly discuss with TPD Deputy Chiefs McCrory and Larsen, alternative funding sources to avoid layoffs, including the use of JAG funds as well as the requirements for requesting the reallocation of JAG grant funds?**

On December 8, 2009 and on at least two other occasions, Art Surratt e-mailed Stuart McCalman Recovery Act information regarding the JAG Grant and making him aware of Example # 3 in this document, which gives an example of a city using JAG funds to retain officers. In the scenario provided, a city which intends to lay off personnel, (providing that they can document the planned layoff) will use JAG funds for salaries and benefits for police officers who would have been laid off but for the availability of federal funds. (See # 1)

On December 18, 2009, Deputy Chief McCrory, Deputy Chief Dennis Larsen and Captain Jonathan Brooks met with Terry Simonson and presented a Budget Reductions Report personally to him. In this document on page 21, they referenced the possibility of applying to the federal grantor to apply additional funds under the Byrne Grant (aka JAG) to retain and rehire additional laid off personnel. This description combines the rehire of three officers not rehired under the COPS Grant and references the Byrne grant (aka JAG) to retain additional personnel. The Deputy Chiefs advised that they specifically explained in detail to Terry Simonson that in order to apply for reallocation of JAG funds for retaining officers that they would need the number of officers to be affected by a potential layoff and the number of months that they wished to use the funds. (See # 5)

On December 21, 2009, FOX 23 Police News Reporter Abbie Alford sent an e-mail to both City Communications Director Kim Macleod and Chief of Staff Terry Simonson, stating that she had been receiving calls regarding the possibility of the city using alternative funds for salaries with taxpayer and federal approval. In this e-mail, she specifically mentions applying to have \$2.2 million in JAG money transferred into payroll, stating that this would take federal approval.

Abbie Alford states that she initially sent the e-mail to Kim Macleod, who suggested that she also send the e-mail to Terry Simonson, which she states that she did. E-mail records show that Kim MacLeod forwarded the e-mail to Terry Simonson and suggested that he call Abbie Alford, to which he replied, stating that he would. According to Abbie Alford, Terry Simonson never returned a call to address her inquiry. (See # 33)

On December 29, 2009, Mayor Dewey Bartlett prepared and sent a memorandum to then FOP President Phil Evans outlining issues regarding the Tulsa Police Department. In this memorandum, Mayor Bartlett states, "We have been told that there are JAG funds available to save some, not all of the projected job losses." It is apparent by this document that the Mayor and/or his staff were aware that JAG funds could be utilized to retain officers or 'save jobs' and that they were aware of same during the month of December 2009. (See # 7)

Additionally, on January 1, 2010, Chief of Staff Terry Simonson requested Deputy Chief Mark McCrory's personal e-mail account name and did e-mail Deputy Chief Mark McCrory utilizing a personal e-mail account, asking Deputy Chief McCrory if the JAG funds had been received, and then asked him if half of the JAG funds were used, how many officers could be retained for a period of twelve months. This too indicates that Terry Simonson had an understanding that JAG Grant funds could be reallocated to retain officers as opposed to laying them off and rehiring them. (See # 8)

On January 10, 2010, Chief Ron Palmer sent an interoffice correspondence to Mayor Bartlett, Terry Simonson, Jim Twombly and Deputy Chiefs, Webster, McCrory and Larsen, titled Staff Reduction Proposal #2. In this proposal on page number two, Chief Palmer outlines alternative funding scenarios, which included JAG/Byrne grant funds that he described as being available upon application that could be used to eliminate or reduce the need for any job actions. (See # 10)

On January 11, 2010, Stuart McCalman sent an e-mail to Kim MacLeod, Terry Simonson and Dewey Bartlett, titled 'JAG grant.' This e-mail was an apparent briefing for the January 12, 2010 8:00am Public Works Committee agenda as it relates to the \$1.2 million JAG grant funding and potential use for patrol officer salaries and benefits. In this e-mail, there is a breakdown of program allocations, which reflects the approved reprogramming of JAG grant funds to re-hire three officers that was not approved by the previous administration.

In this same e-mail, Stuart McCalman advised of TPD's intention to inform the Council of its intention to request from the Department of Justice that a total of \$2.5 million be allowed to be reprogrammed for the rehiring of officers if a reduction in force occurs. He went on to state that if there is a reduction in force, TPD would look to use these monies, dependent upon DOJ approval to rehire a number of laid off officers for a period of at least 6 months. (See # 35)

From approximately January 13, 2010 through the end of January 2010, the city was in negotiations with the FOP. During these negotiations, at least three proposals were presented to the FOP for consideration. In two of these proposals, the use of JAG grant funds is proposed to save sworn employees and in the proposal voted upon by the FOP, the JAG grant is mentioned under a section titled, 'Alternative Reductions to Laying off Police Officers.'

On January 21, 2010, Chief Ron Palmer sent an e-mail to Jim Twombly, as per his request, with a subject line of 'JAG'. In this e-mail, Chief Palmer conveys that \$2.5 million from current for 18 months saves 24 jobs. Chief Palmer also advises that adding \$678k from previous JAG earmarked for lab equipment adds another 7 for 31 total and that they would have to ask for this to be redirected upon their request. This e-mail was carbon copied to both Mayor Dewey Bartlett and Chief of Staff Terry Simonson. (See #34)

On January, 29, 2010, Stuart McCalman sent an e-mail titled 'JAG grant' to Dewey Bartlett and Terry Simonson. In this e-mail, Mr. McCalman explains that though the FOP turned down the proposal put forth that included utilizing \$2.4 million from the JAG Grant for 58 officers for 11 months, which was sent to DOJ on Monday, remains pending with DOJ. Mr. McCalman advised that he expected DOJ to approve the request for and that if so a couple of decisions would need to be made.

Mr. McCalman went on to advise that if the DOJ approves the reprogramming request, they would need to (a) decide if the monies should be used to rehire positions or (b) remain as a carrot for further potential negotiations with the understanding that the monies, per grant requirements, must still be used for rehiring at some point or (c) have TPD submit another request to DOJ asking that the monies

approved for rehiring be reprogrammed for some other purpose. Mr. McCalman also indicates that there may still time to withdraw the reprogramming request to DOJ but that the window on that is closing if not already closed. (Note: The DOJ reprogramming request was ordered rescinded on January 30, 2010). (See # 36)

Mr. McCalman went on to state in this e-mail that if DOJ approves the request, the expectation would be that the FOP would tout this as a 'savior' and would immediately call upon the Mayor to approve these rehires with these now available Fed monies. He said that depending upon what their intention is they should be prepared to respond.

Terry Simonson advised that he relied on Stuart McCalman and the Recovery Act Supplanting Guide to form his opinion of when the JAG Grant funds could have been used to retain jobs and that he had no other documents to support his position.

Mayor Bartlett said that it was his understanding that layoffs had to occur before a reallocation request could be submitted to the Department of Justice but admits that his understanding and recollection might be incorrect. When asked if it was possible to submit a reallocation request to DOJ before layoffs occurred, Mayor Bartlett said that he really had no idea.

When asked if he was aware that a reallocation request had been submitted for the JAG funds prior to the layoffs, Mayor Bartlett replied, "Terry you're trying to put me in a corner again and I'm not going there." This investigator told him that I was just asking and the Mayor replied, "I know you're asking but I'm not going to go there."

When asked if a submission for reallocation of funds were made before the officers were actually laid off and if this statement would fly in the face of his statement that officers had to be laid off before a request could be made, Mayor Bartlett replied, "Might."

When asked what he would have done if the FOP would have accepted his offer that included the use of JAG funds, Mayor Bartlett said that he would have probably asked his staff, "Now what do we do?"

Mayor Bartlett subsequently stated that he realizes now that JAG could be used to save jobs, retain them and not lay them off.

Verification of Statements Made

Did any senior staff member of the current administration, including Mayor Dewey Bartlett and Terry Simonson, Chief of Staff--make false statements to the City Council regarding:

- **When was he/she informed that JAG funds could be used to eliminate or reduce the need for TPD officer layoffs?**

On December 11, 2009, Deputy Chief Webster and Deputy Chief Mark McCrory met with Mayor Bartlett and Terry Simonson about budget issues in an attempt to avoid the layoff of personnel. They state that they discussed the potential use of T.A.R.E funds, the sale of a department helicopter and advised both the Mayor and Terry Simonson that the Police Department would like to use JAG/Byrne grant funds to save officers' jobs. They also state that they told Mayor Bartlett and Terry Simonson that they thought

the Department of Justice would allow them to reprogram grant funds to save officers' jobs but that they would need the number of officers that they intended to lay off, and the time frame that they would like to use the funds.

On December 18, 2009, Deputy Chief McCrory, Deputy Chief Dennis Larsen and Captain Jonathan Brooks met with Terry Simonson and presented a Budget Reductions Report personally to him. In this document on page 21, they referenced the possibility of applying to the federal grantor to apply additional funds under the Byrne grant (JAG) to retain and rehire additional laid off personnel. This description combines the rehire of three officers not rehired under the COPS Grant and references the Byrne (JAG) grant to retain additional personnel. The Deputy Chiefs advised that they specifically explained in detail to Terry Simonson that in order to apply for reallocation of JAG funds for retaining officers that they would need the number of officers to be affected by a potential layoff and the number of months that they wished to use the funds. (See # 5)

On December 21, 2009, FOX 23 Police News Reporter Abbie Alford sent an e-mail to both City Communications Director Kim Macleod and Chief of Staff Terry Simonson, stating that she had been receiving calls regarding the possibility of the city using alternative funds for salaries with taxpayer and federal approval. In this e-mail, she specifically mentions applying to have \$2.2 million in JAG money transferred into payroll, stating that this would take federal approval.

Abbie Alford states that she initially sent the e-mail to Kim Macleod, who suggested that she also send the e-mail to Terry Simonson, which she states that she did. E-mail records show that Kim MacLeod forwarded the e-mail to Terry Simonson and suggested that he call Abbie Alford, to which he replied, stating that he would. According to Abbie Alford, Terry Simonson never returned a call to address her request. (See # 33)

On December 29, 2009, Mayor Dewey Bartlett prepared and sent a memorandum to then FOP President Phil Evans outlining issues regarding the Tulsa Police Department. In this memorandum, Mayor Bartlett states, "We have been told that there are JAG funds available to save some, not all of the projected job losses." It is apparent by this document that the Mayor and/or his staff were aware that JAG funds could be utilized to retain officers or 'save jobs' and that they were aware of same during the month of December 2009. (See # 7)

on January 1, 2010, Chief of Staff Terry Simonson requested Deputy Chief Mark McCrory's personal e-mail account name and did e-mail Deputy Chief Mark McCrory utilizing a personal e-mail account, asking Deputy Chief McCrory of the JAG funds had been received and then asked him if half of the JAG funds were used, how many officers could be retained for a period of twelve months. This too indicates that Terry Simonson had an understanding that JAG Grant funds could be reallocated to retain officers as opposed to laying them off and rehiring them. (See # 8)

On January 5, 2010 in the Public Works Committee meeting, item number 15, when asked by Councilor G.T. Bynum if the JAG Grant could be used for something else, Chief Palmer told the Council, in the presence of Chief of Staff Terry Simonson, "We've made that option available to the administration for consideration to prevent layoffs."

On January 10, 2010, Chief Ron Palmer sent an interoffice correspondence to Mayor Bartlett, Terry Simonson, Jim Twombly and Deputy Chiefs, Webster, McCrory and Larsen, titled 'Staff Reduction Proposal #2'. In this proposal on page number two, Chief Palmer outlines alternative funding scenarios,

which included JAG/Byrne grant funds that he described as being available upon application that could be used to eliminate or reduce the need for any job actions. (See # 10)

On January 12, 2010 in the Public Works Committee Meeting, item # 7 – Discussion with Chief of Police or his designee regarding 2.1 million JAG grant funding and potential use for patrol officers salaries and benefits. Councilor Bynum asked Chief Palmer for details about Jag and what the City's options are.

Chief Palmer responded, in the presence of Chief of Staff Terry Simonson who was in attendance at this meeting, by stating, "Obviously the JAG money has been on the table as an option since our original submission on or about December 18th." Additionally, Deputy Chief Daryl Webster explained to the council that the remaining JAG grant monies could be reallocated and stated that they would like to approach the grantor and request to reallocate funds for salaries.

Information received in a brief from Terry Simonson's attorney seems to indicate that his defense in this instance will be that he was present in the meeting but that he has little recollection of the details of that discussion other than to say that he heard that the option of using JAG was included in a December 18, 2009 budget proposal and if in fact this statement was made, it would be an inaccurate statement made to the council.

Deputy Chief Webster stated that he also explained in the presence of Chief of Staff Terry Simonson that they would first need to know the number of layoffs or demotions they were facing and when that will happen so that they can have that number before they approach the grantor for reapplication. Deputy Chief Webster further relayed that as soon as they learn that number, they could make application that day.

The discussion continued about the numbers of officers and for what time periods that the grant money might be used and it was very clear from the conversation that the JAG funds could be used to retain officers. In fact, Chief Palmer stated that upon termination of the JAG funds the City would have to either assume the salaries for those officers or lay the officers off.

In a March 22, 2010 interview on the Pat Campbell show, Chief of Staff Terry Simonson states, "Well, there's not any lying going on here, what this is all about it has been going on for gosh, I guess going on two or three months particularly in December and January was the whole issue about how and when the grant money that the city received back in 2009 could actually be used to retain or bring back any laid off uh police officers." (See # 45)

Further, in this interview, Terry Simonson states, "I think the city has known all along and sometime December, January, you know people knew that the money could be used for that. That really wasn't the issue, the issue was when could the Mayor make that request."

In a February 10, 2010 interview on the KRMG Morning News, Mayor Bartlett acknowledged that JAG grant money was discussed at different times and that he did say when they were having their discussions over the past few months that JAG Grant money could be used but it was something that would take a while to get a response back from the Government and that he said he wouldn't count on it being of immediate use. Mayor Bartlett also said in this interview that the Police Department wanted to use the JAG funds only for this fiscal year and that he wanted to spread it out over a long period of time. (See # 41)

During an interview with Terry Simonson, Mr. Simonson stated that he learned of the JAG Grant and its parameters from Stuart McCalman and the Recovery Act Supplanting Guide. Mr. Simonson claims that he did not learn about in any depth until sometime in January but admits that the TPD Deputy Chiefs did inform him in December that there was grant money available for retaining or rehiring although he contends that JAG was never discussed at that time. He advised that he never called the Department of Justice prior to the officers leaving employment with the City of Tulsa to enquire as to when a reallocation request could have been submitted.

During an interview with Mayor Dewey Bartlett, Mayor Bartlett advised that he was told about available grant money by TPD Deputy Chiefs and that they mentioned these funds in support of supplementing their budget and stated their support for using grant money. However, he never identified the grant money as being JAG at the time.

When asked in an interview if Chief Ron Palmer would have given him information about the availability and use of the JAG Grant for saving jobs, Mayor Bartlett said that he might have received some information from him but that he can't recall. He again stated that he might have received information from Chief Ron Palmer but that he didn't specifically recall.

When asked where he would have gained his understanding that the JAG Grant could be used to save jobs, Mayor Bartlett gave the names of Mike Kier, Stuart McCalman, Jim Twombly, Chief Palmer and Pat Connelly. Mayor Bartlett then explained that he would not say if each of these individuals would have this understanding and that each one would have to be asked.

Did any senior member of the current Administration—including Mayor Dewey Bartlett and Terry Simonson, Chief of Staff—make false statement to the City Council regarding

- **His/her assertion that TPD officer layoffs had to occur before JAG funds could be used (to re-employ laid off officers).**

On February 23, 2010 in an Urban & Economic Development Committee meeting, Chief of Staff Terry Simonson told the City Council, "We could not use the JAG grant money for repurpose or redirection until the police officers had actually been laid off, OK." However, in this same meeting, Chief of Staff Terry Simonson also states that use of JAG grant money was included in proposals to the FOP and said that "there was a component in there where the JAG grant money could be used."

In this same meeting, Chief of Staff Terry Simonson then said while referring to negotiations with the FOP, "Had any of those proposals been approved in the beginning or second or third week of January we could have gotten hold of DOJ and said we want to use it for this purpose. But they denied every one of them."

During this same meeting, Chief of Staff Terry Simonson said that they knew they would have layoffs and that they could at least ask DOJ for the JAG money and tell them that they will lose jobs if they don't have it. Specifically, Terry Simonson said, "Well we knew we would have layoffs if they turned it down. So we knew we could at least ask for it. We could say ask the DOJ this will help us save, if we don't have this as part of it, we'll lose jobs as a package."

When questioned further in this meeting, Chief of Staff Terry Simonson was asked by Councilor Bill Christianson, "What you are saying is that you couldn't ask for the JAG money to be used for salaries until such time as you laid off the officers, is that right? They had to be laid off?" Terry Simonson

responded by stating, "That's what we were told by Chief Palmer, that's right." Councilor Bill Christianson asked Terry Simonson again, "Is that correct?" and Terry Simonson replied, "We believed it to be correct, yes."

Councilor Bill Christianson questioned Terry Simonson further and Terry Simonson admitted that they had used JAG funds in proposals to the FOP and that they had used it in the proposals to avoid layoffs, "If they could." Additionally, toward the end of this meeting, Chief of Staff Terry Simonson again stated, "They could have avoided the layoffs", referring to the FOP.

In this same meeting, while conversing with Jim Twombly, Councilor Bill Christianson asked Jim Twombly, "And you're certain that we couldn't have gotten permission to use the JAG Grant money to avoid layoffs. You're telling me we had to physically lay them off before we could say we wanted to use that money to re-hire them. Is that what you're saying to me?" In response, Jim Twombly replied, "I'm saying that was my understanding. I haven't spoken personally to DOJ."

Upon interviewing Mr. Twombly, this investigator got a totally different impression from him. Mr. Twombly stated that Chief Palmer seemed to have a clear understanding of the JAG Grant and its uses and further states that it has been his (Twombly's) assumption all along that the numbers reflected in the proposal to the FOP in which JAG Grant funds were to be used to save jobs. Mr. Twombly also explained that it did not make sense to him that they had to pay out the severance monies.

Explaining further, Mr. Twombly said that after the fact, Terry Simonson said that officers had to be laid off prior to JAG funds being used but that he states that he doesn't remember that ever having been discussed beforehand. Mr. Twombly said that when Chief of Staff Terry Simonson mentioned this in a City Council meeting, he initially thought that Terry Simonson got his information from the Police Department but he said that he now knows different and states that the police were right.

He went on to explain that he might have even agreed with Terry Simonson in this meeting or said that they were relying on those who knew about JAG but Mr. Twombly said that nobody from the Police Department ever told him that officers had to first be laid off before JAG funds could be used.

In a March 10, 2010 interview on the KRMG Morning News, Chief of Staff Terry Simonson acknowledged that the FOP voted on a proposal that would have included no layoffs and did also acknowledge that the proposal included JAG Grant money. Terry Simonson also stated in this interview that they "had until at least the twelfth of February to get permission from the Department of Justice that we could retain or rehire these people because they made it clear you can't make the request until some formal government action has been taken indicating there's gonna be layoffs." In this same interview, Terry Simonson said that the Mayor told Chief Jordan to get to work on it and tell him, "if there's anything you want to keep in JAG, how many officers we can keep, how long we can keep them." (See # 43)

Additionally, in a March 22, 2010 interview on the Pat Campbell show, Chief of Staff Terry Simonson states, "Well, there's not any lying going on here, what this is all about it has been going on for gosh, I guess going on two or three months particularly in December and January was the whole issue about how and when the grant money that the city received back in 2009 could actually be used to retain or bring back any laid off uh police officers." (See # 45)

Further, in this interview, Terry Simonson states, "I think the city has known all along and sometime December, January, you know people knew that the money could be used for that. That really wasn't the issue, the issue was when could the Mayor make that request." Terry Simonson also said, "We read

the rules, we read the requirements of the grant that they Mayor could not make that request until after the Mayor had made a decision that there was actually going to be layoffs."

He also said, "The way we read the rules is that you know that no time prior to that before the decision, even though it might have been talked about and discussed and embedded um in terms of what was required by the Department of Justice, there had to be an executive decision, executive order something, um in order for the actual request to go in." Terry Simonson further said, "So the issue here is you know did we know we could use it, well sure that wasn't the issue. The issue seems to be well, you could have made the request much earlier..."

In this same interview, Terry Simonson states that he sent an e-mail to Carol Poole summarizing two points of view and asking for some help and guidance. He states that he wasn't representing anything other than what's been happening and further states, "It's not a lie it's a difference of this is how I remember what happened or what was said..."" Terry Simonson went on to state when talking about the Deputy Chief's memo, "they're calling what they have is my e-mail and my e-mail is my summary, my recollection. They differ with my recollection so they're calling that a lie. Well I don't call it a lie. It's a different recollection of how it had happened..."

When asked by Pat Campbell about proposals to the FOP, Pat Campbell asked Terry Simonson, "The final one you actually included JAG money did you not?" Terry Simonson replied by stating, "We did because that would have saved some officers, that's right and that would have been our presentation to the Department of Justice is that if we could use this money, it will save thirty or thirty five officers, so we always knew at some point we were going to have to make the request to the Department of Justice which, which we did and they granted and the money was used."

When Terry Simonson was interviewed in reference to this case, Mr. Simonson advised that you have to wait until officers are laid off to make a reallocation request. He further stated that he was relying on Stuart McCalman and the supplanting guide for his information on the JAG Grant. Mr. Simonson explained that his opinion is that a layoff occurs at the time the layoff notice is given out. However, this definition of layoff differs from statements given to the City Council, e-mail documents and the news media.

In an e-mail from Terry Simonson to Kim MacLeod dated February 26, 2010 in response to a media request, Mr. Simonson states that DOJ needed to know that officers had been laid off and that this happened after the vote. This statement would be contrary to Mr. Simonson personal statement/opinion conveyed to this investigator.

Terry Simonson states that based on information provided in the supplanting guide, it was his understanding that until layoff notices went out the JAG funds could not be redirected and that in his opinion they were not using JAG to avoid layoffs because they had already been laid off and that they were then going to use JAG money to retain officers. This too is contrary to statements made by Terry Simonson to the City Council and the media. It is also contrary to statements made by Mayor Bartlett and contrary to language included in the proposal to the FOP.

Despite these assertions, Terry Simonson said that Mayor Bartlett approved the proposal to the FOP as a "no layoff proposal." Again, Mr. Simonson advised that he was relying on Stuart McCalman and the supplanting guide to form his opinion that layoffs had to first occur. He also explained that by the supplanting guidelines there had to be an official document created in the normal course of business by

an Executive Officer documenting the expressed intent to layoff and that the layoff notices would have been such a document.

When questioned about his statements to the City Council, Terry Simonson denied lying to the council and explained that his definition of layoff would be that the layoffs occurred at the time that the layoff notices were handed out, thus his statement to the council is not untruthful. He states that his statement that they layoffs actually occurred on the 22nd of January is purely his opinion.

Terry Simonson advised that Stuart McCalman was leading him to believe that the layoffs occurred after the FOP. vote to turn down the proposal. Mr. Simonson explained that he sent the e-mail to Carol Poole in an attempt to clarify if he could have submitted for the grant funding on the 22nd or the 28th of January. Mr. Simonson said it was his belief all along that the 22nd of January was the earliest date that the reallocation request could have been submitted as that was when the layoffs occurred in his opinion.

When asked about using JAG Grant monies to avoid layoffs, Terry Simonson said that they were not using JAG money to avoid layoffs as the officers had already been laid off on January 22nd. This conflicts with some of his own public statements that layoffs could have been avoided if the FOP. would have voted to accept the proposal. This also conflicts with Mayor Bartlett's public statements about the proposal to the FOP. being a no layoff policy and that had the FOP. voted to accept the proposal that layoffs would have been avoided.

On June 15, 2010 Attorney Dave Omelia provided a 35 page brief in response to this investigator on behalf of his client, issuing a disclaimer that the responses that are contained therein cannot be taken or utilized as statements or assertions of fact attributable to Terry Simonson.

Also on June 15, 2010, after consulting with his attorney, Terry Simonson informed this investigator that the difference between his statement to me and his statements to the council came about because he had his opinion about this subject which he voiced to me and that the Mayor had his position on the topic which he voiced to the counsel. Basically saying that despite his personal opinion about when layoffs occurred and when a request could have been submitted to DOJ he represented the Mayor's or the City's position that resulted in conflicting statements. (See # 50 Response in Brief by Dave Omelia, Page 11)

In the March 9, 2010 Public Works Committee meeting, Mayor Dewey Bartlett sat in on behalf of Chief of Staff Terry Simonson, who apparently was asked to attend the meeting. In this meeting, Mayor Bartlett responded to questions about the use of JAG Grant funds stating, "We were informed and my understanding is, in order for the use of the money to be changed, layoffs had to occur."

Mayor Bartlett also said that he got in touch with the lady in DC who makes the decision and that she said, "Certainty had to occur in her opinion", as it related to the layoffs. Mayor Bartlett also said that DOJ needed, "Something of an official nature that did show that there was a certainty that layoffs had occurred." However, Mayor Bartlett states that he did not speak with anyone at DOJ about this prior to the layoffs occurring.

Councilor Maria Barnes asked Mayor Bartlett if it was written somewhere that says that the officers have to be laid off before the JAG Grant could be used. Mayor Bartlett responded by stating, "There was an e-mail that we received just recently that essentially said that, yes. It said that certainty had to occur before the permission could be given to change the use of the money." Councilor Barnes again

asked Mayor Bartlett, "So the e-mail said it would have to be done that way?" and Mayor Bartlett replied, "Yes". This statement is not consistent with the e-mail of March 5, 2010 from Terry Simonson to Carol Poole with the Department of Justice. The e-mail reinforces that proper documentation had to exist but it mentions nothing about "occurring with certainty."

Additionally, Mayor Bartlett stated with respect to negotiations, "Therefore if we would have been successful or the union would have had a re-vote and if it would have come out in favor of the proposal that had been given, then layoffs would not have occurred." Again, this implies that if the FOP had voted in favor of the proposal, which included the use of JAG funds to avoid layoffs, the City would have had to request DOJ for re-allocation of the funds without an actual layoff having occurred.

However, it was learned in this investigation that there were only two proposals that were given to the FOP. that included the use of JAG funds. One was offered on January 22, 2010, (the same day as the layoff notices) and the other on January 25, 2010. Any vote by the FOP. would have occurred after the layoff notices were handed out to officers.

In this same meeting, Mayor Bartlett claimed that he had never seen that Recovery Act /Supplanting information. However, Terry Simonson states that he showed this document to Mayor Bartlett in January to make him aware of supplanting issues.

In a March 8, 2010 e-mail from Stuart McCalman to Dewey Bartlett, Terry Simonson, Jim Twombly, Kim MacLeod and Chuck Jordan, Mr. McCalman was briefing the staff in anticipation of the March 9, 2010 Public Works Committee meeting in which Mayor Bartlett addresses concerns of Councilors regarding the JAG Grant.

In this e-mail, Mr. McCalman states, "It seems to be the thinking of some on the council that at any time since the beginning of this administration the use of JAG Grant monies could be used for the retention of officers. This simply cannot be true as it was not until January 28, 2010 that FOP voted to turn down the Mayor's offer thereby making police layoffs imminent. Up until this point there would have been no case for retention as the expectation and hope was that FOP would accept the offer made thereby doing away with any need to retain as there would be no layoffs."

Mr. McCalman then advises that on January 27, 2010 a request was submitted to DOJ to reprogram JAG grant monies from original purpose to rehiring of 58 officers for 11 months. (Note: this request was submitted after layoff notices were issued but before layoffs actually occurred, which fit the requirement for submitting the request according to Mayor Bartlett and Chief of Staff Terry Simonson. However, officers were slated for layoff on January 29, 2010. Two days do not appear to have been enough time to get DOJ approval since the submission request was not authorized until January 27, 2010 but was then cancelled on January 30, 2010.

Mr. McCalman went on to state, "January 28, 2010: FOP rejects Mayor's offer making officer layoffs now imminent. It may be difficult for us to reconcile that we did not consider the potential availability of JAG Grant dollars in discussions with FOP when reprogramming request was sent to DOJ day before actual vote was taken." (See # 27D)

In a January 26, 2010 interview on the KRMG Morning News, Mayor Bartlett again acknowledges that the FOP has their latest proposal which calls for no layoffs. In fact, Mayor Bartlett states that if they agree to the proposal they should have enough funds left where they can hire back three officers laid off last year and states, "It's actually a uh, no layoff policy plus three." (See # 40)

In an interview with Mayor Dewey Bartlett, Mayor Bartlett advised that from the onset, he was not interested in utilizing grant monies to supplement or support the Police Departments budget and that he was more interested in the organizational structure of the Police Department.

Mayor Bartlett explained that Stuart McCalman told him that layoffs had to be imminent and had to have occurred and that if there was potential for layoffs not occurring then a request for re-application would have been premature. He went on to explain that Stuart McCalman's understanding of when JAG funds could be used is also his understanding.

Additionally, Mayor Bartlett admitted that proposals presented to the FOP. included the use of JAG funds to prevent layoffs. This would be contrary to his previous statement that layoffs had to have occurred. When asked how then if officers had to be laid off before grant funds could be applied for could he use the funds in a proposal to the FOP as a way to avoid layoffs, Mayor Bartlett said he did not know the answer but admits the proposal to the FOP. were approved by him.

When explained to Mayor Bartlett that if layoffs could have been prevented if the FOP. would have voted to approve one of the proposals that included the use of JAG funds then the City would have had to apply for the reallocation of the grant funds before any layoffs occurred, Mayor Bartlett replied, "I might have been mistaken. I guess I will have to reevaluate my position on that one." This investigator then stated that apparently someone was aware that JAG funds could be applied for to prevent layoffs because that is what was offered, Mayor Bartlett replied, "That's probably the case."

When questioned further about this, Mayor Bartlett would not say that his position was incorrect but only that he would have to reevaluate his position on that one. During this portion of the interview Mayor Bartlett said he needed to make a phone call and that he would get back with me on that one. This investigator suggested that we sit and talk about it and the Mayor said "I don't want to" and said he didn't "want to be painted into a corner" and left the interview room.

Upon return to the interview room, Mayor Bartlett indicated that he talked to Terry and that he was going to defer answering that question and was going to defer to Terry and that he could answer that question. When questioned further about this, Mayor Bartlett again said he was going to defer to Terry, that he could not recall the information this investigator was asking for and that he had to refresh his information and would let Terry Simonson answer his question for him. When asked who he talked to when he left the room for fifteen minutes, Mayor Bartlett stated twice that it was not important.

When asked how he could authorize the use of a grant that he didn't even know he could get or apply for, Mayor Bartlett paused for a very, very long time and then instead of answering the question asked if this investigator smelled something burning, sniffed his cell phones and then when told "No", Mayor Bartlett said, "I guess it was that peppermint I just ate." When asked the same question again, said "I'm not going to answer that."

Did any senior member of the current Administration—including Mayor Dewey Bartlett and Terry Simonson, Chief of Staff—make false statements to the City Council regarding

- His/her role on or about January 29/30th in directing Deputy Chief Webster to contact the U.S. Department of Justice and cancel the request to use the JAG funds.

Interviews with Deputy Chief Daryl Webster, Chief Chuck Jordan, Art Surratt, Jim Twombly, Mayor Dewey Bartlett and Chief of Staff Terry Simonson reveal that a request for reallocation for 58 officers for 11 months was submitted on January 27, 2010, which would have been the day of the FOP. vote on the proposal that included the use of JAG funds. Apparently on this same date (January 27, 2010) Deputy Chief Webster stated that he received a verbal directive From Chief Jordan who received the directive from Jim Twombly to submit a request for reallocation for the use of JAG funds for 58 officers for 9 months. Jim Twombly confirms that he likely gave that direction to Chief Jordan.

However, this investigator has learned that even though a different request had been directed for submission to DOJ for 58 officers for 9 months by Jim Twombly that submission never occurred because on the January 28, 2010, Daryl Webster received information that the City was going to ask them to change the figures again. The reason for the change in the request was apparently because 58 officers could not be retained for 11 months. It had to be 9 months for the math to work out, so only one request for allocation was made at that time.

On January 29th, Stuart McCalman sent an e-mail to Chief of Staff Terry Simonson and Mayor Dewey Bartlett explaining to them that although the FOP. voted down the proposal that included the JAG funds the reprogramming request has been submitted to DOJ for 58 officers for 11 months. He goes on to tell them that if DOJ approves the reprogramming request they need to decide whether the monies (a) should be used for rehiring, (b) remain as a carrot for further negotiations or (c) have TPD submit another request and ask that they be reprogrammed for another purpose.

Mr. McCalman went on to explain that there may still be time to withdraw the reprogramming request to DOJ, though the window on that is closing quickly if not already closed. (See #36)

On January 29, 2010 and on February 3, 2010, the Tulsa World quoted Mayor Bartlett as saying that he had not yet decided on whether to apply to redirect the 2.4 million dollars in JAG Grant funds to hire back some of the officers. From the time Mayor Bartlett first learned of grant funds potentially being used for officer's salaries, Mayor Bartlett was opposed to using such funds.

Subsequently, on January 30, 2010 the DOJ submission request was cancelled as directed by Chief Chuck Jordan. Mayor Dewey Bartlett admits that he ordered that this request be cancelled and states he did so because a submission had been made to DOJ for a lesser period of time than he had wanted.

On February 8, 2010, the Police Department received another directive to resubmit the request to the Department of Justice for 35 officers over a period of 17 months and that Tulsa Police Grants Administrator submitted the request.

Terry Simonson told this investigator that once the vote took place, he had nothing more to do with when the reallocation request was submitted and stated that they lost a whole week in that time frame but states that he does not know why. He also stated that nobody in City Hall was driving the grants process.

Did any senior member of the current Administration-- including Mayor Dewey Bartlett and Terry Simonson, Chief of Staff--make false statements to the U.S. Department of Justice regarding the City of Tulsa's understanding, position or intention regarding the reallocation of JAG funds by the City of Tulsa.

In an e-mail to Carol Poole, Acting Deputy Director of the U.S. Department of Justice dated March 5, 2010, Chief of Staff Terry Simonson explained that members of the City Council were questioning whether or not the Mayor could have done something sooner with JAG dollars and have avoided the layoffs in the first place or the expenses associated with the layoffs.

In this same e-mail, he claims that the idea of repurposing the JAG funds to rehire officers first came to Mayor Bartlett's attention in January and that they Mayor was told in January by members of the Tulsa Police Department management that before the money could be used or before the request for repurpose of the JAG funds could be submitted, the layoff of officers had to have actually occurred and not just might occur at some point in the future.

Terry Simonson goes on to state in this e-mail that it was the Mayors understanding that it was the vote of the FOP which resulted in the actual certainty of the layoffs that served as the trigger event upon which they could then make the repurpose request of the JAG funds.

As you are aware, Carol Poole responded by stating that, although they have made it clear that documentation must be maintained, the funds may be used for retaining jobs as well as restoring or creating new jobs. She went on to state that documentation or retained jobs would have included City Council minutes or memos between the Mayor and human resources or anything documenting the potential layoff situation.

As part of this same e-mail string, Terry Simonson replied by stating that while he understands now the use for retaining jobs, it was not until the police union voted was there any issue of retaining jobs that would be laid off. He went on to state that the Mayor had presented a proposal that would have retained jobs provided a small salary deduction was approved by their unions. (See #13)

Terry Simonson explained that the City Council plays no part in the process, (apparently referring to the documentation of the potential for layoffs). He then told Carol Poole, the earliest that any request to repurpose the grant funds could have been made was on the 22nd of January and asks her if that would be correct. Carol Poole in turn responded and said that it sounded to her like he could make that case.

Based on the interviews conducted and the evidence collected in this case, it is apparent that Mayor Dewey Bartlett had knowledge prior to January 2010 that the JAG Grant could be reprogrammed or reallocated to retain Jobs, and/or rehire officers if laid off. (See #1, Recovery Act information – Example 3), (See # 5, Budget Reduction report, page # 21), (See # 7, Memo from Mayor Bartlett to Phil Evans, page 2), (See # 8, e-mail from Terry Simonson to Mark McCrory), (See # 33, e-mail from Abbie Alford to Terry Simonson enquiring about Jag money being transferred to salaries upon Federal approval)

As for the claim in Terry Simonson's e-mail to Carol Poole of the Department of Justice that a member of Tulsa Police management told Mayor Bartlett in January that the layoff of officers had to actually occur before the request to repurpose the JAG funds could be submitted, I have found no evidence to indicate this. Tulsa Police Management team members deny this and Terry Simonson admits that Chief Palmer never directly relayed this stance to him but claims that it was somehow relayed to the Mayor's Management Team that Chief Palmer believed that layoffs had to occur before a reallocation request could be made.

Terry Simonson told this investigator that Chief Palmer never told him personally that layoffs had to first occur but stated that Chief Palmer reportedly relayed this to one or more unknown mayoral

management team members. Mayor Bartlett states that Chief Palmer never told him that the officer did or did not have to be laid off in order to submit a reallocation request.

Deputy Chief's Webster, McCrory and Larsen all deny that they ever told the Mayor or his staff that layoffs must first occur. Chief Palmer denies making such a claim and so does Captain Jonathan Brooks. Additionally, (See # 10, TPD Staff Reduction Proposal # 2 prepared by Chief Palmer, page 2), (See # 28, City proposals to FOP that include use of JAG funds to save sworn employees), (See # 34, e-mail to Dewey Bartlett, Terry Simonson & Jim Twombly outlining number of potential jobs saved using JAG funds).

Additionally, Terry Simonson's position to this investigator is that Carol Poole with the Department of Justice agrees with his opinion/position as it relates to the use of the JAG Grant and that her definition of rehire is the same as his.

As for Terry Simonson's assertion that Mayor Bartlett did not learn of JAG until January, this investigator can identify some of what Mayor Bartlett knew and when as it relates to JAG and can identify some of what Terry Simonson knew and when as it relates to Jag but I have been unable to prove what Terry Simonson knew about what Mayor Bartlett knew about JAG prior to January. Additionally, this investigator has not been able to identify any staff member at this point who has stated that Chief Palmer advised that officers must first be laid off before a reallocation request could be submitted.

Further, it is the position of Terry Simonson's legal counsel, Dave Omelia that the City Council has no authority to investigate whether false statements were made to the Department of Justice and has implied that potential legal action could be taken against the City Council for defaming a public figure if this is pursued further.

Interviews

Daryl Webster - Deputy Chief

On April 26, 2010 this investigator interviewed Deputy Chief Webster in reference to this case. Chief Webster advised that late last year a COPS grant was received that was going to be used to hire additional officers. He advised that the Police Department contacted the Department of Justice to see if COPS grant funds could be used to retain officers slated for layoffs due to budgetary constraints.

He also advised that the Department of Justice allowed the use of these funds as they related to the COPS Grant. He explained that these funds were used to bring back eighteen of twenty one officers that had previously been laid off.

Deputy Chief Webster advised that the COPS grant was used and was done and over with once these officers were retained and only three officers actually ended up being laid off. He further advised that no further COPS grant funds were available to hire back the remaining three officers, so the Police Department began looking at using the Jag/Byrne grant funds to rehire the three officers who were laid off.

Additionally, Chief Webster produced an e-mail dated October 16, 2009 from officer Art Surratt, grants administrator, wherein Officer Surratt asked Gerardo Velazquez of the Department of Justice if a portion of the JAG grant funds could be used to pay the salaries/benefits of police personnel to prevent the inevitable lay-off of personnel for fiscal year 2010 and 2011 if necessary.

According to Deputy Chief Webster, the Police Department subsequently submitted a request to the Department of Justice to reprogram or redirect JAG funds to rehire the three officers who were laid off and that the Department of Justice approved the request. However, he states that these funds were never approved for use by the Mayor or the City of Tulsa.

Deputy Chief Webster explained that there were 2.4 million dollars in funding available via the JAG Grant and that only about six hundred thousand had been used to this point and mostly for equipment purchases. He further explained that on December 8, 2010, Art Surratt sent an e-mail to Stuart McCalman in which he attached a copy of the Recovery Act guidelines provided by the Department of Justice, drawing his attention to Example number three on page 6 of the document which outlines a scenario where JAG funds could be used to pay salaries for officers who were intended for layoff, assuming that the City can document the planned layoff, thereby avoiding supplanting issues.

Chief Webster advised that this same document was e-mailed to Stuart McCalman again in January of 2010 and was also provided to members of the City Council. According to the example listed in scenario number three of this document, Deputy Chief Webster states that it is not necessary to lay off officers before being allowed to reallocate the grant funding. (See #1, Recovery Act Information-Example #3)

He went on to state that the latest round of budget cuts came in early December of 2009 and that the Police Department was preparing for a headcount reduction. He showed this investigator an e-mail from Tom Dapice, Tulsa Police Department Budget Analyst, dated December 11, 2009 which states that this round of budget reductions is particularly a headcount reduction and that no departmental furlough

offering is appropriate. (See #2, Tom Dapice email, Subject: 'FY 10 December Budget Reductions Advice', dated 12/11/09)

Further, Chief Webster stated that he began communicating with Stuart McCalman on or about December 10, 2009 about the use of JAG funds and that he requested a meeting with Mayor Bartlett and Chief of Staff Terry Simonson about budget issues. Deputy Chief Webster provided copies of e-mails to and from Stuart McCalman, Chief Ron Palmer and Chief of Staff Terry Simonson about these issues, including discussion about JAG funds. Deputy Chief Webster clarified that during the month of December, Chief Ron Palmer was out of the office due to surgery and that he, (Webster) was the acting Chief of Police during this time.

Deputy Chief Webster pointed out an e-mail string wherein he discussed JAG funds with Stuart McCalman, pointing out that Stuart McCalman asked him if he had set up a meeting with the Mayor or Terry Simonson on the JAG grant issue. In this e-mail string, Deputy Chief Webster stated that Terry Simonson had not yet responded to his e-mail. (See #3, Stuart McCalman email, Subject: 'Council', dated 12/10/09)

A review of the e-mails discussed herein, reveals that Deputy Chief Webster also sent an e-mail to Chief Palmer, asking him if there were any other issue he would like for him to raise aside from the Byrne grant and FOP concessions. (See #4, Daryl Webster email, Subject: 'Meeting Reference FOP Concession Proposal', dated 10/12/09)

Deputy Chief Webster advised that on December 11, 2009, he and Deputy Chief Mark McCrory met with Mayor Bartlett and Terry Simonson about budget issues in an attempt to avoid layoff of personnel. He advised that they discussed the potential use of T.A.R.E funds, the sale of a department helicopter and advised both the Mayor and Terry Simonson that the Police Department would like to use JAG/Byrne grant funds to save officers' jobs. He went on to state that they told Mayor Bartlett and Terry Simonson that they thought the Department of Justice would allow them to reprogram funds to save officers' jobs but that they would need the number of officers that they intended to lay off and the time frame that they would like to use the funds.

In addition to these topics of discussions, Deputy Chief Webster advised that he and Deputy Chief McCrory offered up the money that would have normally been spent on purchasing 108 new police cars and advised that doing this might require approval of a 'Brown Amendment' in order to complete. It was during this meeting that Deputy Chief Webster advised that Mayor Bartlett told him and Deputy Chief McCrory that he was going to aggressively go after the police union.

Additionally, Deputy Chief Webster advised that approximately one week later on December 18, 2009, Deputy Chief Mark McCrory, Deputy Chief Dennis Larsen and Captain Jonathan Brooks met with Chief of Staff Terry Simonson. He advised that the above individuals hand carried a budget reduction report to Terry Simonson and explained to him in great detail that the JAG/Byrne grant funds could be utilized to retain officers' jobs.

Deputy Chief Webster explained that Terry Simonson was advised in detail about option three in this report, which was page 21 of the 21 page report. In this particular option the report explains that they are optimistic that by applying to the federal grantor, they may receive authorization to apply additional funds for rehiring or retaining additional laid-off personnel. This report also urges the approval of their application and consideration of the other options presented. (See #5, TPD Budget Reductions Report FY 09/10, dated 12/18/09)

Further, Deputy Chief Webster explained that on December 29, 2009, Chief Palmer sent an e-mail to Phillip Evans of the Fraternal Order of Police, outlining to him that on December 18, 2009 the Police Department submitted alternative funding options, including the use of JAG grant money as a onetime infusion of funds to avoid layoffs in 2009-2010. (See #6, Ron Palmer email, Subject: 'FYI', dated 12/29/09)

Additionally, Deputy Chief Webster produced a memorandum from Mayor Bartlett's office on City of Tulsa letterhead dated December 29, 2009 to Phillip Evans, President of the Fraternal Order of Police in which Mayor Bartlett addressed issues regarding the Tulsa Police Department.

In this memorandum, Mayor Bartlett lists a subtitle on page two entitled, 'There is federal grant money available that could be used to save some positions.' In this paragraph, Mayor Bartlett states, "We have been told that there are JAG funds available that could be used to save some, not all of the projected job losses. If this is the case and these JAG funds were to be used, this would only fund some of the positions until June 30, 2010. After June 30th, we could still be faced with budget shortfalls and the related reduction in force. This option is still being reviewed." (See #7, Mayor's Memo to Phil Evans, 'Issues Regarding TPD', dated 12/29/09)

Deputy Chief Webster also produced an e-mail from Terry Simonson on his personal e-mail account to Deputy Chief Mark McCrory dated January 1, 2010, wherein Terry Simonson asked Deputy Chief McCrory if the city has received the JAG money and then asks, "If half of the grant money were to be used, how many officers could be retained for a 12 month period?" (See #8, Terry Simonson email, (no subject) dated 1/1/10)

On January 5, 2010, Terry Simonson was quoted in the Tulsa World stating that "demotions are not the strategy of choice. That is coming to us from the Chiefs." According to Deputy Chief Webster this statement is not true and that Chief Ron Palmer submitted an Interoffice Correspondence to the Mayor's Office which refutes this. Deputy Chief Webster states that he includes this information as it shows yet another untruth on the part of Terry Simonson as to what actually occurred. (See #9, Tulsa World: 'Chief: Tulsa Police Supervisor Demotions Possible', dated 1/5/10)

Deputy Chief Daryl Webster produced an interoffice correspondence addressed to Mayor Dewey Bartlett, Terry Simonson, Jim Twombly, Mark McCrory, Dennis Larsen and himself, from Chief Ron Palmer dated January 10, 2010. In this correspondence on page two, Chief Palmer explains that alternative funding scenarios do exist that could eliminate or reduce the need for any job actions and have been presented previously as alternatives to job actions. This correspondence goes on to state that these alternative funding sources, as proposed previously, include JAG/Byrne grant funds that may be available upon application. Also in this document, Chief Palmer outlines additional plans for possible demotions or reductions in rank as directed by the Mayor's office and voices his concerns about this. (See #10, Ron Palmer's Memo to Mayor, 'TPD Staff Reduction-Proposal #2', dated 1/10/10)

Chief Webster went on to state that on January 12, 2010, he appeared before the Tulsa City Council with Chief Ron Palmer and explained in that meeting that what was needed to apply for the JAG/Byrne grant funds was a number of officers to be laid off and a date or period of time the funds would be needed. He states that this information or authorization was never received prior to lay-off notices being issued.

He explained that on January 22, 2010, lay-off notices went out to officers. On January 25, 2010, he e-mailed Major Eric Dalgleish and asked him to be prepared to fire off the Byrne request at a moment's

notice, indicating that they would have the numbers required for the submission shortly. (See #11, Daryl Webster email, Subject: 'Byrne', dated 1/25/10)

On January 27, 2010, the Fraternal Order of Police voted not to accept the proposal presented by the city. Also, on January 27, 2010, Deputy Chief Webster states that he received a verbal directive from Chief Jordan to submit a request for reallocation of funds on the JAG Grant for 58 officers for 9 months. Deputy Chief Webster advised that he understood that this authorization came from city hall and more specifically, from Jim Twombly. He advised that the request was subsequently submitted to the Department of Justice.

According to Deputy Chief Webster, on January 28, 2010, he received information that the Police Department would be asked to change the JAG grant submission again to fund a number of officers for a different period of time and that he communicated this to Major Eric Dalgleish.

Next, Deputy Chief Webster advised that on January 30, 2010, he received a verbal directive from Deputy Chief Jordan to cancel the request to the Department of Justice for the reallocation of JAG Grant funds. He also advised that on February 8, 2010, he received another directive to resubmit the request to the Department of Justice for 35 officers over a period of 17 months and that Tulsa Police Grants Administrator submitted the request.

On February 19, 2010, Deputy Chief Webster states that he sent an interoffice Correspondence to Chief Chuck Jordan expressing his concerns about the use of Department of Justice grant funds in negotiations between the Fraternal Order of Police and the City of Tulsa. He went on to explain in this memo that he has concerns about the liability of the City if grants funds are used in negotiations and about the possibility that doing so risks violating grant rules, the intent of the grant and possible supplanting issues at a later date. (See #12, Daryl Webster Memo to Chief Chuck Jordan, 'Concerns Re DOJ Grant Funds', dated 2/19/10)

In a March 9, 2010 meeting with the City Council, Deputy Chief Webster states that Mayor Bartlett told the Council that he had an e-mail from the Department of Justice saying that layoffs had to occur. Also on March 9, 2010 a (on-line version) and March 10, 2010 a (print version) of an article was published in the Tulsa World Newspaper in which the e-mail string between Carol Poole of the Department of Justice and Chief of Staff Terry Simonson, wherein Terry Simonson told Carol Poole that "The idea of repurposing the JAG funds to rehire officers first came to the Mayor's attention in January, since he had just taken office in December."

Deputy Chief Webster relayed that reading this exchange between Terry Simonson and Carol Poole is what prompted him and the other Deputy Chiefs to prepare a memo outlining the series of events as they occurred with regard to JAG grant fund use. Deputy Chief Webster stated that information contained in Terry Simonson's e-mail with respect to when the Mayor learned of JAG grant repurposing was not true and that the memo was prepared to express their concern over this. (See #13, Carol Poole email, Subject: 'JAG Grant', dated 3/5/10), (See #14, Deputy Chiefs' Memo to Interim Chief Chuck Jordan, 'Concerns Re Grant Comments', dated 3/15/10)

According to Deputy Chief Webster, the memo was also prepared to refute Terry Simonson's claim that the Mayor was told by Tulsa Police Department Management that layoffs had to actually occur and not just happen at some point in the future. He advises that neither he, Chief Palmer nor the other Deputy Chiefs ever advised Terry Simonson or the mayor that layoffs had to first occur before repurposing of the grant could be requested.

Deputy Chief Webster also relayed that at some point after he and the other Deputy Chiefs produced the memo to the Chief regarding their concerns, Chief Jordan took Captain Jon Brooks to a meeting with Mayor Bartlett, at the request of Mayor Bartlett. In this meeting, Mayor Bartlett reportedly told Chief Jordan that as soon as Terry Simonson was cleared in the Council investigation, that he wanted the Deputy Police Chiefs disciplined.

Deputy Chief Webster subsequently produced copies of Chapter 5 of Title 25 and section 500 of the City Charter which allows for communication between City employees and the City Council, a copy of City Charter Title 27-Penal Code Section 310 regarding false statements to the City Council and City of Tulsa Personnel Policies and Procedures Section 411.3 R-9 to R-24 which outlines commitments of acts that could bring embarrassment, distrust or discredit to the City of Tulsa and falsification of any record, written or oral or document arising from employment or work with the City. (See #15 A-C)

In Summary, Deputy Chief Webster stated that there is no dispute about the fact that JAG grant funds were there and available and that every effort was made to convey that to Terry Simonson and Mayor Bartlett. He went on to state that the request for the reprogramming of the JAG grant could have been made in December or at the very least, much earlier than it was, indicating that they could have used JAG funds to get them through the end of January if they had to.

Chuck Jordan - Police Chief

On April 26, 2010, this investigator interviewed Chief Chuck Jordan in reference to this case. Chief Jordan advised that he came on board January 22, 2010, which is the same day that layoff notices were issued to affected officers.

Chief Jordan states that he has never had a discussion with Terry Simonson about the use of grants. He did state however that he conveyed to Mayor Bartlett, Terry Simonson, Jim Twombly and Jerry Bender that they could not use JAG funds in negotiations with the FOP.

Chief Jordan explained that Jim Twombly directed him to submit a reprogramming request for use of JAG funds toward the end of January and that the submission to the Department of Justice was for a period of 9 months. He states that he was later told to hold up on the request and was then later told to submit the request for a 17 month period instead.

When asked about Mayor Bartlett's reported comment about wanting the Deputy Police Chiefs disciplined over their memo dated March 15, 2010, Chief Jordan confirmed that this statement was indeed made.

Additionally, Chief Jordan indicated that on February 19, 2010 he had informed the Mayor's Office, via e-mail, including; Terry Simonson, Jim Twombly, Jerry Bender and Joyce Powell, that they needed to keep in mind that they should not sign on to anything that mentions the use of grant funds and that he referenced the memo by Deputy Chief Daryl Webster warning that the City nor the FOP could tie reallocation of DOJ grant funds to negotiations or concessions without risk of violating grant rules or the intention of the grant. (See #16, Chuck Jordan email, Subject: 'Grant Memo.doc', dated 2/19/10)

Chief Jordan had little to offer in the way of information as most of the discussions and e-mails took place prior to him coming on as Chief of Police but Chief Jordan did state that he thought that Jim Twombly was probably not fully informed by the Mayor and Terry Simonson during the negotiation process.

Shane Tuell – Internal Affairs

On April 27, 2010, this investigator interviewed Officer Shane Tuell in reference to this case. Officer Tuell is currently assigned to the Internal Affairs Division and is the Fraternal Order of Police liaison to the City Council.

Officer Tuell states negotiations for fiscal year 2010-2011 began in December of 2009 and at the same time separate negotiations were being conducted to amend the current year contract. He advised the negotiations did not go well, with several offers and counter offers proffered. He went on to state that on or about January 22, 2010, he engaged Terry Simonson in a discussion in the presence of the Mayor over negotiations, asking why the Fire Department was allowed to utilize reserve funds and that Terry Simonson told him that the Fire Department was being rewarded for doing a reorganization. When asked if he recorded the conversation with Terry Simonson and the Mayor, he advised that they are not allowed to records meetings with them

On or about January 25, 2010, Officer Tuell states that a new budget reduction analysis or proposal came out with additional language in it that pushed the FOP into voting the proposal down. In this budget reduction analysis/proposal, Officer Tuell states that the language, 'Alternative Reductions to Laying off Police Officers' was used. In this proposal and in ones previous, JAG grant funds were offered, which would save up to 58 officers' jobs.

Additionally, Officer Tuell advised that in a February 2, 2010 Urban and Economic Development meeting, Mayor Bartlett said that layoffs had to be imminent and that they had to occur. Ofcr. Tuell advised that the FOP felt that Mayor Bartlett was trying to create an emergency situation in order to bring the Sheriff's Office in to patrol the city.

Further, Officer Tuell explained that, in his opinion, the FOP offered the city a solution to the funding problem and the city turned it down. He went on to explain that the FOP signed off on memorandums of understanding and that the city sat on the MOU's, did not sign them and kept changing things, which finally pushed the FOP into a situation where they had to turn down the City's proposal. (See #17, Memorandum of Understanding, Amending the FY 2009-2010 Collective Bargaining Agreement)

Officer Tuell also referenced a January 27, 2010 Tulsa World article in which he claims that City Clerk Mike Kier agreed that the JAG grant could be used to save jobs. Officer Tuell advised that the City has cut 89 positions that will not be filled, which he believes could put the city in a potential supplanting situation. He said that the FOP raised the issue of supplanting with the city sometime around the end of March and advised that Jim Twombly told the FOP that the Mayor was probably going to pay back the JAG grant monies to avoid a potential supplanting issue.

Lastly, Officer Tuell provided a copy of a 'Timeline of Contacts between FOP and Mayor's Office', prepared by the FOP as they relate to this whole topic of negotiations. In this document, it states that the first offer from Mayor Bartlett was January 13, 2010.

- On January 20, 2010, Terry Simonson reportedly told the FOP that as long as the City and the FOP are in productive negotiations that no action to enact layoffs would be taken.
- On January 21, 2010 Mayor Bartlett announced layoffs. When the FOP approached Mayor Bartlett and asked him why he was going back on his word, Mayor Bartlett reportedly responded by saying, "I didn't say anything, Terry did. I'm not bound by what Terry says."
- On January 22, 2010, the FOP met with Mayor Bartlett and offered a counter proposal. The counter proposal was rejected by the Mayor's Office and a second proposal was submitted by Mayor Bartlett.
- On January 25, 2010, Mayor Bartlett submitted a different offer. The FOP reportedly requested to meet with the Mayor about this offer. The request was denied and they were told by the Police Chief that this was the final offer. Mayor Bartlett reportedly told the Tulsa World that the FOP was free to vote on either proposal.
- On January 26, 2010, 90 minutes before the FOP is to meet for a vote, Jim Twombly contacted the FOP leadership and advised that the 2nd proposal is no longer on the table and that only the 'Final Offer' can be accepted.
- On January 27, 2010, an \$800,000 error is found in the 'Final Offer' and confirmed by the Finance Department and they are notified that as many as 14 officers may still be laid off. (See #18, Timeline of Contacts between FOP and Mayor's Office)

Jonathan Brooks - Captain

On April 27, 2010, this investigator interviewed witness Captain Jonathan Brooks in reference to this case. Captain Brooks is in charge of Grants, Allocations and Public Information Office. He advised that he has worked on projects related to budget reductions. He advised that in the first round of layoffs, 21 officers were laid off with 18 rehired utilizing the COPS grant.

He went on to state that originally, the JAG grant funding was requested to bring back the three remaining officers that were not rehired during the first round of layoffs. He advised that approval was received from the Department of Justice for the rehiring of these three officers but authorization was not received from the city to utilize those funds.

Captain Brooks went on to state that in early December 2009, Mayor Bartlett requested a budget reduction plan. One was for 2.2 percent and another for 4.4 percent. He advised that he assisted in the preparation of the budget reduction plan and submitted to Deputy Chief McCrory, who in turn submitted the plan along with Deputy Chief Larsen and himself (Brooks) to Terry Simonson and Finance Director Mike Kier on December 18, 2010.

Captain Brooks advised that Chief of Staff Terry Simonson was presented a copy of the budget reduction analysis and that upon doing so, Terry Simonson stamped the proposal with a 'Draft' stamp, advising

that the draft would not be a matter of public record. Captain Brooks further advised that they got to the addendum part of the proposal and discussed specifics with Terry Simonson.

Included in this discussion, were topics such as the TARE fund, Helicopters and Option number three, which discussed the utilization of JAG funds. Specifically, Captain Brooks stated that Deputy Chief Mark McCrory told Terry Simonson that JAG funds could be utilized to retain officers and to bring back the other three officers not rehired with the use of COPS grant funding.

According to Captain Brooks, Terry Simonson responded by stating that these were all good ideas but that they had ideas of their own. Specifically, Terry Simonson discussed collecting unpaid taxes and referenced a business that owes one million dollars in back taxes. He did say that he and the Deputy Chiefs discussed each point and that Terry Simonson made notes on his copy of the budget reduction analysis that they provided to him, advising that he would discuss each point with the Mayor personally.

Also, in this meeting Captain Brooks states that Terry Simonson asked questions about the use of JAG funds, such as how much money is available and asking how many officer positions could be saved utilizing the JAG funds. He advised that Deputy Chief McCrory specifically told Terry Simonson that the JAG funds could be used to retain officers, further explaining that they were hopeful that the money could be used to both retain officers and to bring back the three remaining officers not brought back with the COPS grant funding.

Captain Brooks advised that Terry Simonson seemed to have an understanding of JAG grant funds and that there was no doubt in his mind that Terry Simonson had a full understanding that JAG grants could be used to retain officers.

Captain Brooks went on to state that on April 13, or April 14, 2010, he was called to the Mayor's office along with Chief Chuck Jordan. Both he and Chief Jordan received an e-mail from Kim Macleod requesting both of them to attend the meeting regarding some public information issues. He advised that he and Chief Jordan attended this meeting and that in one of the last topics, he advised that Mayor Bartlett stated to Chief Jordan that he wanted something done to the Deputy Chiefs for writing the letter that they did.

Cpt. Brooks said that Chief Jordan told Mayor Bartlett, "That would not be a good idea", and that the Mayor responded by stating that he at least wanted to talk to the Deputy Chiefs and that the Deputy Chiefs should have come and talked to him. According to Cpt. Brooks, the Mayor did not stay on this topic very long.

Art Surratt – TPD Grants Coordinator

On April 27, 2010, this investigator interviewed Tulsa Police Grants Coordinator Art Surratt. Mr. Surratt advises that most of his contact with City officials on the matter of COPS and JAG grants were with Stuart McCalman.

According to Mr. Surratt, the issue of grants all began with the COPS Grant award for the rehiring of 18 officers during Mayor Kathy Taylor's term. He advised that the COPS Grant was repurposed from hiring new officers to rehire officers. He states that even so, three officers were not brought back under this funding source.

He went on to state that on October 16, 2009, he submitted an e-mail to his Department of Justice contact, Gerardo Velazquez, asking him if they could reallocate the JAG Grant funds to rehire the remaining three officers that were not brought back under the COPS Grant. He advised the Mr. Velazquez stated that the Department of Justice did allow this but that a formal request had to be submitted for a formal answer. (See #19, Arthur Surratt email, Subject: 'ARRA JAG Reporting Requirements', dated 10/16/09)

On November 17, 2009, Mr. Surratt states that a formal request was made for the reallocation of the JAG grant and that the Department of Justice wanted more detail. He advised that additional information was provided on November 25, 2009 and that on December 1, 2009 the request to rehire the three officers who were laid off and not rehired with COPS Grant funding was approved. Once this process is completed, Mr. Surratt states that it requires the Mayor to request approval of the City Council. He states that this approval was never received.

Mr. Surratt states that on December 4, 2009, he and City of Tulsa Grants Coordinator Dafne Pharis attended a Department of Justice Grant school in Dallas, Texas. It was at this conference that he learned about the Grant Adjustment Notice. During this conference, Mr. Surratt advised that Dafne Pharis received a text message from Stuart McCalman, asking her to relay to him, (Surratt) that the City was not going to approve the rehire of the three remaining officers until they had a chance to review. According to Mr. Surratt, Dafne Pharis told him that she was never asked about her knowledge of JAG Grants funding and its usage by City officials.

During this conference, Mr. Surratt advises that he learned from the Department of Justice that funds could be utilized to retain officers vs. rehiring them after they had been laid off. Mr. Surratt said that he had many questions about this of Department of Justice officials and that he returned to the department and had discussions with TPD administration on this same topic.

Mr. Surratt advised that on December 8, 2009, he received an e-mail from Stuart McCalman enquiring more about JAG grant usage. He states that he sent Stuart McCalman information regarding the Recovery Act as it relates to the Department of Justice grants and highlighted example number three which describes a scenario where officers are retained using grant funds. Mr. Surratt also states that he had a discussion with Stuart McCalman via telephone in which he explained to Stuart McCalman that retention of officers could occur vs. rehiring them after a layoff.

Additionally, Mr. Surratt advised that on December 29, 2010, it was mentioned to him that up to 135 officers could potentially be laid off and he was asked to make sure he was available to make a request for reallocation of JAG Grant funds. He said at this time, he needed a specific number of officers and a period for how long the grant funds were to be used in order to submit a request to the Department of Justice.

On January 1, 2010, he received an e-mail from Stuart McCalman who advised that he was to brief the Mayor on JAG funding for the rehire of the three officers, requesting that another copy of the Recovery Act and supplanting information be sent to him again, which he did.

On January 22, 2010, layoff notices were handed out to officers. On January 27, 2010, Mr. Surratt states that he submitted a request to the Department of Justice to reallocate JAG grant funds to retain 58 officers for 11 months. He states that he was later asked to change that figure to 58 officers for 9 months, as the original figure of 11 months did not add up to 58 officers.

Since the layoff notices were handed out and layoffs had to occur on January 29, 2010, Mr. Surratt states that this definitely met the requirements for submission to the Department of Justice. He went on to explain that the Police Department wanted to submit the reallocation request on January 22, 2010 but because negotiations were ongoing and kept the total number of officers slated for layoff fluid, they did not have an exact number to submit with their reallocation request. Subsequently, Mr. Surratt explained that he was told to cancel his request to the Department of Justice for repurposing of JAG grant funds.

Mr. Surratt went on to state that on January 29, 2010, the Tulsa World published an article in which Mayor Bartlett was quoted as saying that they would be reviewing the grant money to see if they wanted to re-hire officers or keep the money for other police related projects. (See #48, Tulsa World: 'Officers' Payouts to be 1.2 Million', dated 1/29/10). As a result, Mr. Surratt explained that he was waiting on the Mayor's office to make a decision about whether to apply for reprogramming of the funds again and if so, how many officers for how many months but he was told that a decision would not be made until the following Monday.

On February 3, and February 4, 2010, Mr. Surratt states that Mayor Bartlett was quoted in the Tulsa World as saying that he and Chief Jordan had not yet made a decision on what to do with the JAG funds. Mr. Surratt states that on February 8, 2010, he received an e-mail from Stuart McCalman asking him if he had heard anything on the JAG Grant. He advised that he told Stuart McCalman that he was waiting on approval from the Mayor's Office and a number of officers he was to submit for.

On this same date, February 8, 2010, he was given approval for submission to the Department of Justice to retain 35 officers for 17 months. He states that the request could have been submitted on January 22, 2010 instead of waiting. Mr. Surratt went on to state that everybody understood that the submission for reprogramming to the Department of Justice was for retaining officers and that the officers did not have to be laid off first.

According to Mr. Surratt, Stuart McCalman requested his Department of Justice contact information for the JAG grant. He went on to state that at some point a snow storm hit Washington D.C. and government offices were shut down. He went on to explain that on February 17, 2010, he sent an e-mail to his DOJ contact, Gerardo Velazquez, who was out of town from February 16, 2010 through March 2, 2010 and received an out of office automated reply, providing other office contact information that he in turn passed along to his supervisors.

Mr. Surratt explained that on March 5, 2010, Stuart McCalman sent him another e-mail request for information on Department of Justice grant guidelines, (aka Recovery Act information), that he had already e-mailed to Mr. McCalman twice before by this time.

Mr. Surratt explained that the formal declaration of layoffs was made on January 22, 2010 when layoff notices were given and that the city definitely could have made the request for reprogramming on that date. He went on to state that the city may find themselves in a supplanting situation if the officers are not rehired and the grant is not repurposed for its original intended purpose.

Mr. Surratt advised that he has been in contact with Gerardo Velazquez with the Department of Justice since this whole issue came about and was publicized. He advised that Mr. Velazquez advised that if things kept on the way they were, referencing the e-mails to Carol Poole, supplanting issues and accusations of lying to the Department of Justice, this could trigger an audit by the Inspector General's

Office. Additionally, he stated that Cathy Crisswell also expressed fears that all that has gone on with the grant will trigger an audit by DOJ.

Further, Mr. Surratt explained that on March 8, 2010, Stuart McCalman sent an e-mail to Gerardo Velasquez of the Department of Justice, inquiring about the use of JAG grant funds being used in negotiations. He went on to state that Stuart McCalman relayed to him, (Surratt) that he was concerned about the city using JAG funds in negotiations and that it may potentially be illegal. (See#26, Stuart McCalman email: Subject 'clarification', dated 3/8/10)

After this e-mail sent out by Stuart McCalman became public, Mr. Surratt said that he received a phone call from Gerardo Velazquez of the Department of Justice, who asked him, "What is going on down there?" He said that Mr. Velazquez said that they had been receiving numerous media requests and that if they needed to know if using the JAG funds in negotiations was illegal, they needed to submit a formal request to his Public Information Officer but followed that up by saying that asking such questions is something that would trigger audits.

As a result, Mr. Surratt said that Gerardo Velazquez told him that he did not want to deal with anybody but him, (Surratt) because of the phone calls and media requests he was receiving. Mr. Velazquez requested information from Mr. Surratt about the Carol Poole e-mails that were referenced in the media, so he could brief his supervisor.

Ultimately, Mr. Surratt advised that Mr. Velazquez told him that it was the City's fault for waiting so long to send in a request for reprogramming, when it could have been sent in much earlier.

Mr. Surratt explained that the points of contention in Terry Simonson's e-mail to Carol Poole of the Department of Justice is that Terry Simonson claims that he did not learn of possible JAG fund usage to retain officers until January and that he was told by Police Administration that layoffs had to occur. Mr. Surratt states that this is not true and that for anyone to say that it was their understanding that layoffs had to occur would not be true.

Mark McCrory - Deputy Chief

On April 28, 2010, this investigator interviewed Deputy Chief Mark McCrory in reference to this case. Deputy Chief McCrory began by explaining that when Mayor Kathy Taylor was in office, the Police Department had used a COPS grant to rehire 18 officers that were laid off, which left 3 officers who were not brought back under the grant funding.

At this point, Deputy Chief McCrory advised that the Police Department asked the Department of Justice to use JAG Grant funds for officers salaries but that they were not given approval to do so by then Mayor Kathy Taylor. Deputy Chief McCrory went on to state that on December 8, 2009, Stuart McCalman was aware of the approval of JAG funds to rehire the 3 officers that were not re-hired under the COPS grant.

According to Deputy Chief McCrory, when Mayor Bartlett came into office, neither he nor the other Deputy Chiefs could get 'face time' with Mayor Bartlett or his staff, which concerned them because they knew that additional budget reductions would be forthcoming.

Deputy Chief McCrory advised that Chief Palmer was out of the office during December, so he started working on cost saving messages and FOP concessions prior to meeting with the Mayor and Chief of Staff Terry Simonson to show that they were working on cost saving measures in order to reduce the number of layoffs.

On December 10, 2009, Deputy Chief Daryl Webster received notification of a meeting with Mayor Bartlett and Chief of Staff Terry Simonson and that Deputy Chief Webster sent an e-mail to Chief Ron Palmer, telling him of this meeting.

On December 11, 2009, Deputy Chief McCrory advises that he and Deputy Chief Daryl Webster met with Mayor Bartlett and Chief of Staff Terry Simonson and that in this meeting, they discussed a number of issues and presented Memorandums of Understanding that they had obtained as a concession from the Fraternal Order of Police in order to avoid potential layoffs. Upon presenting these MOU's to Mayor Bartlett and Terry Simonson, Deputy Chief McCrory states that the MOU's were slid off to the side with no comment made by the Mayor or Chief of Staff. Ultimately, he states that the MOU's were never signed by the Mayor until January 28, 2010.

According to Deputy Chief McCrory, several topics were discussed in this meeting, including JAG Grant fund availability, TARE funds, sale of helicopters, the 3rd penny sales tax money set aside for patrol vehicle purchases and the fact that a Brown Amendment would likely be needed to change the original purpose of the 3rd penny sales tax for vehicles.

With respect to the JAG fund, Deputy Chief McCrory states that he and Deputy Chief Webster told Mayor Bartlett and Terry Simonson that they first needed the Mayor's approval that they needed to get the number of officers covered under the grant, the proposed starting date and the time period for which the grant funds would be used. He went on to state that he and Chief Webster told the Mayor and Terry Simonson that grant requirements do not include the necessity for layoffs and that the grant money could be used for the retention of officers. Deputy Chief McCrory advised that neither the Mayor nor Chief of Staff Terry Simonson seemed very interested in the use of JAG funds at the time.

Continuing, Deputy Chief McCrory explained that it was in this meeting that Mayor Bartlett told him and Deputy Chief Webster that he was going to go after the police union. Deputy Chief McCrory said that he and Deputy Chief Webster thought that this was very bizarre and that this statement shocked them. He explained that he and Deputy Chief Webster were very pleased with the MOU's that they were able to get the FOP to agree to but that they both felt that the Mayor nor Terry Simonson had any real interest in that.

Subsequent to this meeting, Deputy Chief McCrory advised that he and Deputy Chief Webster and Deputy Chief Larsen put together a 2.2% and a 4.4% budget reduction analysis impact statement dated December 18, 2009 and included in this plan, three viable options to mitigate force reduction, which included the use of JAG funds to retain officers.

Deputy Chief McCrory advised that on December 18, 2009 at 10:30am, He, Deputy Chief Dennis Larsen and Cpt. Jonathan Brooks went to City Hall, where they met with Chief of Staff Terry Simonson in the conference room on the 15th floor. Deputy Chief McCrory said that the three of them went to this meeting together because they were not comfortable meeting with Chief of Staff Terry Simonson or the Mayor by themselves.

In this meeting, Deputy Chief McCrory advises that the three of them presented Chief of Staff Terry Simonson with their budget reduction report, at which time Terry Simonson stamped the report with a 'draft' stamp to prevent release of the report to the public. In this meeting, they discussed workforce mitigation options. He states that they offered to Terry Simonson, and the City, money for vehicle purchases and potential money from the sale of a helicopter. He explained that they did not discuss the use of TARE funds, as they were not comfortable with this option.

Upon arriving at option number three in their report, Mark McCrory advised that the three of them briefed Chief of Staff Terry Simonson on the COPS grant and on the JAG grant funds and explained to Terry Simonson that there was over two million dollars available for salaries in the JAG fund. He went on to state that they explained to Terry Simonson that the Mayor would need to approve the number of officers to be funded through the repurposing of the grant and the period that the officers were to be covered. Deputy Chief McCrory said that Chief of Staff Terry Simonson offered no response other than to say that it was a short term fix to a long term problem.

Deputy Chief McCrory stated that Terry Simonson was given background information on the COPS grant but that the COPS grant was a dead issue by this point. He said they had already received all the money that they could from this grant and because of that they focused on the JAG grant funds in this meeting.

Additionally, Deputy Chief McCrory explained that near the end of December 2009, Chief Palmer sent a memo to FOP President Phil Evans explaining that the Mayor was given information on the use of JAG money for salaries and that on December 29, 2009, Mayor Bartlett sent a memo to Phil Evans stating that he understood that JAG funds could be used to save jobs.

Deputy Chief McCrory also advised that at the end of December, he texted Chief of Staff Terry Simonson, asking him what his thoughts were on negotiations and that Chief of Staff Terry Simonson responded to him and asked for his personal e-mail address. Ultimately, on January 1, 2010, Deputy Chief McCrory states that Terry Simonson responds to him utilizing a personal e-mail address, (identified as terrysimonson@aim.com). In this e-mail address, Deputy Chief McCrory states that Terry Simonson asked if they had the JAG money yet. Deputy Chief McCrory said he was not sure what Terry Simonson meant by that question as they had already received the funds some time ago.

He went on to state that Terry Simonson then asked him how many officers could be retained if they use half of the JAG money for a 12 month period. He explains that this tells him that Terry Simonson understood that JAG funds could be used to retain officers. He also stated that he believes Terry Simonson utilized his personal e-mail address in order to avoid his e-mail from becoming public. He again states that Terry Simonson was never told that layoffs had to occur. (See #8, Terry Simonson email, (no subject) dated 1/1/10)

Further, Deputy Chief McCrory said that he had learned that Terry Simonson had said that the idea of Police Department demotions were the Chief's idea. Deputy Chief McCrory said that this was not the case. In fact, Deputy Chief McCrory states that he and the other Deputy Chiefs thought the idea of demotions was illegal and explained that they would have never presented such an idea. He did state however that they did prepare documents for plans outlining demotions at the request of the city.

Deputy Chief McCrory explained that Chief of Staff Terry Simonson said that he was told by the Deputy Chiefs in January that layoffs had to occur. Deputy Chief McCrory explained that he, neither the other Deputy Chiefs nor Chief Palmer ever told Terry Simonson this. In fact, he states that Terry Simonson was

told that layoffs were not necessary and further states that Chief Palmer submitted a report to the Mayor's office outlining alternative funding options that included the use of JAG funds.

Ultimately, Deputy Chief McCrory states that the city did not give themselves time to ensure that officer payouts did not occur, stating that the Police Department had to wait on the city to give authorization to submit the request for repurposing the grant to the Department of Justice. He also explained that Chief Jordan was told to submit a request to the DOJ for 58 officers for 9 months and then was later told to hold up on that request. He said that finally, two months after they city was notified that they could repurpose the grant for salaries; the city finally applies for the funding request.

Deputy Chief McCrory said that the way the city is doing things as it related to JAG funding is going to end up inviting an audit. He explained that the officers were laid off needlessly and officer's lives were adversely affected. He went on to state that the city ended up laying off 12 additional officers just to offset the cost of the payouts to officer who were laid off.

Basically, Deputy Chief McCrory explained that the Mayor's office kept saying that officers had to be laid off in order to receive JAG funding and he states that this is just not true. He explained that he and the other Deputy Chiefs did not want the rank and file officers believing that this is true. He went on to say that it is apparent to him that the Mayor was doing exactly what he said he was going to do, which was to go after the Police Union.

He went on to explain that when the e-mails from Terry Simonson to Carol Poole with the Department of Justice became public, he and Deputy Chief Webster talked about the issue and how Terry Simonson's statement to Carol Poole was not true. In fact, Deputy Chief McCrory said that he was going to call the media and give a statement refuting Terry Simonson's claim that he did not know about JAG until January but that it was decided that this was not a good idea, so they decided to write a letter/memo outlining what they knew to be untrue.

Ultimately they got together to draft a memo and at the same time, Chief Jordan requested a time line from them about what had taken place, which they were already putting together. Deputy Chief McCrory said that they decided to write the memo because they thought they were going to get blamed for the payouts for the layoffs. He also said that they didn't want the rank and file thinking this was true and that they felt as though Chief of Staff Terry Simonson was going to present the information in such a way that would make them look inept and would internally make them look bad to their officers.

He said that the memo was drafted and signed by all of the Deputy Chiefs and followed their chain of command by presenting the memo to Chief Jordan, who took the memo to City Council attorney Drew Rees, who in turn sent the memo to the Mayor.

Deputy Chief McCrory said that he feels that the Deputy Chiefs have been painted in a bad light and that the Mayor's Office wasn't going to listen to anything they said. He went on to say that the Deputy Chief's told the FOP that the threat of layoffs was not a bluff, evidenced by the fact that the city did not take their alternative funding options seriously. He also said that the Mayor's Office did not accept the MOU's that were offered for two months, during which time they could have been saving money, further saying that there had been talk of bringing the Sheriff's Office in to help with policing, which they saw as a union busting intent.

Additionally, Deputy Chief McCrory explained that with previous mayoral administrations, he and the other Deputy Chief's had almost daily contact with the Mayor's office but that this has not been true

with Mayor Bartlett. He said that it was decided after their first meeting with the Mayor and Chief of Staff Terry Simonson he and the other Deputy Chiefs would not meet with them by themselves.

According to Deputy Chief McCrory, at some point after the Deputy Chiefs signed the memo outlining misrepresentations, Chief Jordan and Captain Jonathan Brooks attended a meeting with Mayor Bartlett in which Mayor Bartlett reportedly told Chief Jordan that he wanted the Deputy Chiefs disciplined severely. Lastly, he states that previous to Mayor Bartlett, the Deputy Chiefs have been involved in the budget process but that this has not been the case with Mayor Bartlett.

In fact, he states that Chief Jordan had been attending recent budget meetings and was unable to attend one of the meetings and had reportedly asked Mayor Bartlett if he would like one of the Deputy Chiefs to attend in his behalf and that the Mayor reportedly said, "No! We don't want a Deputy Chief. You might as well send a union member."

Ron Bartmier – Current FOP President

On April 28, 2010, this investigator interviewed current FOP President Ron Bartmier. According to Officer Bartmier, he has had little in the way of face to face meetings with Mayor or his staff. He explained that right before Christmas of 2009, he received a proposal via e-mail outlining budget reduction options, including the possible layoff of 135 officers. He said that before the first city proposal could be voted on, a second proposal was sent to the FOP from the city, which included the possible layoff of 155 officers. He states that this second proposal would have been sometime in January and would have included JAG grant funds.

Officer Bartmier provided this investigator with a letter from FOP Attorney Jim Moore, who addressed Mayor Bartlett regarding a proposal by his office in which the FOP had not been included in discussions. Jim Moore asked that the Mayor discuss these issues so that they could find ways to explore balancing the budget without crippling public safety. (See #20, James Moore letter, 'Re: Proposed Concessions in FOP Contract', dated 1/13/10)

Sometime after January 13, 2010, Officer Bartmier states that the FOP received yet another proposal from the City which also included mention of JAG funding. He said that to this point there had been no real discussion about these proposals. A third offer was delivered to the FOP via Chief Jordan and it was touted as the final offer. This proposal also included offer of JAG funding to save 37 officers for 18 months. This offer however included some additional changes on it according to Officer Bartmier, which ultimately caused the FOP to vote to reject the offer.

Officer Bartmier states that on January 26, 2010 the FOP came up with a counter offer to the City, which was the third and last proposal. He explained that this proposal did not involve the use of JAG funding but would have save the City the same money. Officer Bartmier said that the City never responded to this counter offer and that he sent over a letter to the City asking why their counter offer was not considered or responded to. He said that on January 28, 2010 he spoke with Jim Twombly and was advised by him that the City would not accept anything less than 17mos on the contract. Officer Bartmier provided copies of the three proposals made to the FOP by the City. (See #21, City of Tulsa FY10 – Budget Reductions Analysis)

Officer Bartmier said that copies of the MOU's offered by the FOP were given to the city well in advance of December 29, 2009 but that the Mayor only conceded to these items the day before the officers were laid off. He explained that he did not really have any discussions with the Mayor or his staff about the use of JAG funds because this was outside of the FOP's realm, as he was not in a position to negotiate the use of JAG grant funds. (See #22 A-C)

He did state that every time the FOP would come up with a solution, the target would move. Officer Bartmier said that the city was not interested in solving the problem and believes that the city wanted to lay off personnel.

It is also the general belief of the FOP that Mayor Bartlett wants to bring in the Tulsa County Sheriff's Office to assist or take over policing responsibilities due to discussions that Mayor Bartlett has had with the Tulsa County Sheriff's Office regarding policing duties within the city limits of Tulsa and due to the fact that a State House Bill #2654 has been introduced for passage that would specifically allow Deputy Sheriffs to enforce ordinances within a municipality and to provide law enforcement services within municipalities of this state. Officer Bartmier provided this investigator with a copy of House Bill No. 2654. (See #23, House Bill No. 2654, dated 2/10/10)

Cad Miller – IAFF Lodge Secretary

On April 28, 2010, this investigator interviewed International Association of Firefighters Lodge Secretary Chad Miller in reference to this case. Mr. Miller advised that he had been involved in most of the negotiations between the IAFF and the city. He indicated that at some point either Terry Simonson or Jim Twombly might have mentioned the use of JAG grant funding to help the Fire Department offset some of their budget.

According to Mr. Miller, JAG grant funding came up as being used in the Fire Department budget as it relates to its use in the cleanup of meth labs. He said it was never actually put in a proposal or voted on by the lodge. Mr. Miller said that the mention of the use of JAG grant funds may have occurred between their first and second meetings with the city regarding negotiations, which would have been between January 17, 2010 and January 19, 2010.

Mr. Miller said that when the city brought the mention of JAG funds to the table they seemed serious about it but that the lodge was skeptical of such a mention of the use of JAG funds, as it did not sound right, as the money was for use by the Police Department and because the Fire Department would not have had control over the money and because they didn't see how the city could give the money to them since it was for the Police Department's use. Ultimately, he said that the IAFF was not willing to go along with this.

Mr. Miller said that as a matter of practice, they have one person talking and two taking notes in negotiations and that he would review the notes and get back with this investigator to let me know what he had found. He did explain that the IAFF had signed off on two MOU's and at one point had a discussion with Terry Simonson and Jim Twombly about the use of JAG funds. In fact, he states at one point, Mayor Bartlett discussed the retention of Police Officers and Firefighters.

Continuing, Mr. Miller states that the IAFF and the City were definitely in negotiations but states that the City was saying they were not actually in negotiations. He went on to say that the Firefighters were

prepared to file a court action to get the City to acknowledge that they were actually in negotiations, noting that Jim Twombly signed the MOU's offered by the IAFF as the 'Lead Negotiator.'

According to Mr. Miller, from what he understands now is that the Police Department will get Police Officers back and that if this happens, the Fire Department will get approximately 2.4 million dollars in salaries back. Basically, he states that the City knows that the Fire Department will get equal cuts with the Police Department and that if the Police Department negotiates a deal for less cuts then the Fire Department is to be reimbursed by contract.

Stan May – IAFF President

On April 28, 2010, this investigator interviewed Stan May of the local lodge of the International Association of Firefighters. Mr. May relayed that he was unaware of any meeting notes that would include the use of JAG grant funds. He did state however that there were discussions in two meetings with the City, where Mayor Bartlett mentioned that the use of JAG grant funds might be a possibility as they could be used in relation to meth lab cleanup or hazmat and that this could save a couple of positions within the Fire Department.

According to Stan May, JAG grant funds were never used in a formal offer and that the discussion of JAG grant funds would have been early on in the process, possibly in the first of January 2010. He also said that there were discussions between the IAFF and Terry Simonson and Jim Twombly about 'retaining' Police Officers with a portion of the JAG grant. He went on to say that Terry Simonson and Jim Twombly compared the fire department SAFER grant with the JAG grant but he states that the SAFER grant at the time required that Firefighters be laid off or a reduction in force by a certain date.

Subsequent to my interview with Stan May, this investigator received what was titled as an update to the membership of the International Association of Firefighters from Mr. May, which states that an update was given to the membership during negotiations on January 29, 2010. In this document, it states that there is some very concerning information going around that needed to be clarified.

Specifically, this document states that Mayor Bartlett mentioned a JAG grant that could be used to offset the cost of the budget cuts today. According to this document, Mayor Bartlett also said that if the JAG grant was used, it would be split equally between police and fire and further stated that this grant is separate from the JAG grant that TPD received to pay for Police Officers. (See #24, IAFF Membership Update)

Ron Palmer - Former Police Chief

On April 28, 2010, this investigator conducted a telephone interview with former Police Chief Ron Palmer in reference to this case. Chief Palmer advised that he does not have a 'dog in the fight' and that he was not sure why he needed to be interviewed. He went on to state that in one Council meeting he brought forth the facts of the situation and said that he wasn't sure what else there is.

Chief Palmer said that whether Terry Simonson retains his job or not, he really doesn't care. He went on to state that on the rare occasion where the Mayor, Terry Simonson or Jim Twombly chose to speak to him, his experience was that they were either lying to him or were scheming against the Police Department. He went on to say that if their lips were moving, they were lying and that was his sense of the whole thing.

Chief Palmer said that he doesn't ever remember saying that officers had to be laid off and said that there were three proposals that included the use of JAG money and that all of that speaks for itself. Chief Palmer said that he preferred not to be interviewed, explaining that he didn't want to get into a he said/she said with any of them.

Additionally, Chief Palmer said that unless he was going to be paid for his time to give a statement, he was not going to be there for that because he does not have a dog in the fight at this point. He further explained that it was his experience that 'it was not savable' because they were either lying or they were scheming against the Police Department. He ended the conversation by stating that this was his statement.

Dennis Larsen - Deputy Chief

On April 29, 2010, this investigator interviewed Deputy Chief Dennis Larsen in reference to this case. Deputy Chief Larsen advised that he has a background in preparing grant information and dealing with the Department of Justice on federal grants. He said that when he read the e-mail written by Terry Simonson to Carol Poole with the Department of Justice, he knew that it was not true and that he was concerned about the Police Department's reputation with the Department of Justice in dealing with them on grants so he and the other Deputy Chiefs decided to put the Chief on notice with the memo regarding the Terry Simonson and Carol Poole e-mail.

Deputy Chief Larsen said that in 32 years on the department, he has never written such a memo. He also mentioned that the City Charter dictates that should a city employee become aware of a falsehood, they are required to report it.

Deputy Chief Larsen stated that when he read the e-mail where Terry Simonson told Carol Poole that TPD management told him that officers had to be laid off first, he knew that this was not true because the Deputy Chiefs did not tell Terry Simonson that and he spoke to Chief Palmer about this issue and Chief Palmer told him that he never notified the City of that either.

According to Deputy Chief Larsen, current police administration has over 120 years of combined experience in police management and states that they have very little contact or input with the Mayor's Office unlike previous Mayoral administrations. In fact, he states that they are currently barred from even attending budget meetings with the Mayor's Office. He also states that the Deputy Chiefs are not even asked for their input, citing the potential sale of the helicopter as an example. He also indicated that the Mayor's Office was not communicating with Chief Palmer for weeks on end.

According to Deputy Chief Larsen, on December 18, 2009 he, Deputy Chief McCrory, and Captain Brooks met with Chief of Staff Terry Simonson about budget reductions and offered the use of vehicle money to avoid layoffs. In addition, he states that Chief of Staff Terry Simonson was told that JAG funds could be used to retain officers.

He said that they explained all of the conditions of the use of grant funds to Terry Simonson, i.e., how many officers intended for lay off and for what period of time they want to use the grant money for. He said that during this meeting nothing was ever mentioned or said about officers needing to be laid off first. Deputy Chief Larsen further explained that they specifically discussed retaining officers, not rehiring them. He further said that the use of COPS Grant was not discussed as it was a dead issue two months before Mayor Bartlett came into office. Deputy Chief Larsen said that it was apparent to he and the others present in the meeting that Terry Simonson was not interested in any of their ideas .

Additionally, Deputy Chief Larsen explained that the first two proposals to the FOP by the city on or about January 8 and January 10, 2010 included the use of JAG funds. He went on to explain that he knows grants requirements well enough to know that there is nothing in the grant requirements that states officers must be laid off first.

Deputy Chief Larsen went on to state that on March 29, 2010 from 12:30pm to 1:30pm Chief Chuck Jordan went to a meeting with Mayor Bartlett and Terry Simonson. Upon Chief Jordan's return from the meeting, Deputy Chief Larsen states that he asked the Chief how the meeting went and that Chief Jordan told him Mayor Bartlett told him that when Terry Simonson is exonerated, he wanted the Deputy Chiefs harshly disciplined. He went on to state that Chief Jordan said that he just let the Mayor vent.

Deputy Chief Larsen also expressed concerns of Mayor Bartlett's desire to bring the Tulsa County Sheriff's Office in to share in policing duties of the City, referencing a Wall Street Journal Article, (page 4) dated April 26, 2010 wherein Mayor Bartlett was quoted as saying that if trouble brews this summer, Tulsa can contract with a non-unionized Tulsa County Sheriff's Department to help at a far lower cost than hiring more full time cops. (See #25, Wall Street Journal: 'In Lean Times, Police Cuts Spark Debate Over Safety', dated 4/26/10)

Phillip Evans - FOP President

On April 30, 2010, this investigator interviewed FOP President Phil Evans in reference to this case. Phil Evans told this investigator that he had little direct contact with Mayor Bartlett or Chief of Staff Terry Simonson. He did indicate however that Mayor Bartlett did communicate to him via a memorandum dated December 29, 2009 in which Mayor Bartlett addressed certain concerns of the FOP. (See #7, Mayor's Memo to Phil Evans, 'Issues Regarding TPD', dated 12/29/09)

According to Phil Evans this memorandum referenced Mayor Bartlett's understanding that JAG Grant funds could be used to save some but not all jobs. Additionally, he stated that the city offered three different proposals, one of which they voted on. He said that Jim Twombly was the primary person that the FOP negotiated with and also indicated that there was never any discussion of the COPS grant in these discussions. Phil Evans had very little to offer in the way of information and as such, no further information of value was obtained from this witness.

Stuart McCalman - Former Governmental Affairs Director

On May 1, 2010, this investigator interviewed former city Governmental Affairs Director Stuart McCalman in reference to this case. Mr. McCalman stated that he worked for the City of Tulsa for almost a year, mostly for Mayor Kathy Taylor. Mr. McCalman advised that there were transition briefings between Mayor Kathy Taylor and Mayor Dewey Bartlett but that he was not a party to those briefings. He advised that Mayor Bartlett was sworn in on December 7, 2009 and would have begun duties as Mayor on the 8th of December.

Going back about a week or so before this, Mr. McCalman states that Communications Director Kim McLeod had received a note from the communications guy with TPD who said that the Police Department had found funding to re-hire three officers.

Mr. McCalman said that he worked with Mayor Taylor on the COPS grant, which was a very contentious issue. He advised that the COPS grant paid for three years of officer's salaries and equipment, which obliged the city to pay for a fourth. He explained that the issue was confusing and conflicting. He went on to state that when they received a notice from TPD that they were going to issue a press release stating that they found money to bring back the remaining three officers not brought back under the COPS grant, they made Mayor Taylor aware of this. He explained that he was not sure what became of the issue, as it was never addressed in Mayor Taylor's last week in office.

He went on to advise that on the first or second day Mayor Bartlett was in office, they received the bombshell about the bad sales tax news. According to Mr. McCalman, Economic Development Director Mike Bunney invited him to a budget meeting along with Pat Connelly, Mike Kier, Kim McLeod, Terry Simonson and the Mayor. In this meeting, it was brought up that TPD had come up with a grant mechanism to hire back three officers. He said that this was just mentioned in the meeting for consideration.

Over the next week or week and a half, Mr. McCalman states that he told Chief Palmer and Deputy Chief Daryl Webster that they wanted to use grant money that they better get over to city hall sooner than later, making that very clear to them at that point. Mr. McCalman advised that on December 18, 2009, he was aware that the Deputy Chiefs had a meeting with the Mayor and Terry Simonson, although he (McCalman) was not in attendance at that meeting.

During this general time frame, Mr. McCalman advised that he was in contact with TPD Grants Coordinator Art Surratt regarding the grant information. Mr. McCalman said that at one point Mr. Surratt told him that officers had to be out the door before they could use the funds. He went on to state that he requested information on the DOJ JAG grant from Mr. Surratt but states that he can't recall if he ever printed the information out, nor can he recall if he ever conveyed the information sent to him by Mr. Surratt to Mayor Bartlett or Chief of Staff Terry Simonson. He did state that in early December, they were talking about using funds for three officers not fifty eight.

Mr. McCalman stated that he was not sure when he became aware that JAG funding could be used to retain officers but states that by mid December of 2009 they were not yet aware that a force reduction was going to be necessary. He did state that Mayor Bartlett made it clear that they were not going to use grant funds until they figured out where they were at in the budget. He also said that they were initially getting a lot of conflicting information from Art Surratt.

According to Mr. McCalman, the want and the wish of the city was that the FOP would have accepted the contract so that layoffs would not have occurred. Mr. McCalman did admit that the city was slow in reacting to the FOP turning down the proposal and that the city could have probably retained, saved or rehired officers. He said that he did not have any idea why they did not submit for grant funds earlier to save jobs.

Mr. McCalman went on to explain that the conventional wisdom was that JAG funds could not be used in discussions but that he never saw anything in policy or guidelines that said they could not use in discussions with the FOP. He also said that he asked City Attorney Deirdre Dexter and Cathy Crisswell if they could research that issue and that he also sent the Department of Justice a note and enquired as to whether they could use the JAG funding in FOP discussions but that he never received a definitive answer. (See #26, Stuart McCalman email, Subject: 'clarification', dated 3/8/10) In fact, Mr. McCalman said that he was never even made aware that JAG funding was part of any proposals.

Additionally, Mr. McCalman said that Mayor Bartlett told him he was never even aware that TPD had submitted a reprogramming request to the Department of Justice. When asked when he (McCalman) was made aware that JAG funding could be used to retain officers vs. laying them off, Stuart McCalman responded by stating, "It depends on how you define retain or rehire." Mr. McCalman then responded by saying that it was his screw up because he uses these terms interchangeably. He then responded by stating that he did not believe that the officers actually had to physically leave and qualified his statement by stating that he had very few physical conversations with Terry Simonson as it related to JAG grant funding, explaining that he primarily communicated via e-mail.

He explained that in his mind layoffs were not imminent until the FOP voted down the contract but also states that he should have been more aggressive and clarified these points. He went on to state that it was not necessarily his job to gather this information and disseminate it. He also said that the 15th floor wasn't very interested in it and then changed his statement to say that that weren't very interested in talking to him. He again said that this was not his job and that he was just trying to be proactive in gathering information as he was the principal on the COPS grant. He then changed his statement to say that it was his responsibility to get the information and to be clear, and that he clearly did not do that.

Mr. McCalman told me that he was not asked by either Mayor Bartlett or Terry Simonson or their staff to research information on the grant other than asking him to check on the legality of using the JAG grant in negotiations. He said that neither Cathy Crisswell nor Deirdre Dexter could find anything illegal with that.

When asked about conversations with Chief of Staff Terry Simonson, Mr. McCalman said that Terry Simonson did in fact tell him that he was going to tell the City Council that he did not learn of the JAG grant until January. When asked to explain this further, Mr. McCalman explained that Terry Simonson called him to his office after the news broke of the Deputy Chiefs' memo regarding JAG funding.

Upon his arrival in Terry Simonson's office, Mr. McCalman said that Communications Director Kim McLeod was present with Terry Simonson. He went on to explain that Terry Simonson told him, in Kim McLeod's presence, that in his memory he didn't even hear of JAG until mid January, stating that it could have been the COPS grant that he heard of. He said that Terry Simonson also told him that the Deputy Chiefs came over and briefed him on the wrong grant and that they briefed him on the COPS grant and that he never heard of JAG in December.

Mr. McCalman said that Terry Simonson didn't say a whole lot in this meeting but that Simonson did tell him that he had the paperwork from the meeting with the Deputy Chiefs and that the Deputy Chiefs briefed him on the wrong grant. Mr. McCalman said that he was not in this meeting, so he never saw the document provided by the Deputy Chiefs.

Mr. McCalman advised that he could not be specific that he told Terry Simonson that TPD had available grant money but that Terry Simonson told him that he never gave him information regarding the grant that was available to him. As a result, Mr. McCalman said that he felt like he was being thrown under the bus and that the time, he felt like he and the Deputy Chiefs were going to be the fall guys.

Mr. McCalman again stated that Kim McLeod was in this meeting with Terry Simonson and that after this meeting, he saw Kim McLeod a few days later and told her that he did in fact make Terry Simonson aware of JAG funds and that she never responded to him. He explained that he felt like Kim McLeod just got caught in the middle of the conversation. Mr. McCalman then contradicted himself and said that he was receiving conflicting information from Art Surratt and that he relayed some of the conflicting information to Terry Simonson.

Mr. McCalman stated that he was upset when he sent out the e-mail to Councilor Bill Christianson. He said that Terry Simonson announced in a Directors meeting that he had spoken to Councilor Rick Westcott and that Rick Westcott was going to call for an investigation and that Councilor Christianson and Councilor Barnes would be on the committee formed for the investigation. Mr. McCalman said that all of this left a taste in his mouth that everything was not going to entirely be above board. He again stated that when he sent out the e-mail he was pissed off, had a bitter taste in his mouth and formed a conspiracy theory. He said that his e-mail with reference to Councilor Rick Westcott and the investigation was not based on fact.

According to Mr. McCalman, Mike Kier, Kim McLeod, Mayor Bartlett and Mike Bunney were all present in the meeting when Terry Simonson brought up the issue of the Council investigation and went on to state that the investigation was a good thing and that the truth would come out and that this was a positive thing.

Additionally, Mr. McCalman reiterated that a lot of conflicting information was being received about the JAG grant and that at one point Chief Jordan was to check with the Department of Justice on the grant. He also stated that he does recall at one point that Art Surratt had sent him some grant information and that Mr. Surratt had highlighted a certain section of the document and that he gave this information to Terry Simonson, who stated that he would review the information.

Mr. McCalman said that he was never included in negotiations and that the staff was always careful to use terms such as discussions instead of negotiations. He went on to state that the City should have been ready to submit a request to the Department of Justice as soon as the FOP turned down the proposal.

Further, Mr. McCalman advised that as soon as the story broke in the newspaper/media about his e-mails to City Councilors, (See #27 A-F), he knew that it would be impossible for him to continue in his current position. He said that no one ever pressured him to leave employment with the City nor ever threatened him. He went on to say that he has had no discussions with Mayor Bartlett or Terry Simonson since he left employment with the City and that before he left, they did not spend a lot of time discussing the issue.

Mr. McCalman said that he added to confusion surrounding the whole grant issue and said that the second e-mail to Mayor Bartlett taking responsibility for the confusion was based on the fact that this whole situation has been very hard on his family. He said that up until this point he has been a Sunday only Christian and that he felt like he had not done right by everyone and to be fair, he needed to do the right thing and send out the second e-mail taking full responsibility.

According to Mr. McCalman, he was confused on the whole issue of Terry Simonson's e-mail to Carol Poole with the Department of Justice. He said that he was not sure of Terry Simonson's motivation in reference to this e-mail.

James Moore - FOP Attorney

On May 3, 2010, this investigator interviewed FOP Attorney James Moore in reference to this case. Mr. Moore said that he has never really spoken with Terry Simonson about JAG grant funding. He said that he has dealt with Jim Twombly about the two contract years and did discuss concessions with him due to budget constraints.

According to Mr. Moore, the City knew about the JAG grant and in fact stated that Jim Twombly had told him at one point that the city did not want to use JAG funding for salaries. He went on to state that three different proposals were offered to the FOP that included the use of JAG grant funding and that all of these were in the month of January 2010. As proposed by Mayor Bartlett, Mr. Moore explained that concessions were translated into the number of officers' jobs that could be saved. In fact, he said that the City offered to use JAG funds to save jobs and that they were within a million dollars of closing the deal.

At one point, Mr. Moore explained that he, Mayor Bartlett, Chief of Staff Terry Simonson and Jim Twombly were all in a room together when the FOP offered to give up overtime and use comp-time instead but the city turned that down and the deal changed and the City wanted to extend the period of time for concessions. As a result, he states that the figures for use of JAG grant funding changed from 11 months to 17 months. Subsequently, Mr. Moore said that it became clear that the City was using JAG funds in order to gain more concession from the FOP.

Mr. Moore explained that the FOP made two concessions early on to give up cars and to change call backs for overtime. He said that this alone would have saved 22 officers' jobs by their calculations. He said that MOU's were given to the City on these issues, but that they were never signed by the City and they continued to negotiate for more. On January 25, 2010, when officers slated for layoff came down to turn in their equipment, the Mayor decided to sign the MOU's and save their jobs. Mr. Moore said that the Mayor could have done this earlier and not made the officers go through this and that it was very offensive. Basically, he said that the City was trying to leverage the FOP.

He went on to explain that once the FOP turned down the City's offer it was clear that the City was going to lay officers off. He also explained that he was struggling to get figures for authorized personnel from the city and that he could not get numbers from the City or exactly what it was that they were asking for.

At one point, Mr. Moore said that he was told by Jim Twombly that the City was not going to fund bringing officers back and that he asked Jim Twombly how he planned on avoiding supplanting issues. He went on to say that even despite the layoffs, the city continued to ask for concessions.

Mr. Moore states that in their last meeting with the City, ten days ago, Jim Twombly said that they were going to increase the Police Department strength to 780 officers and that the Mayor then backed off of this, stating that the authorized strength would go back to 706 officers. Mr. Moore also said that the Mayor has to play with the JAG grant in order to get his concessions.

As it related to utilizing JAG Grant funding in negotiations, Mr. Moore said that once the City went from 5 months to 17 months, they were clearly utilizing Jag grant funding in negotiations because they carried negotiations into a new contract year. He explained that as long as the City dealt only with changing the current year contract, they really weren't considered to be in negotiations but as soon as they carried the time period for concessions and use of the JAG grant funding, they were in contract negotiations. He said that the FOP was initially open to use of JAG grant funding but Chief Jordan told the City that they should not be using a federal grant in negotiations and that from that point on everybody got nervous.

Mr. Moore said that he thinks Jim Twombly is a pretty straight arrow, as he will actually listen and discuss things but that he thinks that Jim Twombly gets shut down by others. He advised that Jim Twombly made it very clear that the City does not like comp time and that there was no doubt that the City was aware that JAG funds could be used to save jobs.

Lastly, Mr. Moore said that the City is in a bind for three reasons. He explained that the economy is getting better, that the City had gone to battle with the FOP and now has to save face and because the Firefighters blinked and gave up a bunch of concessions and have a provision that the Fire Department gets a similar deal if the FOP strikes a better deal.

Pat Connelly - Finance Division Manager

On May 5, 2010, this investigator interviewed Finance Division Manager Pat Connelly in reference to this case. Mr. Connelly began by stating that in October 2009 the COPS grant was modified for the Police Department to prevent officers from being laid off. He indicated that the COPS grant covered all but 3 officers and that the Police Department requested to use JAG Grant funds to re-hire the 3 officers who were not brought back with the COPS grant.

Mr. Connelly explained that in November, he held the proposal because he knew there would be a need for deeper budget cuts. He went on to explain that in December of 2009, the sales tax figures were bad and that at some point between December 10th and December 20th, 2009 the Mayor was briefed on the need for a 10 million dollar cut in the budget due to declining revenues.

Continuing, Mr. Connelly stated that the second week in January he was on vacation and that when he returned, the Police Department and Fire Department were in negotiations with the City. He said that he really didn't make a distinction as to whether he called it negotiations or not because they were in negotiations in a de facto sense.

While he was on vacation, Keith Eldridge with his office assisted him in preparing figures and scenarios to determine levels of strength figures considering the JAG grant funds and any give backs on the part of the Police Department. Mr. Connelly stated that when he came back from vacation, he determined the value of the JAG grant and determined how many officers salaries' could be paid and for how long.

He said that at one point, he mis-stated some figures to the police on the employee budget, which was caught by a civilian employee of the Police Department. He said that it was an \$800,000.00 mistake and that Mike Kier called him on that. By this time, Mr. Connelly states that they were pretty well locked in on the figures when it came time for the FOP vote and that officers eventually had to be laid off but admits that under the COPS grant, the officers slated for layoff never lost any time and never had to walk out the door.

Mr. Connelly went on to state that under the COPS grant, he recalls that Chief Palmer told him that the officers had to be laid off but yet admitted that under the COPS grant the officers never lost any time. He explained that he thought the JAG grant was like the COPS grant and assumed that the JAG grant would be similar and states that this colored the way he looked at things.

According to Mr. Connelly, no one was being all that precise. He said that nobody looked at the JAG requirements that he was aware of. He explained that he believed that the prevailing assumption was that the officers had to be laid off and that this was everyone's common view.

While in meetings, which included Mike Kier, Jim Twombly, Chuck Jordan and the Mayor and which were fast and furious, Mr. Connelly states that he didn't pay as much attention as he could have. He said that he thinks that Chief Jordan agreed that officers had to be laid off but that he can't recall specifics.

Mr. Connelly stated that he helped to put figures together for negotiations and that there was a no layoff proposal to the Police Department that included the use the JAG grant to retain or rehire officers, terms which he states were used interchangeably. However, Mr. Connelly agreed that JAG funding was included to prevent some layoffs. He went on to state that there was never any discussion in any meeting that he attended that anybody ever said officers didn't have to be laid off.

Additionally, Mr. Connelly advised that there were discussions about using the JAG grant to bring back the 3 officers not brought back by the COPS grant. He also advised that from the very beginning he thought they could use the JAG grant to keep officers in the field and thought that there could be similar scenario where they could do with the JAG grant like they did with the COPS grant.

Continuing, Mr. Connelly said that technically the officers had to be laid off but also said that with the COPS grant, it was clear that they were going to lose officers and that they made application to retain the officers after the layoff notices were handed out. When the layoff notices were handed out in January, Mr. Connelly said that he was under the assumption that proper paperwork was being prepared and that he thought that layoff notices had to be given before the Department of Justice would consider the reprogramming of the grant. Mr. Connelly also admits that nobody was ever asked to check with the Department of Justice on this.

Mr. Connelly explained that they were always waiting on the FOP to vote on proposals and that he was under the impression that if the FOP accepted concessions then the JAG funds would be used. He went on to state that figures were put together to include the use of JAG funds and that the Mayor wanted

concessions to avoid layoffs. Again, Mr. Connelly stated that he understood early on that JAG funds could be used to save jobs.

Further, Mr. Connelly states that he is not sure when Mayor Bartlett understood that JAG funds could be used to retain jobs and went on to state that he is not sure what Mayor Bartlett understood about JAG. He also indicated that supplanting was not an issue because they were taking from each department.

Mr. Connelly said that he and Mike Kier had the understanding that officers had to receive layoff notices but not necessarily walk out the door. He said that he could not speak for Mayor Bartlett or Jim Twombly. He did say however that, absent the snow storm in Washington D.C., he thought the same scenario that happened with the COPS grant would have worked out.

According to Mr. Connelly, they were waiting on the FOP vote and thought the application process to the Department of Justice was already in process. He also said that he was unaware that a request had been submitted to the Department of Justice and then recalled. Mr. Connelly advised that he was unsure of who would have briefed Mayor Bartlett or Terry Simonson with respect to the JAG grant but states that he may have briefed Mayor Bartlett about how the COPS grant ended up working out.

Lastly, Mr. Connelly advised that he never heard any discussion about the use of JAG grant funds in negotiations. Mr. Connelly did state that he had some three ring binders with information in them about FOP proposals and the use of JAG funds in negotiations and advised that we could review those for purposes of this investigation. Mr. Connelly did not have those documents readily available and was preparing to leave on vacation on the date of this interview, so we agreed to meet on another date to review those documents.

On May 11, 2010, this investigator continued the interview with Pat Connelly in reference to this case. Upon meeting with Mr. Connelly, documents relating to budget proposals, figures and documents were reviewed. During the review, Mr. Connelly referenced a budget report prepared by the Police Department and stated that as he recalls now that the Police Department suggested the use of JAG funds initially. He also advised that the Police Department suggested that that JAG grant funds could be used to defer or avoid layoffs.

Mr. Connelly went on to state that on December 21, 2010 there was a Mayor's Management Team meeting and that the budget reduction report prepared by the Police Department was included in this meeting. Those in attendance at this meeting were Mike Kier, Mike Bunney, Mayor Bartlett, Terry Simonson, Susan Neal & Jim Twombly according to Mr. Connelly.

Additionally, Mr. Connelly states that he recalls having spoken to Deputy Chief Daryl Webster and budget analyst Cheri O'Neal in the Police Department prior to negotiations about the JAG Grant being used to save positions. He said that he did not talk to the above individuals in the month of January.

Continuing, Mr. Connelly advised that on January 10, 2010 he gave a presentation to the City Council and that he had a copy of the Deputy Chief's report/memo in the budget draft report that was given to the City Council. Additionally, Mr. Connelly explained that he also would have given a copy of this same report at the Mayor's Management Team meeting on or about January 6, 2010. In attendance at this meeting, according to Mr. Connelly was; Mayor Bartlett, Terry Simonson, Susan Neal & Jim Twombly.

Upon review of budget documents, Mr. Connelly provided copies of various budget documents and also provided copies of FY10 Budget Reduction Analysis also known as 'proposal to the Fraternal Order of

Police'. In four of these five documents the use of JAG grant funds was included in the section titled, 'Alternative Reductions.' (See #28 City of Tulsa FY10 – Budget Reductions Analysis, includes use of JAG funds to save sworn employees) None of these documents were dated but this investigator requested a review of the computer generation dates and it revealed that they were last amended on January 21, 2010, January 25, 2010 and February 10, 2010 respectively.

The budget reduction analysis last generated on January 25, 2010, included the wording, 'Alternative Reductions to Laying off Police Officers.' In this and the other documents/proposals there is a line item entitled 'Use JAG Grant' and then out to the side of this line item, it states that it would be available for 11 months and that it would result in 58 saved employees. Other budget proposals have varying figures showing the JAG Grant could be used for 18 months and could result in the funds being used for either 35 or 37 officer's positions. Ultimately, Mr. Connelly states that additional officers were laid off to cover the cost of the payouts to officers who were initially laid off.

Cathy Crisswell – Chief Risk Officer

On May 5, 2010, this investigator interviewed the City's Chief Risk Officer Cathy Crisswell in reference to this case. Mrs. Crisswell advised that for the first month after Mayor Bartlett was sworn in, she was not really in the loop on things.

Mrs. Crisswell did advise that how the COPS grant worked in the past affected the general understanding of how the JAG grant worked and that many thought that the JAG grant worked in the same way as the COPS grant. Ultimately, Mrs. Crisswell said that she just coordinated the flow of information as it related to the JAG grant.

According to Mrs. Crisswell, Stuart McCalman had some discussions with her regarding the JAG grant and the flap over the payout of severance monies and asked her if the City could use federal funds in negotiations. She indicated that she briefly checked and has not since learned that it would be improper to use the JAG grant in negotiations (See #29, Cathy Crisswell email, Subject: 'JAG – Collective Bargaining', dated 3/8/10). She did state that Stuart McCalman asked her what he should do about explaining to the City Council why severance monies were paid out. Mrs. Crisswell said that she told Stuart McCalman to tell the City Council that they made a mistake.

Mrs. Crisswell explained that she had conversations with Mayor Bartlett, Terry Simonson and Deirdre Dexter about the use of JAG funds and advised that Chief of Staff Terry Simonson talked about the attempt at using JAG funds but that the snow storm ultimately prevented that. According to Mrs. Crisswell, her understanding was that Terry Simonson did not know what could be done with JAG funds but admits that this understanding came after severance monies had already been paid out. She also indicated that there was some discussion in these meetings about Mayor Bartlett's relationship with the City Council and about how he struggled with that.

Additionally, Mrs. Crisswell advised that she told Mayor Bartlett and Terry Simonson that Stuart McCalman should have had the background on both the COPS and JAG grants. She admits that she does not know if Stuart McCalman advised the Mayor and Terry Simonson or not on these issues. She states that she has no firsthand knowledge.

Basically, Mrs. Crisswell feels that the severance payouts could have been avoided. When asked if the layoffs could have been delayed to avoid the payouts, Mrs. Crisswell said that Mike Kier said that they had to do the layoffs by a certain date to 'keep the payroll clean' and that the layoffs were actually delayed.

According to Mrs. Crisswell, she was never asked to research anything on the JAG grants aside from whether the JAG funds could be used in negotiations. (See #29, Cathy Crisswell email, Subject: 'JAG-Collective Bargaining', dated 3/8/10) She also states that she never had any discussion about when JAG grant funds could be applied for. Mrs. Crisswell said that Mayor Bartlett spoke with someone at the Department of Justice or was going to call someone in the Department of Justice about the JAG funds.

Mrs. Crisswell also said that she is concerned about an audit of JAG funds and that her concerns were over the Deputy Chiefs firing off a letter and all of the attention it was getting. She explained that she has not told Terry Simonson or Mayor Bartlett about how the JAG or COPS could be used but states that the general understanding as she understands it, is that JAG would be similar to COPS.

Mrs. Crisswell states that she has never been in budget or directors meetings to hear anything discussed as it relates to the JAG Grant. She indicated that she has personally completed a search to see if Mayor Bartlett has had any contact with the Department of Justice and could find no e-mails to indicate this but states that the Mayor could have used a personal e-mail address.

Lastly, Mrs. Crisswell states that she does not talk to Mayor Bartlett or Chief of Staff Terry Simonson much and that when she does, it is usually relates to workers compensation issues.

Kim Macleod – Communications Director

On May 5, 2010, this investigator interviewed City of Tulsa Communications Director Kim Macleod in reference to this case. Mrs. Macleod began by stating that she is not in City Council meetings very frequently. She indicated that she attends Directors/Management Team meetings and Budget Meetings and that those usually present in these meetings are Mayor Bartlett, Terry Simonson, Jim Twombly, Mike Bunney, Jeff Mulder and Susan Neal.

According to Mrs. Macleod, the COPS Grant was used to bring back 18 officers and was done. She further indicated that the issue of the JAG/Byrne grant came up at the beginning of December around December 4, 2009, when Captain Jonathan Brooks with the Police Department advised that he was preparing a press release to announce that the Police Department planned to rehire the 3 remaining officers that were not hired back utilizing COPS grant funding. However, she states that Mayor Cathy Taylor put this issue on hold at that time.

Mrs. Macleod said that she doesn't remember much about the JAG grant until it became an issue. She indicated that budget proposals were to be turned in by various departments by December 18, 2009 and that she then went on vacation. She further indicates that when she returned from vacation, she got involved in the budget and then found an e-mail from Chief of Staff Terry Simonson to Deputy Chief Mark McCrory. (See #8, Terry Simonson email, dated 1/1/10) Mrs. Macleod states that this is her first knowledge of JAG.

Mrs. Macleod said that by the time she really got involved with JAG it was a problem. She relayed that Terry Simonson told her that it was his belief that officers had to first be laid off or that a layoff was occurring before the JAG funds could be used. She indicated that this would have been after the Deputy Chiefs wrote the memo relating to JAG grant funds.

Additionally, Mrs. Macleod said that when the memo prepared by the Deputy Chiefs, came out and that she determined that the memo came from a credible source, she started to pay more attention. She indicated that she never saw the budget reduction report prepared by the Deputy Chiefs to this point. She also indicated that she doesn't recall any specific discussion about the retention or rehiring of officers.

According to Mrs. Macleod, Stuart McCalman had been providing information to the Mayor and his staff. She said that Stuart normally briefed the staff by e-mail and that she conducted a search of Stuart's e-mails but could find "No paper trail." Mrs. Macleod did say that she talked to Stuart McCalman and that Mr. McCalman expressed concerns to her about the fact that he had though he had given information to the staff about JAG and that he thought he was going to get, "thrown under the bus." She said that Mr. McCalman conceded that maybe he did not give information to the staff.

Mrs. Macleod explained that Terry Simonson told her that Stuart McCalman never gave him any information on the JAG grant and that he would tell the City Council that Stuart McCalman never gave this information to him and that she was present in Terry Simonson's office when Chief of Staff Terry Simonson told Stuart McCalman this.

Additionally, Mrs. Macleod explained that she was not sure if this was in the same meeting or not but that Terry Simonson referenced a proposal prepared by Deputy Chiefs and then displayed the document to her and pointed out to her that the report specifically mentioned the COPS grant not the JAG grant, stating that the Deputy Chiefs made a mistake.

When the Tulsa World made a public information request in reference to a personal e-mail from Chief of Staff Terry Simonson to Deputy Chief Mark McCrory, she obtained a copy of that e-mail from Deputy Chief McCrory and mentioned that e-mail to both Mayor Bartlett and Terry Simonson. Mrs. Macleod stated that neither Mayor Bartlett nor Terry Simonson asked about or requested a copy of the e-mail and states that she never made a copy of the e-mail. She also indicated that she keeps a file with various documents relating to JAG in it.

Mrs. Macleod explained that the way she looks at, it was the Mayor's position to request the repurposing of the JAG grant to retain officers, and that to her it does not matter when they knew what they knew, it was the Mayor's call to repurpose the Grant or not. Mrs. Macleod states that she has since learned that officers claimed that they informed the City administration that the JAG grant could be used to retain officers.

Further, Mrs. Macleod states that Terry Simonson told her that it was possible that the application for reprogramming might have occurred when the layoffs occurred. Additionally, she went on to say that Terry Simonson always told her that the officers had to be laid off and that Terry Simonson told her that he believed that layoffs had to happen or were imminent.

Mrs. MacLeod also said that she does not recall when the Mayor's staff would have come to the realization that JAG could have been used to save jobs nor does she remember specifically, any

discussions about JAG until mostly after the fact, stating that she has a “really crappy memory.” She also states that she does not really remember any Council meetings or press releases.

When asked about the terminology used by Terry Simonson in the past as it related to the layoffs wherein he stated that layoffs had to be imminent, Mrs. Macleod said that for Terry Simonson, imminent meant that layoffs were going to happen. Additionally, when asked about a reprogramming request to the Department of Justice being cancelled at one point, Mrs. Macleod explained that this request was recalled by Mayor Bartlett because the request was for a shorter period of time than he had asked for.

Mrs. Macleod also relayed that Mayor Bartlett mentioned talking to a female at the Department of Justice about the JAG Grant. Mrs. Macleod said that she assumes that Mayor Bartlett spoke with Carol Poole but that she does not know for sure who he would have spoken with.

Upon completion of the interview with Kim Macleod, I requested to see the documents that she had in her file with respect to the Council investigation and/or the JAG grant. Mrs. Macleod agreed to allow this investigator to review her file and upon doing so, I found a copy of the Budget Reductions Report dated December 18, 2009 prepared by the Tulsa Police Department Staff.

This document had been unstapled and put back together and had the pages out of order. Upon review of the document with Kim Macleod, Mrs. Macleod explained that Terry Simonson had shown her this document and pointed out the word ‘COPS’ on page 21 of the document and told her that the Deputy Chiefs briefed him on the COPS Grant. (See #5, TPD Budget Reductions Report FY 09/10, dated 12/18/09)

In this same file, this investigator found copies of e-mails from Stuart McCalman which had already been obtained and released by the media in this case. Additionally, there were a number of e-mails that I had already seen/reviewed in this case as it relates to communication between various city offices as it relates to JAG Grant Funding. (See #26, Stuart McCalman email: Subject ‘clarification’, dated 3/8/10) In addition to these e-mails, I found the personal e-mail dated January 1, 2010 from Chief of Staff Terry Simonson and Deputy Chief Mark McCrory in which Terry Simonson asked Mark McCrory how many officers could be retained with JAG funds for a period of twelve months. (See #8, Terry Simonson email, dated 1/1/10). When this investigator showed Mrs. Macleod this e-mail and pointed out what was asked, she stated, “I guess you’ve got what you need!” Mrs. Macleod subsequently made copies of the aforementioned documents for this investigator.

A review of additional documents copied from Mrs. Macleod’s file, this investigator found the memo previously referenced from Chief Ron Palmer to Phil Evans dated December 29, 2009, wherein Chief Palmer referenced the use of JAG funds to avoid layoffs. (See #6, Ron Palmer email, Subject: ‘FYI’, dated 12/29/09) Also found were copies of Terry Simonson’s e-mail string back and forth with Carol Poole of the Department of Justice and an e-mail dated February 26, 2010, wherein Terry Simonson outlined a response to the media, for Mrs. Macleod, with respect to the JAG grant and whether it could have been requested before the layoff. In this e-mail, Terry Simonson stated that before the request to repurpose the money could be submitted, they needed to tell the Department of Justice a number of things, including the fact that officers had been laid off. (See #30, Terry Simonson email, Subject: ‘statement and question’, dated 2/26/10)

Upon further review of Mrs. Macleod’s file, this investigator found an e-mail dated February 9, 2010 from Stuart McCalman to Terry Simonson, encouraging someone from the Mayor’s staff to call the

Department of Justice and express why they needed approval of the JAG grant reprogramming request. Also found was an e-mail dated February 18, 2010 from Terry Simonson to Chief Chuck Jordan, suggesting that someone from his staff call the back-up staffers at the Department of Justice. He said that if they can help, great but if not, at least they followed directions on who to contact in their absence at the Department of Justice. (See #32, Terry Simonson email, Subject: 'JAG grant requests', dated 2/18/10)

Lastly, this investigator found an e-mail dated December 21, 2009 from Abigail Alford from Fox 23 News to Kimberly Macleod indicating that she wanted to inquire about other funding options as it relates to the police budget. In this e-mail, Ms. Alford mentioned several items that had been brought up by police administration but in particular, she mentions, "Applying to have JAG money, \$2.2 M transferred into payroll, (this would take Federal approval)."

Mrs. MacLeod in turn forwarded this e-mail to Terry Simonson on the same date and asked him to call Abbie, fox police reporter and give her official position on the items listed in her e-mail. Terry Simonson in turn responds within about 15 minutes on the same date and says that he will call her. (See #33, Terry Simonson email, Subject: 'Are you in today?', dated 12/21/09). On June 1, 2010, this investigator made contact with Fox 23 News Reporter Abbie Alford in reference to this e-mail. Ms. Alford states that she recalls having sent the aforementioned e-mail but states that she never received a return phone call from Terry Simonson as his response to Kim MacLeod indicated that he would.

Jeff Mulder – Director of Airport, Transportation & Facilities

On May 7, 2010, this investigator interviewed Director Jeff Mulder in reference to this case. Mr. Mulder stated that on December 9, 2009 it was determined that there was going to be a 10 million dollar deficit in the budget and that every department was looking to see what could be cut.

Mr. Mulder said that he began sitting in on budget review meetings in March and attended Directors/Mayor's meetings and weekly staff meetings but states that the JAG grant was never really discussed. He did state that there was some talk about the Fire Department in January and whether the Police Department would take a similar deal. He said that there was also some talk about layoffs and that the conclusion to lay off officers came up fairly early in January.

Additionally, Mr. Mulder advised that at some point Mayor Bartlett announced that Stuart McCalman would be attending the weekly staff meetings. He said that he does not recall any briefings by Stuart McCalman to the Mayor or the staff about JAG or to encourage them to contact the Department of Justice or anything like that. He indicated that Stuart McCalman had no real involvement in those meetings and only attended two or three of these meetings.

Mr. Mulder did relay that in the April budget meeting there was a discussion about the requirements of the JAG grant and how it could be used to fund the Police Department. He said there was a discussion as it relates to supplanting issues for both the Police and Fire Departments.

Mr. Mulder explained that he had little information with regard to JAG funding and states that he has not been approached by anyone but me with respect to the Council investigation. He did state however that in one of the weekly staff meetings there was some discussion about the investigation and whether the Mayor was going to be included in that investigation and how he should respond.

Dafne Pharis – Director of Department of Grants Administration

On May 11, 2010, this investigator interviewed Grants Administrator Daphne Pharis in reference to this case. Mrs. Pharis advised that she primarily deals with HUD, CDB, Workforce Investment and Department of Energy grants. She states that she has not really been involved with the JAG grant specifically but that she does deal with Recovery Act grants that the JAG grant falls under.

Mrs. Pharis said that she did attend a Grants school/conference in Dallas, Texas with Tulsa Police Grants Administrator Art Surratt in November of 2009 to learn the reporting requirements for JAG and other federal grants which are covered under the Recovery Act.

Mrs. Pharis explained that she and Art Surratt talked about the JAG grant and discussed the COPS grant which was used to bring back 18 of 21 officers and of how the funding could be reallocated for salaries. She said that Mr. Surratt said that he was going to see if the JAG grant could be used to bring back the 3 remaining officers not brought back under the COPS grant.

As it relates to the JAG grant, Mrs. Pharis said that Mr. Surratt told her that he had a request ready to submit to the Department of Justice and that he had changed the request to “retain officers” and that this would have been during Mayor Taylor’s administration.

She indicated that after Mayor Bartlett came into office she was not involved with the JAG grant because the Police Department was administering the grant so her involvement was limited. She did state that it was clear that JAG grant funds could be used to retain jobs but at the time it was not an issue because layoffs were not really being discussed.

When asked, Mrs. Pharis said that as the City Grants Administrator, no one came and asked her if the JAG grant funds could be used to save or retain jobs. She went on to say that this was not unusual because TPD was protective of their grants and they administered their own grants. She said that there was no funding for her to provide support for the JAG grant administration. She explained that when she worked in the Finance Department she worked with Department of Justice grants and has some background in DOJ grants.

Additionally, Mrs. Pharis said that she had heard comments to the affect that JAG could only be used to rehire officers after they were laid off first and stated that she thought the JAG grant was used as a bargaining tool.

According to Mrs. Pharis, she knew that the JAG grant funds could be used to retain or rehire and that she felt that the delay in applying for the funds was unnecessary and that the JAG funds could have been used like the COPS grant to save officers jobs before they ever walked out the door. She went on to say the proof for this was that absent the JAG grant funds officers would have to be laid off.

Further, Mrs. Pharis advised that the Department of Justice would require some type of documentation that the layoffs were imminent or that they were going to occur if it were not for the funds, in order to avoid any supplanting issues. When asked about whether it would be proper to utilize the JAG grant funds in negotiations, Mrs. Pharis said that in her opinion it would depend upon how the negotiations were structured.

Mrs. Pharis offered her opinion that a request for reprogramming of the JAG grant funds could have taken place back in December or at the very least, the question could have been posed to the Department of Justice. She explained that a request for guidance could have been submitted very early. She also offered that the COPS grant made things very confusing because officers had to be laid off and this was in everybody's mind. She explained that the term rehire was used even though the officers never had to walk out the door but were given layoff notices. She went on to say that it is possible that Terry Simonson was confused because of the COPS grant and how it worked. She states that she never talked to Mayor Bartlett or Terry Simonson about JAG grant funding.

Mike Bunney – Director of Economic Development

On May 11, 2010, this investigator interviewed Director of Economic Development Mike Bunney in reference to this case. Mr. Bunney began by stating that he does not recall any discussion about JAG grant funding or layoffs vs. no layoffs.

Mr. Bunney did state that on the Mayor's second day in office there was a down turn in the sales tax numbers further stating that during the first week of January he was on vacation. He advised that he cannot recall a meeting in which he attended where the JAG grant ever came up. He agreed that JAG funding was mentioned in some meetings but it related to the purchase of equipment. He also qualified his statements by explaining that early on in Mayor Bartlett's administration, he did not attend all of the staff meetings.

Mr. Bunney did indicate that he was in a meeting where Terry Simonson explained that there was going to be an investigation into this matter but that he never walked away from that meeting thinking that there was anything was wrong. Mr. Bunney had no other information as it relates to this investigation.

Jim Twombly – Director of Administration

On May 12, 2010, this investigator interviewed Director of Administration Jim Twombly in reference to this case. Mr. Twombly advised that he had been a volunteer from July until December under Mayor Kathy Taylor, assigned to work with grants. He also states that he assisted on the transition team between Mayor Kathy Taylor and Mayor Dewey Bartlett. He further advised that he put together notebooks of information for review in transition.

Mr. Twombly advised that he dealt with the COPS grant in previous jobs and understood that the COPS grant was not on the table at the beginning of December 2009 and as such the COPS grant was not really discussed beyond that time. He did state that he had heard about the three officers left over that would not be re-hired under the COPS grant and that the Police Department wanted to bring back those three officers using the JAG grant.

Mr. Twombly went on to state that there were discussions as it related to budget cuts with estimates for 2.2 percent and 4.4 percent cuts. In proposals to the Fraternal Order of Police, Mr. Twombly said that the proposals were laid out so that 'Plan A' conveyed a proposal that would result in layoffs, while 'Plan B' was laid out to convey concession with no layoffs.

He further indicated that the City wanted to use the JAG grant to help mitigate the number of total layoffs. He said that he does not recall exactly when the JAG grant first appeared in discussions but states that in mid-December Chief Ron Palmer mentioned the use of JAG grant funding. However, Mr. Twombly said that he cannot make a distinction between the use of JAG funds to bring back the three officers not hired back under the COPS grant versus retaining officers.

According to Mr. Twombly, the budget department usually put together figures used in negotiations. He advised that he or Mike Kier would communicate requests to the Budget Department and that they received direction from either Mayor Bartlett or Chief of Staff Terry Simonson.

Additionally, Mr. Twombly said that as he recalls the first discussion of the JAG grant being conceptually used to prevent the layoff of officers was during a two week period from the end of December 2009 to the first of January 2010. He said that the consensus was that they did not want to lay officers off and that is why the JAG grant was in the picture. Mr. Twombly states that he has some vague recollection early on that the JAG grant was not going to be used until it could be evaluated.

Mr. Twombly explained that it was his position in January 2010 that they were not in negotiations with the FOP, as they did not open up the whole contract for discussion. He further explained that they were just presenting option A and option B and that they didn't have time to enter into full blown negotiations with ground rules. He went on to state that they have always held out that they were not in negotiations.

As it relates to Chief Ron Palmer, Mr. Twombly advised that he believes that Chief Palmer submitted budget proposals that included the use of JAG funds from the onset. He went on to state that Chief Palmer and the Mayor's staff were not on the same level of communication or understanding and that a good rapport did not exist between the two.

Additionally, Mr. Twombly further stated that the Deputy Chiefs submitted a budget report dated December 18, 2009 and that this document was discussed in a meeting with Terry Simonson, Mike Kier and Mayor Bartlett. In this discussion they were shaping what the Mayor's position on this might be. He also relayed that there were discussions about the frustration with the Deputy Chiefs' document and whether they should use the JAG funds and for how long.

Apparently the frustration over the document made them feel that the Deputy Chiefs' budget analysis left the Police Department virtually untouched and that they thought that this was unrealistic. Mr. Twombly also relayed that there was a brief discussion about the Mayor addressing the FOP's concerns in a memo dated December 29, 2009 to FOP President Phil Evans.

Further, Mr. Twombly relayed that the Mayor had requested a budget proposal from the Police Department. He said that a budget document was delivered to the Mayor and/or his staff that referenced the use of the JAG grant. He said that Chief Palmer seemed to have a clear understanding of the JAG grant and its uses and further states that it has been his (Twombly's) assumption all along that the numbers reflected in the proposal to the FOP in which JAG grant funds were to be used to save jobs.

Mr. Twombly said that he doesn't recall discussions at all about having to layoff officers until February when they began the grant reprogramming process. However, he said that he does recall that under the COPS grant, they did not end up having to lay officers off and pay out severance monies.

Mr. Twombly explained that Chief Palmer did discuss the JAG grant and how the grant could be reprogrammed, when it could occur, and the figures needed to submit the request to the Department of Justice. He said that his recollection is that they needed to know what they were asking the Department of Justice for. He went on to state that the information on JAG was coming from the Police Department and that in his mind, they were the experts and that he believes that Chief Palmer knew what he knew from the guys in the department that had knowledge of the grants.

According to Mr. Twombly, Chief of Staff Terry Simonson and Mayor Bartlett would always be the ones to enquire of the Police Department and of the Chief about grant specifics. He said that he usually dealt with the negotiations and the finance side of things. He said that he did not know if the Mayor or Terry Simonson had any contact with the Department of Justice other than what has been made public. He said that he just knows that he did not, and that he had no reason to believe that Mike Kier did either.

When asked about a request being submitted to DOJ for reprogramming of JAG funds, Mr. Twombly said that he was aware that a submission was made to DOJ in January but that it did not match what the Mayor's staff wanted submitted to DOJ. He explained that the request submitted to DOJ included a plan for the funds to be used for salaries over a 9 month period and that it is possible that he relayed that request to Chief Jordan. He also said that he recalls that there was a change in the numbers for the request to DOJ which ended up requesting the use of JAG funds over a 17 month period. He explained that he did not really recall how that number came about but said the numbers were a moving target and that he was not sure why.

As it relates to the severance monies paid out to laid off officers, Mr. Twombly advised that he recalls a meeting with Erika Warwick and somebody from legal. He said that this was an 11th hour meeting to deal with the severance issue. He said that after the layoffs, there was a to 6 day lead time needed for payroll to know whether they were writing officers checks or not. He did state that there was an issue with cutting the checks but that he was not sure what that was other than they were waiting on the Department of Justice.

Mr. Twombly did also explain that it did not make sense to him that they had to pay out the severance monies. He explained that there was some discussion about getting affected officers to sign waivers and not take severance checks to avoid some payouts. Personally, Mr. Twombly said that he thought the FOP would vote to approve concessions, and thought that they still could have even though they had voted the proposal down once.

Mr. Twombly relayed that the layoffs actually caught the whole staff by surprise and that this may be why they were caught off guard when it actually happened. He said that he was relying on the Police Department that the JAG request could be made and was unaware that it would be an issue with receiving approval in a timely fashion. He also said that he was not involved in any discussions about what documentation was needed for the grant reprogramming request.

After the fact, Mr. Twombly said that Terry Simonson said that officers had to be laid off prior to JAG funds being used but that he states that he doesn't remember that ever having been discussed beforehand. Mr. Twombly said that when Chief of Staff Terry Simonson mentioned this in a City Council meeting, he initially thought that Terry Simonson got his information from the Police Department but he said that he now knows different and states that the police were right. He went on to explain that he might have even agreed with Terry Simonson in this meeting or said that they were relying on those who knew about JAG but Mr. Twombly said that nobody from the Police Department ever told him such a thing.

According to Mr. Twombly, supplanting issues were never really discussed as they relate to the JAG grant prior to March because they were making sure that cuts were being made equally. He did advise that he reviewed a copy of the Recovery Act to ensure that there were no supplanting issues with the grant.

As it relates to the MOU's submitted by the Police Department, Mr. Twombly said that they were held onto for about a month because the MOU's would only get them through the end of the fiscal year and they wanted them for a longer period of time. He said that this was the reason for the delay in the City accepting the MOU's from the Police Department.

When asked if the use of JAG funds were ever offered to the fire department, Mr. Twombly advised that there was some discussion of JAG with the Fire Department as it relates to meth lab cleanup. He said that it was never determined that that the JAG funds would apply to the Fire Department and said that it was more of a discussion than an offer.

Mr. Twombly went on to say that Chief Jordan told them that they could not use the JAG grant in negotiations and that he explained to Chief Jordan that they were not using the JAG grant as leverage and that he saw using JAG funds as a parallel with the Fire Department using reserve funds.

When questioned about the transition briefings between Mayor Bartlett and Mayor Taylor, Mr. Twombly said that he assisted the transition team and that he had a binder that was used in transition briefings and that upon being asked, he reviewed the briefing book and determined that there was no mention of the JAG or COPS grants. Mr. Twombly also said that Terry Simonson did mention the Council investigation in a directors meeting and that Terry Simonson was not terribly concerned about the investigation and that his attitude was that he did nothing wrong. He did state that the Mayor and Terry Simonson were frustrated over the memo by the Deputy Chiefs.

Susan Neal – Director of Community Development & Education

On May 13, 2010, this investigator interviewed Susan Neal, Director of Community Development and Education. Mrs. Neal advised that during the Mayor Taylor administration, there was some discussion about the COPS Grant and that she was familiar with this topic but states that she has little knowledge of the JAG grant or surrounding issues.

Mrs. Neal said that she remembers nothing remarkable about the JAG grant. She said that at the time, Mayor Bartlett decided to let the unions take concession or a reduction in force. She went on to say that she did not make all of the budget meetings and that in the meetings she did attend, there was not much in depth discussion about the JAG grant that she could remember.

Mrs. Neal did state that she recalled a conversation in a director's meeting, where Terry Simonson stated that he had a conversation with Councilor Rick Westcott about the City Council investigation and that Councilor Westcott would invite other Councilors to participate in the investigation. Mrs. Neal said she was asked about this by the media and that she explained that she saw nothing unusual about this statement, as the Council could establish a committee to look into the matter and that she did not perceive anything as being unusual with such a comment.

As it relates to Stuart McCalman, Mrs. Neal advised that Stuart McCalman did attend some director's meetings but that she does not recall Mr. McCalman ever mentioning anything at all about the JAG grant. She did state that in the last couple of months, she does recall some discussions about how supplanting issues with the JAG grant would have an impact on all budgets across the board.

Mrs. Neal said that she was never asked to contact the Department of Justice in relation to the JAG grant, that she heard no discussions as it relates to the Deputy Chiefs' memo, that she has not seen or heard about the budget reduction analysis submitted by the Deputy Chiefs nor has she discussed this investigation with Terry Simonson or Mayor Bartlett. Basically, Mrs. Neal explained that most of what she has learned about this case, she has learned in the media.

Mike Kier – City Clerk

On May 18, 2010 this investigator interviewed City Clerk Mike Kier in reference to this case. Mr. Kier states that he has a limited knowledge of the JAG grant. He says he recalls sitting in on some of the FOP negotiations with Jerry Bender, Jim Twombly, Joyce Powell and Chief Jordan. In some of these meetings, he states that there were discussions about JAG, and that he had the understanding that the JAG grants were not to be used in the negotiation process.

According to Mr. Kier, budget discussions basically revolved around what needed to be done relating to funding positions. He said that comp time was discussed and it was decided that comp time would not be considered in concessions. He admitted that there were proposals presented to the FOP that included the use of JAG funds. He went on to say that the number of positions relating to the JAG grant was moving and further states that JAG was not listed in the initial proposal.

Mr. Kier explained that he had a better understanding of the COPS grant than he did of the JAG grant and that he looked at the JAG grant as more of a block grant and more flexible in its use. As it relates to the COPS grant, Mr. Kier stated that his understanding was that officers had to be laid off first. He explained that it was semantics to him as to whether officers were actually laid off at the time notices are given even if they don't walk out the door.

As it relates to the JAG grant, Mr. Kier advised that it was his understanding that officers had to be laid off before the funds could be used but that he admits that he never read the grant regulations and admits that he is not sure where he attained that understanding. He did explain that if he could have, he would have decided by the first of January instead of the last of January, being aware of the fact that if the longer they waited the larger the cuts they would have to make in the budget.

Mr. Kier advised that the management team was waiting for the FOP to vote and that they thought that if the FOP voted for concessions it would not be necessary to lay off officers. He went on to advise that Mayor Bartlett said that they didn't have to layoff officers if the FOP had agreed to contract concessions. Mr. Kier also said that he does not recall anyone ever saying that they didn't have to lay off officers. He went on to state that the city was hopeful that the FOP would agree to concessions.

With respect to Chief of Staff Terry Simonson, Mr. Kier stated that he doesn't recall that JAG was a focus and further stated that it was not clear to him, (Simonson) that they didn't have to take the path that was taken. Mr. Kier did admit that several proposals to the FOP included the number of officers/jobs that could be saved or retained. Mr. Kier also admits that additional officers had to be laid off to cover

the cost of payouts to officers that were initially laid off. He also relayed that he could not track what Terry Simonson might have known or when.

Mr. Kier also agreed that figures relating to the JAG Grant requests and proposal changed frequently. He also said that police management wanted a 9 month plan for use of the JAG grant funds but states that this was not acceptable. He also said that he was never aware of any directives given to the Police Department to submit a request to the Department of Justice that was later ordered rescinded. Additionally, Mr. Kier advised that Deputy Chief Mark McCrory dropped off a copy of the budget reduction report and said that he does not recall reading option # 3 in this report wherein JAG funding possibilities were discussed.

Additionally, Mr. Kier said that he does not recall discussions as it relates to hiring or re-hiring officers but admits that the management team talked about numbers of officers that could be re-hired while also admitting that the proposal presented to the FOP show the number of officers jobs that could be saved.

When asked about Stuart McCalman, Mr. Kier explained the Mr. McCalman was in some meetings that he attended but did say that in one of the management team meeting, Stuart McCalman said something about this being all his fault and that he would fall on his own sword. He also indicated that Terry Simonson said that there would be four Councilors heading up a committee to head up the investigation and that Councilor Bill Christianson would be on it. Additionally, Mr. Kier explained that Terry Simonson indicated that he had been communicating with Councilor Rick Westcott and that he saw a positive outcome from the investigation and that once he got through it, he would be fine. Mr. Kier said that he never got the impression that there was anything improper.

Mr. Kier said that everything revolved around the hope that the FOP would eventually vote to accept concessions. He also admitted that the target was moving in terms of the figures in negotiations and states that he recalls Mayor Bartlett and Terry Simonson agreeing to the term of 17 months for the use of JAG grant funds to fund salaries/positions. Additionally, he said that he himself was not all that focused on the JAG fund particulars.

Further, Mr. Kier advised that he does not have any recollection of any conversation with Terry Simonson or Mayor Bartlett about the specific use of JAG funds or their knowledge of the JAG grant or when that knowledge was gained. He also advised that he does not recall a budget document prepared by Chief Palmer as it relates to the use of JAG funds and states that he has never read the allegations alleged by the Deputy Chiefs in this case. He explained that he does not have a real clear memory or answers.

As it relates to the severance monies paid out, Mr. Kier was somewhat defensive of this issue. He explained that only eighty thousand dollars was lost by laying officers off and paying out severance monies because the monies that were paid out for vacation and comp time would have had to be paid out when the time was used anyway. He said that in his mind the eighty thousand dollar payout could have been avoided but basically, he discounted the monies paid out for vacation and comp time and did not see that money as actually having been lost.

Lastly, Mr. Kier referenced a Tulsa World article dated January 13, 2010 in which Deputy Police Chief Daryl Webster was reportedly quoted as having said that officers could be re-hired. In part, this may be true but during this investigation there has been a distinction drawn between using JAG funds to re-hire the three officers that were not re-hired under the COPS grant versus using the JAG grant to retain

police positions. Mr. Kier also explained that this was an unusual time for the city with lots of things going on.

Dewey Bartlett - Mayor

On June, 9, 2010 this investigator interviewed Mayor Dewey Bartlett in reference to this case. Mayor Bartlett states that he could not give a specific point in time that he became aware of the JAG grant and that he does not recall that he was ever briefed in the transition between he and Mayor Kathy Taylor about the JAG grant. When this investigator referred to JAG grant as the JAG/Byrne grant, Mayor Bartlett said he didn't even know or hadn't even heard of 'Byrne'.

We had a discussion about a meeting with the Deputy Chiefs of the Tulsa Police Department and that when he met with them, they discussed the COPS grant and that it took him a while to realize that COPS was an acronym and not some slang term.

When questioned further, Mayor Bartlett advised that in late December he became aware of the JAG grant. He indicated that the FOP had mentioned COPS or the JAG grant as a means to supplement their budget and that at the time, he was not interested in using grant money he was more interested in restructuring the Police Department. He said that he told Chief Palmer, the Deputy Chiefs and the FOP that he wanted to look at the structure of the department before using grant money.

Mayor Bartlett went on to state that he wanted to make the Police Department more efficient through restructuring and that after that if grants became necessary then they would talk about it. He again stated that it was his public position that he wanted to look at the management structure of the Police Department before considering any grant money.

When asked further about the December meeting that took place soon after he took office with the Deputy Chiefs, Mayor Bartlett acknowledged that he did meet with the Deputy Chiefs and that he felt that they wanted to meet with him to give their opinion on the course and future funding of the Police Department. He explained that the Deputy Chiefs stated their support for use of grant monies. He said at the time he didn't understand the significance or the parameters of grants and again said that he wanted to restructure the department and that the Deputy Chiefs wanted to supplement their budget but that they didn't go into specifics and that he assumes they meant for salaries.

Mayor Bartlett explained that he did not make a commitment to the Deputy Chiefs and explained that he thought that police management was too top heavy and that he wanted to focus on management structure and change the management structure. He said that the Deputy Chiefs did not discuss using grants to prevent layoffs and that he did not want to publicly say at that point that layoffs were going to occur. He said he didn't recall having discussed layoffs, that he can't remember if the Deputy Chiefs asked about layoffs, and that he did not use the word layoff. He went on to state that he didn't want to discuss layoffs until after Christmas.

Mayor Bartlett explained that he was unaware that the COPS grant had already been used and no longer available before he came into office but that he knew that Mayor Kathy Taylor brought some officers back with a grant. He said he really hasn't learned about the COPS grant but then said that he has now learned about that. He said he didn't know if COPS grant money was available or not when he came into office but that he did know that there were a variety of grants available.

Additionally, Mayor Bartlett said that at the end of December 2009 he knew that the Police Department was pursuing some grant money. He also said that he was relying on the Police Department and primarily Stuart McCalman for information on grants and that he realized the Police Department would have a self serving view regarding grants and how they might be used. He explained that he thought that the Mayor would have a little different view as he would be more interested in what the affect and consequences of a grant might be.

According to Mayor Bartlett, he does not recall if the Deputy Chiefs discussed JAG or not, but that he thinks the COPS grant was discussed and that he just remembers that grants were being discussed and states that he thinks he heard the COPS grant mentioned. He advised that he recalls that the Police Department wanted to use grants to fund the Police Department and that they wanted to discuss the financial situation of the department and that he does not think there was a discussion of layoffs, just budget shortfalls. He again stated that he was not interested in grant money at the time, only restructuring. He explained that if the Deputy Chiefs would have wanted to have a discussion about layoffs, he would have told them that the conversation was premature.

Mayor Bartlett went on to state that as a result of this investigation, he became aware of the Deputy Chiefs' budget report and subsequent meeting with Chief of Staff Terry Simonson. He stated that he learned that grants were mentioned in the report and that the Deputy Chiefs' wanted to use grants to supplement salary needs. He explained that he reviewed the report but that it has been a long time since he has reviewed it.

Subsequently, this investigator showed Mayor Bartlett page 21 and example three of this report and we had a discussion regarding that. He indicated that he had a discussion with Terry Simonson about this report and that he recalls that there were grant monies mentioned but that he did not remember JAG ever being mentioned in the report. He went on to state that he doesn't necessarily remember the discussion and that he didn't necessarily think that the report was all that important at the time and that it was just one of many.

When discussed further, Mayor Bartlett read option three of this report out loud and then stated that, "It speaks for itself" but then stated that it was historical information and was not new information. When this investigator attempted to question Mayor Bartlett in more detail about this option, he stated that he didn't want to be painted into a corner. He said that he gets a lot of opinions and that he has found out with Stuart McCalman that his opinion was a lie.

Further, Mayor Bartlett stated that he didn't specifically recall a conversation with the FOP in late December as it related to JAG availability and then he said that when asked if he knew that JAG could be used to save jobs, he replied "Not necessarily." He went on to state that he relied mainly on Stuart McCalman to tell him about JAG and that he can't recall what Stuart McCalman said about JAG.

Mayor Bartlett again said that he was not particularly interested in grants and that he was focusing on restructuring. He said that he didn't want to discuss grants because it would imply layoffs. He again said that there was no discussion of layoffs in December and that if there were, it would have been conjecture.

When asked if he would have told the FOP that JAG grant money could be used to save jobs, Mayor Bartlett said that he could not recall. He then said that he didn't think that he would have because he wanted to evaluate the structure of the department. He went on to state that he remembers it

differently if it was said. This investigator then showed Mayor Bartlett a memo from him to Phil Evans of the FOP dated December 29, 2009, wherein he stated that he had been told that there was JAG grant money that could save some but not all of the projected job losses. Upon reviewing this document, Mayor Bartlett said, "Oh, O.K., Yeh." He then admitted that he understood that in December JAG could be used to save jobs and further admits that the FOP could have gotten the impression that jobs were at risk based on his statements. Additionally, Mayor Bartlett said that he did not recall layoffs ever being mentioned in a management team meeting.

This investigator then asked Mayor Bartlett if there had been any discussion with the Fire Department about layoffs in December and he stated that he just can't remember. Before being able to move on to the next question, Mayor Bartlett stood up and said, "I've got to take a whiz. Where is the bathroom?" I then directed Mayor Bartlett to the restroom and he remained gone approximately 5 minutes and the returned with a cup of coffee.

Upon returning, Mayor Bartlett explained that they wanted to avoid layoffs and said that restructuring was just a part of that and explained that they didn't begin meetings in earnest about the budget until January and that is when he learned of the significance of union contracts. He went on to explain that he then decided to give the unions the option of agreeing to change their contracts with the City as it related to salaries. Subsequently, he said that a list of concessions were formed and said that if the unions agreed to these concessions then the layoffs would not occur.

Mayor Bartlett explained that the concessions were an evolving list developed as a consensus between the management group and unions as was included in the list of concessions. He explained that he was ultimately responsible for approving this list and that he would be sought for approval on what was given to the FOP in the form of concessions. He also explained that the list of concessions was given to the FOP as suggestions but if they had another approach they would certainly consider them.

A discussion was then had in reference to the Recovery Act or supplanting information provided by the Department of Justice as it relates to grants. Mayor Bartlett said that he never saw this document before, until it was displayed on the screen in a March 9, 2010 committee meeting. Mayor Bartlett said that he assumes that he has seen most of the proposals that have been presented to the FOP. We then had a discussion about example # 3 in the supplanting guide which clearly states that grant funds could be used to retain officers.

Mayor Bartlett said that Stuart McCalman told him that layoffs "had to be imminent and had to have occurred" and that if there was potential for layoffs not occurring then a request for re-application would have been premature. When questioned further about Stuart McCalman's understanding of when the JAG grant could be used, Mayor Bartlett said that this was also his understanding. At the same time, Mayor Bartlett admitted that if the FOP had agreed upon the proposal that included JAG funds there would be no layoffs.

Additionally, Mayor Bartlett acknowledged that proposal given to the FOP included the JAG funds as an option and that if the FOP voted on the proposal that included JAG funds, they would be used to prevent layoffs. He admits that there were a number of changes in the proposals and that the numbers increased as negotiations went on.

This investigator then asked Mayor Bartlett how then, if officers had to be laid off before they could make reapplication for JAG funds to be used, could they offer JAG funds to avoid layoffs. Mayor Bartlett

responded by saying the he did not know the answer to that but admits that the proposals to the FOP are approved by him.

This investigator then stated, for this to be true, (that layoffs could have been prevented of the FOP voted to accept the proposal), then they would have had to make application for the reallocation of grant funds before the layoffs actually occurred. The Mayor responded by stating, "I might have been mistaken. I guess I will have to reevaluate my position on that one then." This investigator then stated that apparently someone was aware that JAG funds could be applied for to prevent layoffs because that was what was offered and Mayor Bartlett replied, "That's probably the case."

Mayor Bartlett would not say that his position was incorrect and again said that he would have to reevaluate his position on that one. He then said that he wanted to make a phone call and that he would call me back and give me a better answer. I told Mayor Bartlett that I would rather sit here and talk about it and he replied, "I'm sure you would but I don't want to." Mayor Bartlett then got up and said that he had to make a phone call and said that he didn't want to be painted into a corner. Mayor Bartlett then asked this investigator to wait for him and he would be back. The Mayor then walked out and closed the door and did not return for approximately 15 minutes.

Mayor Bartlett then returned to the room and said that he remembered that there was something 'Goofy' about this and said that they were offering 17 months use of the grant not 11 months. I explained to him that it really didn't make a difference as to how many months they offered and he said that it did. When asked to explain why, Mayor Bartlett then said that there was the other grant that was in place and already being used by the previous administration and that he thought it was the COPS grant. He went on to say the he talked to Terry and that there was a grant that was expiring and that he was going to defer to Terry and he could answer the question.

When questioned further about this, Mayor Bartlett said that he was going to defer to Terry and that he can't recall the information that I was asking and that he had to "refresh his information." When asked who he talked to when he left the room, Mayor Bartlett said twice that it was not important and that he was going to let Terry answer his question and said that he will give you my answer.

Further, when asked how he authorized something the he didn't know he could get or even apply for, Mayor Bartlett paused for a very, very long time apparently thinking about his answer and then in what appeared to me to be a diversion tactic, Mayor Bartlett asked if I smelled something burning. He said that he smelled something electrical, took his cell phones out of his pocket and sniffed them and asked me again if I smelled that. I told him no each time and he said, "I guess it was the peppermint I just ate." There was no odor of anything burning in the room either before or after this point.

This investigator again asked Mayor Bartlett how he could authorize something that you don't know that you can get or apply for, Mayor Bartlett said, "I'm not going to answer that." He went on to state that he just doesn't recall, that it is a complicated answer, I don't have all the answers at my disposal, I don't remember it very well.

Continuing, this investigator asked Mayor Bartlett if he had called anyone at the Department of Justice and asked about how the JAG grant could be used. He said that he had not talk to DOJ and inquire as to how the JAG grant could be used and that he did not ask anyone to call on his behalf. Mayor Bartlett did state that Terry Simonson called and talked to Carol Poole or at least he thinks he probably did and then he changed that to say that he actually didn't think that he did.

When asked if he could have called DOJ asked for permission beforehand, Mayor Bartlett said that he doesn't have information about whether or not he or someone from his staff should have called DOJ before offering the proposal to the FOP. Again, he stated that he was relying on Stuart McCalman and when asked again if it would have made sense to ask for permission to use the grant beforehand, Mayor Bartlett again said that he relied on Stuart McCalman.

When asked if when relying on Stuart McCalman, if he would have relied on him when he suggested that the reallocation request previously submitted to DOJ by the Police Department should be rescinded or recalled, Mayor Bartlett said he didn't recall if Stuart McCalman suggested that or not. Mayor Bartlett was then asked if he requested that the reallocation request for JAG be recalled or rescinded, Mayor Bartlett said that he did and that he instructed Chief Jordan to recall the request to DOJ because the request was not consistent with the amount of time that he wanted to utilize the grant funds, indicating that he wanted to use the grant funds for a longer period of time. He also indicated that it was possible that he had asked Jim Twombly to relay that request to Chief Jordan.

Mayor Bartlett said that at some point he learned that the maximum amount of time that the JAG funds could be used for was 17 months but states that he doesn't know where he would have come up with that number. A discussion was then had regarding the information needed to submit a reallocation request to DOJ for reallocation of the JAG funds. Mayor Bartlett then said that he was not aware that DOJ needed a length of time and the number of officers for reallocation of funds and then said that he didn't know what DOJ needed. He also said that he didn't know who came up with the numbers listed on the proposals to the FOP but suggested that Mike Kier might know.

When asked about using JAG funds in negotiations, Mayor Bartlett said that the FOP wanted to use JAG. He explained that they were careful not to use the term negotiation upon advice of counsel and that instead, they called them 'discussions.' He said that they did not want to open formal negotiations and that is what they were trying to avoid.

Mayor Bartlett said that he has never discussed with anyone about whether JAG should be used in negotiations or that he has heard about it being improper to use JAG in negotiations. He also said that he is not aware of anyone making enquiries about whether it would be appropriate to use JAG in negotiations.

When asked if he had talked to Carol Poole about the JAG Grant, Mayor Bartlett said that he did talk to her after the layoffs had occurred and also indicated that he met with her in Washington D.C. and talked to her about writing a letter (See #38, Carol Poole letter, 'Re Grants #2009-DJ-BX-1222 & 2009-SB-B9-3102', dated 5/24/2010). He said that he wanted to know, in her opinion if they had done anything wrong. When I commented on the fact that Carol Poole would not necessarily have any information about whether anything was done wrong on a city level, Mayor Bartlett said that he thought that she would have quite a bit of information at her disposal, as she is the government.

When asked if he had conversations with Gerardo Velazquez or Jill young, Mayor Bartlett said that they were in the meeting with both he and Carol Poole recently when he had asked her to write a letter. When asked if he had ever spoken with Shauna Connelly or a lady with the last name of Zephyr in the Department of Justice, Mayor Bartlett said that he had not. When asked if Terry Simonson had called and spoke with anyone at the Department of Justice prior to the layoffs, Mayor Bartlett said that Terry Simonson did call Carol Poole at one point but that he was not sure when and that he didn't remember.

When asked if Chief Palmer would have given him information about the availability and use of the JAG Grant for saving jobs, Mayor Bartlett said that he might have received some information from him but that he doesn't recall. He again said that he might have but that he doesn't specifically recall. At this point, I tried to put Mayor Bartlett a little more at ease and told him that I wasn't trying to be confrontational with him but that I was hired to ask that tough questions. Mayor Bartlett responded by saying, "you're investigating me. I'm a target believe me."

Going back to Mayor Bartlett's memo of December 29, 2010 to FOP President Phil Evans, I asked Mayor Bartlett where he would have gained his understanding for that memo that JAG funds could be used to save jobs. Mayor Bartlett responded by saying that he probably got it from a variety of sources, including Mike Kier, Stuart McCalman, Jim Twombly, Chief Palmer and Pat Connelly. However, when questioned further, Mayor Bartlett stated that he would not say that each of these individuals would have this understanding. He said I would have to ask them and that he wouldn't say that each had that understanding.

Mayor Bartlett went on to say that Chief Palmer was not too interested in his point of view, which was to change the structure of the department, which was what he was focused on. He also said that he cannot recall specifically whether Chief Palmer ever told him that JAG could or could not be used to save jobs. He said that he is sure they had discussions but said that he didn't remember.

The issue of the Recovery Act and DOJ supplanting information was again discussed at this point. As it relates to this document, Mayor Bartlett said that he was not sure who knew what and that he hadn't seen the document. When asked if it would be significant that if some of his staff members had this information and didn't share that with him, Mayor Bartlett said that he didn't see it as being all that important.

When asked if he would have done something differently, Mayor Bartlett said that it was history, ancient history. When asked if he had replayed this thing over in his mind, Mayor Bartlett said that would be a big waste of time and said what has happened has happened. Short of Stuart McCalman telling him that officers had to be laid off, Mayor Bartlett admits that he has no documentation to support his view that officers had to be laid off.

When asked if the severance payouts could have been avoided, Mayor Bartlett said that he wasn't sure that they could have been avoided and said that he really doesn't know. He then went on to say that if a lot of things had happened differently, yes such as if the FOP had agreed to concessions. Mayor Bartlett initially said that FOP had control over this and when asked if the FOP would have authorized him to use the JAG Grant, that would have saved jobs, he replied, "I think that's correct." However, Mayor Bartlett then said that the FOP wasn't in a position to authorize this but that it had to be authorized by the Department of Justice because they were in control.

Mayor Bartlett said that he recalls that he authorized Chief Jordan to make a request for reallocation to the Department of Justice but that he doesn't recall the dates. He did admit however, that he could have called the Department of Justice in advance and ask them when the funds could have been used. He also stated that he doesn't recall if he ever gave any thought to calling the DOJ to get pre-approval for the reallocation of the JAG funds and admits that someone could have called to do that and that he assumed that somebody had.

Mayor Bartlett again agreed that his understanding was that layoffs had to occur before a reallocation request could be submitted to DOJ but admits that his understanding and recollection might be

incorrect. When asked if it would be possible to submit a reallocation request to DOJ before layoffs occurred, Mayor Bartlett said that he really had no idea.

When asked if he was aware that a reallocation request had been submitted to DOJ prior to layoffs occurring, Mayor Bartlett replied, "Terry, you're trying to put me in a corner again and I'm not going to go there." I told him that I was just asking and he replied, "I know you are asking but I'm not going to go there." I again asked Mayor Bartlett if he was aware that a reallocation request went out, Mayor Bartlett said, "I don't even know what you are talking about."

This investigator then asked Mayor Bartlett that if a submission was made to DOJ for reallocation of funds before officers were actually laid off if that would fly in the face of his statement that officers had to be laid off before a request could be made, Mayor Bartlett replied, "Might."

When asked if JAG funds were used as leverage in negotiations with the FOP, Mayor Bartlett immediately stated, "No". When asked if the JAG Grant was ever referenced as being, 'A carrot', Mayor Bartlett hesitated and asked, "By who"? I then said, by anyone on your staff and he then said, "No."

This investigator then asked if the Chief or Deputy Chiefs had ever advised him that a number of officers and a length of time were needed to provide the DOJ for a reallocation request, Mayor Bartlett said it would seem logical but said he can't remember if they did or not, as he was focused on the organizational structure of the department. When this investigator told Mayor Bartlett that the Police Department would have had to get this particular information from him for the reallocation of grant funds, he said that the officers did not have to get the numbers from him, "they could have just pulled them out of their ass."

When asked what he would have done if the FOP would have accepted the proposal including JAG funds, Mayor Bartlett said that he didn't know what he would have done next and said that he probably would have asked his staff, "Now what do we do?"

Mayor Bartlett said that he is not sure who came up with the idea of using JAG to save jobs, not specifically. He said that he might have talked to Mike Kier or Pat Connelly about this. He explained that he realizes now that JAG could be used to save jobs, to retain them and not lay them off. He said that Monday morning quarterbacking is easy and fun but that they used the best information they had. When asked about the amount of money that was paid out in severance monies, Mayor Bartlett said that the \$316k figure is not exactly true. He explained that part of that was money that they owed the officers anyway in vacation and comp time. He said that there was only about seventy some thousand roughly.

When asked if he had made any comment about wanting to discipline the Deputy Chiefs for their memo, Mayor Bartlett said that he had said that if the Deputy Chiefs memo were found not to be true, he would ask them to recall the memo and issue an apology and if they refused to apologize or they refused to acknowledge that they were wrong, they would have a discussion. When asked if he had actually uttered that he wanted to discipline the Deputy Chiefs, Mayor Bartlett replied, "I don't think so. Not that I recall. If I did it was improperly stated."

The interview with the Mayor was then interrupted and terminated when his secretary came to the meeting room we were meeting in and said that the Mayor had a speaking engagement at noon and the Mayor said that he had to go.

Prior to leaving, Mayor Bartlett acknowledged that he was aware that it was a violation of law and a misdemeanor to lie to the City Council. This investigator then asked if he would change anything that he told the City Council or what he would have told this investigator having this in mind and he replied, "No."

Chief of Staff – Terry Simonson

Terry Simonson – Mayoral Chief of Staff

On June 12, 2010, this investigator interviewed Chief of Staff Terry Simonson in reference to this case. Mr. Simonson stated that he had a meeting with Deputy Chiefs McCrory and Webster on December 11, 2009. He states that he can't recall if the Mayor was in this meeting or not. He advised that he cannot recall the specific topic of the meeting but that he met with all of the department managers that week.

Mr. Simonson explained that there may have been some talk of using the COPS Grant to bring back three officers who were not brought back after the last layoff. He said that he thinks that they wanted to use the COPS Grant to bring back those three officers. Again, he said that he doesn't remember the general topic of the meeting and cannot recall if they called the meeting or if he did. He said that he remembers a discussion about the COPS Grant but does not remember a discussion about the JAG Grant.

On December 18, 2009 he states that he met with the Deputy Chiefs again. This time he states that all department heads had to have budget reports submitted, by that date, which reflected recommended budget reductions for both 2.2 percent and 4.4 percent that would have to be implemented by January 31, 2010. He said that Mayor Bartlett might have been in this meeting but that he was not sure.

He stated that the Deputy Chiefs discussed three scenarios to meet those proposed reductions, which included selling a helicopter, not spending money allotted for police cars and using the COPS Grant. He said the Deputy Chiefs told him that they used it before and wanted to use it again and that they wanted to use the remaining COPS Grant.

He explained that Stuart McCalman also talked about the COPS Grant and said that he thought there were two COPS Grants and that the Police Department wanted to use one to bring back the remaining three officers. He explained that they told him they used one in October or November to bring back officers that were laid off and that they felt certain it would apply now as it applied then.

Mr. Simonson said that he was under the assumption that the Deputy Chiefs were thinking a 4.4 percent would include some layoffs but states that the Mayor made it very clear that there were going to be no layoffs. He also said that the Mayor did not want to consider grants in December and not until he saw the January sales tax figures. He explained that the Mayor took a no layoff position and again that he was very clear there would be no layoffs.

Mr. Simonson said that the Police Department was not looking to share in the sacrifice. He said that two MOU's were provided by the Deputy Chief's but he was not sure if it was even in this meeting that they produced those. He did say that the Mayor held the MOU's to see what was going to happen in January.

As it relates to the report presented by the Deputy Chiefs, Mr. Simonson said that they did not go through the report page by page but did state that they went over option three briefly and that they did not explain the grant in detail. He said that when he read option three, he thought that COPS and Byrne were the same grant. He also said he didn't know what Byrne was and that he did not ask.

He explained that the way he read the report was that they had COPS money left. He also said that it appeared to him that the Deputy Chiefs were presenting that there was money available to retain and to re-hire officers. Whether it was true or not he states that he did not know. He said that the Police Department was not asking him to make a request in December as there were no planned layoffs and that you had to wait until personnel have been laid off. He said that there would have been no cause to apply for funds in December, there was no one laid off and layoffs were not imminent. He said you have to wait until they are laid off to make the request.

Mr. Simonson went on to state that he first learned of JAG the first week in January 'in this kind of depth'. He said that in January, Stuart McCalman brought him a document that had come from the Deputy Chiefs and DOJ that explained supplanting requirements. He said that Mr. McCalman told him that if it got down to where they had to use these funds he needed to know about the supplanting requirements. He said that Mr. McCalman had highlighted or marked example three in this document and said that it seemed to match their situation.

Mr. Simonson said that he can't recall if Mr. McCalman would have identified any name for that grant. He said it could have been COPS or JAG but that he assumes that it would have applied to all federal grants. Again, Mr. Simonson said that he didn't know much about the COPS grant but said that he thought there was COPS grant money. He said he first learned in January from Mr. McCalman that there was another grant called JAG, which was a grant for a lot of other law enforcement purposes.

We then discussed example three which cites an example of a city that intends to layoff officers and that assuming that the city can document the intended layoff and that but for the availability of the funds officers would be laid off. Mr. Simonson explained that this was not the most important part of this document, and that it was the last page that had the most important information which describes the documentation necessary for an executive officer to demonstrate the expressed intent to layoff. The documents required would have been an expressed intent that layoffs were going to happen, documents showing intent such as a memo from the Mayor to Human Resources and substantiation that 'but for these dollars' officer are going to be laid off. He stated they did not have that documentation until the officers were given layoff notices on January 22, 2010.

Additionally, Mr. Simonson said that he thought the Byrne grant and the COPS grant were synonymous but acknowledges that the report indicates that there are 2.2million dollars of funds for retaining or rehiring officers. He also said that he thinks Chief Palmer might have mentioned JAG being available to the Mayor. When questioned further about when he learned about the JAG grant, he explained that he might have heard about JAG in December but can't recall and also said he could have learned about JAG in December but that again, he could not recall. He also said that he doesn't think that he had a conversation about JAG in December.

When referencing an e-mail from January 1, 2010 from Mr. Simonson to Deputy Chief McCrory wherein he asked Mr. McCrory if they had received the JAG funds and how many officers could be retained if half the money was used for 12 months, Mr. Simonson said it was obvious he didn't know if they had even received the JAG monies on that date. He admitted that he did not talk to anyone about JAG that day and admitted that it may have been mentioned to him in December. He said that he could not explain

how he would have come to learn about JAG by the first of January and that it may have been mentioned in December.

Mr. Simonson said that he doesn't recall if he would have discussed JAG with anyone else unless it was someone inside the Police Department or Stuart McCalman. He also said that he doesn't recall if he had any e-mail discussion with anyone in December about JAG but that he could have. He went on to state that it was not as important to him as when they could have applied for the funds and following the law. He stated that he did not learn about the depth of JAG until January when he received the supplanting guide from Stuart McCalman.

When asked what his definition of retain and rehire is, Mr. Simonson said that to him, everyone has their own idea. He said his opinion, just his opinion, purely his opinion, is that officers are not retained until they are in jeopardy. He explained that retain would be an officer who is kept after a layoff notice is given and before they go out the door. After they go out the door and they are brought back would be his definition of rehire.

When asked about what the Mayor understood about JAG and when, Mr. Simonson said that he does not know what the Mayor's understanding of JAG was, or when he gained that understanding, except for the fact that he informed the Mayor himself about the potential supplanting issues, by showing him the supplanting guide/Recovery Act document that Mr. McCalman provided to him. (Note: Mayor Bartlett advised that he never saw the supplanting guide until March 9, 2010 in the City Council meeting). He further stated that the Mayor did not know of repurposing until he gave it to him in January.

Mr. Simonson said that he didn't know if Mayor Bartlett first learned of JAG in December or January but states that he does know that he told the Mayor about it in January. When asked if he spoke to the Mayor about JAG in December, Terry Simonson replied, "I wouldn't think so." He went on to state that he knew that the Mayor was very clear that he was not interested in using grants because the only thing he was interested in was pay concessions.

When referring to the supplanting guide, Mr. Simonson said that Stuart McCalman first mentioned the word "imminent" to him as it relates to layoffs. He explained that, to him, imminent meant the same as intent and that it meant that notices had to be given on January 22, 2010. He said it couldn't be a maybe, it had to be a certainty. Not if, but when.

When asked if he ever called the Department of Justice to inquire as to when he could submit the grant for reallocation, Mr. Simonson said that he did not and that he never directed anyone to call. He said that he was not sure if the Mayor called DOJ or not before the layoff notices went out. He went on to say that Stuart McCalman could have called on his own. He did state that the grant could not be applied for repurposing until the layoff notices were given. He said that this was just his opinion or his interpretation, he was just giving his opinion or interpretation. He again said that Mr. McCalman told him that the layoffs had to be imminent.

A discussion was then had with regard to Mr. Simonson's e-mail to Carol Poole at the Department of Justice. He explained that in a phone conversation with Carol Poole as it relates to the repurposing request, Mr. Simonson states that Mrs. Poole told him he got it right and that most people don't get it right. He said that this phone conversation would have been around February 15 or February 19, 2010.

Mr. Simonson explained that he sent an e-mail to Mrs. Poole in March and that he was talking with her to try and figure out when he could have made a request for repurposing because of what Stuart McCalman was telling him. He explained that when he talked to her on the phone she told him he did everything right but because Mr. McCalman was giving him multiple dates that he could have applied for the funds, such as on January 22nd or January 28th and told him that the Council is confused, he wanted to clarify with Mrs. Poole.

Mr. Simonson advised that the grant was approved and there was still confusion about when the request could have been submitted, not knowing that Stuart McCalman is lying to the Council. That McCalman is lying to the Council after all of this is done, and the Council is still dragging him (Simonson) down there and asking him all of these questions. Mr. Simonson said 'how come they (DOJ) get it, the people who can punish us and take the money away, the most important people get it but I'm having a hard time explaining supplanting to you guys, (Council)'. He went on to say that little did he know Mr. McCalman is sending the Council those e-mails saying they could have done it anytime. That is why the Council is confused.

Continuing, Mr. Simonson said that Mr. McCalman threw out another date and said that he thinks that the earliest they could have submitted for the grant was the 28th of January and that is why he (Simonson) sent the e-mail to Carol Poole because he is trying to figure out if it was the 22nd or the 28th of January. He said that the document that is produced in the normal course of business was the Mayor's layoff notices. He said that Mr. McCalman took the position that it might be the day that the FOP votes to turn down the proposal. Mr. Simonson said that an FOP vote is not a document produced in the normal course of business. He stated that he was still hanging his hat on the supplanting guide definition that said a directive from chief executive officer to H.R. According to him, that is the Mayor and not the FOP vote. He explained that Stuart McCalman had him thinking that it was a different date but said he still thinks it was the 22nd of January.

Mr. Simonson explained that you have to tell them 'we need your money to keep these guys'. He said that if the officers voted not to accept the concessions some of the officers would be laid off, 155 guys would be laid off to make the cost savings. So the Finance Department started putting scenarios together to save these jobs with a combination of MOU's, take home cars, comp time and maybe JAG grant. He said that those things together, if they would all approve those things, you keep everybody. If the Mayor approves the MOU's and the JAG grant, and the cops approve 5.2 in pay cuts, all 155 officers have got a job. That will equal their budget reduction. He went on to state that if they don't take the pay cut then a bunch of guys will be laid off and it's still up to the Mayor.

Continuing, Mr. Simonson said that the Finance Department decides what concessions and the Mayor makes the final decision as to what goes to the FOP. He also said that the FOP could have voted anytime in January. They had lots of times they could have voted but his opinion is that they thought the Mayor would blink. They didn't think that the Mayor would issue layoff notices to 155 officers.

Mr. Simonson said that the Mayor wanted to wait until the very last day of the month. He stated that the FOP got a new proposal on the 25th of January. They could have voted anytime in January but they waited until four days after the layoff notices went out before they voted. He explained that the Fire Department and the Police Department are so 'dang competitive', one is not going to make up more than the other. He said that there was no way that the Police Department was going to take more of a pay cut than the Fire Department. So, if they didn't have the concessions, the percentage reduction would have been significantly more than Fire. They knew that would never fly.

Additionally, Mr. Simonson advised that the goal was to make the pay concessions equal with Police and Fire and to package some ideas under that to try to get to their target. He explained that the Mayor said that pay concessions were going to be fair because apparently in the past it hadn't always been fair. He said public safety took less cuts and the guy driving the dump truck took a bigger cut. Mr. Simonson said he was not involved in putting together concessions, it all bubbled out of the Finance Department and he advised he was not part of the negotiating team.

When asked about using the JAG grant in negotiations, Mr. Simonson said that he never called it negotiations because it has real legal significance. He explained they were never in negotiations, they were in budget reconciliation. He went on to explain that after they had used up the whole month of January, the Finance Department said they were out of time and the FOP did not vote. He said that the Mayor said 'this is Friday, (22nd) and I have to issue layoff notices'. The Mayor had to pull the trigger, saying that he didn't have another day and that if the FOP wanted to vote fine, and if they don't fine. He said that Mayor was giving them a choice. They could either take the concessions in the package and nobody loses their jobs, pensions or health insurance or if they turn it down some people will lose their jobs.

Additionally, Mr. Simonson relayed that JAG was put in concessions by the Finance Department and given to the Mayor and told that he needed to sign off on them. He again stated that the Mayor was opposed to using grants but in order to keep the 5.2 percent reduction figure JAG had to be put in the concessions but ultimately the Mayor had to be the one to say put it out or send to the FOP. He also indicated that the Mayor wanted the Fire and Police Departments to agree to proposals of 18 months.

Mr. Simonson said that he would like to know why somebody doesn't say 'you said that, we don't think that's true'. Tell me what part is the lie part. You've got it on tape. He said he doesn't understand why somebody doesn't do that. He went on to say that he now understands why Christianson and the Council are mad at him. He said it was because Stuart McCalman was lying to them and has since confessed. He said he thinks that Stuart McCalman has put suspicions in the back of their mind and understands now why they didn't believe him. He further explained that he was giving his opinion and said that he could tell the same story a hundred times and the truth is the truth. He said, I'm a green gringo, I just got here. I wasn't lying to the council for God sakes.

Mr. Simonson said that his understanding was that until layoff notices went out you could not redirect the JAG funds. Further, his understanding was that there was no way that he could have applied for the funds based on what Stuart McCalman said and what the supplanting guide says. He relayed that he and the Mayor were relying on Stuart McCalman. He said they had to rely on everybody because they were new. They just got there.

When asked at what point JAG was included in concessions and who decided that. He did say again, that the Mayor decides this and when asked if he advised the Mayor one way or the other, he said no. He explained that at that point, there were no other options. He said the cops are saying no more than a 5 percent pay cut and finance is saying 3.5 million – we must find. He said there was not a lot of choice.

When discussing the January 25, 2010 proposal to the FOP and pointing out that it states saved 'sworn employees', Mr. Simonson explained that those were not his or the Mayor's words. He said those were the words of the finance guys and they put them in there. When asked what would have happened if the FOP had voted to approve the proposal that included JAG, Mr. Simonson said, "Nobody's laid off

they take a salary and save 63 of their fellow officers and the rest of the officers are saved by MOU's and JAG."

According to Mr. Simonson 155 officers were laid off on January 22, 2010. He said they voted on it on January 26, 2010. He said by voting on it they would have saved 63 officers and 58 still laid off. He went on to say that they weren't using JAG to avoid layoffs because they had already been laid off and they were using it to rehire and bring back. He also said that you can't use the JAG funds in advance of the layoff; he said you have to have the layoffs and the cops know that this JAG money could only be used after the layoff notice.

When asked what documentation he had to say that officers had to be laid off before using the funds, Mr. Simonson said that he had no documentation that said this. He said that he relied on Stuart McCalman and the supplanting guide which references and executive order and that it stated 'but for these funds they are out'. He said that was clear.

Mr. Simonson stated that because the FOP would not take more than 5.2 percent in salary reductions, they know they are not saving all of the officers by their own concession and they know that there will be layoffs and that they then can bring back the officers by MOU's and the JAG Grant. He again said that he could not make a reallocation request prior to layoff notices going out. That was not what the grant requirements say and that was not what Stuart McCalman said. He explained that to issue a reallocation request prior to layoff notices going out would seem like to him a violation of supplanting.

When asked if he has since learned that a reallocation request could have been made prior to layoff notices, Mr. Simonson said that he did not believe that this is true, otherwise Carol Poole would not have told him that he did it right the way he did it. He said she never told him that he could do it sooner. He again said that Stuart McCalman made it clear to him that layoffs had to occur.

Mr. Simonson went on to say that he thought that Stuart McCalman lied to the Council but he doesn't think that Stuart McCalman lied to him. If that is the case, He wanted to know why the Council is not filing charges on Stuart McCalman because he clearly, through his own emails and confession, lied with the hopes that they would take some action and do something different. He said, "Why are they not pressing charges against Stuart McCalman?" He again said that he did not lie and that he didn't think that Stuart McCalman lied to him and the Mayor.

When asked, Mr. Simonson agreed that the Mayor approved the proposal to the FOP. with JAG included in it as a 'no layoff' proposal. He also said that the Police Department could not have submitted a request to DOJ without the Mayor's approval and they could not have done so prior to the layoffs because they didn't have the documentation. He said he has never heard of getting pre-approval. He said he didn't consider the proposal as an official document that they could have produced to meet the grant requirements.

This investigator then asked why he could not have applied for a grant reallocation earlier or at least have called DOJ and asked if they could do it, he said that to him, the intended layoffs occurred on January 22, 2010. He also said that if Chief Palmer knew it could be done ahead of time, he wouldn't have known that. He said that if Chief Palmer said 'we are waiting on you to do it', or said something about a number, he might have had that conversation with the Mayor but he, (Simonson) did not.

Again, Mr. Simonson states that layoffs had to occur and that would have been when the Mayor issued the layoff notice. He said there had to be some type of government action that says it's imminent and then you can apply for it but not before. He said that was just his opinion.

When asked if he could have applied for reallocation of the funds on the 22nd of January, Mr. Simonson said, "Yes, but the Mayor wanted to wait." He explained that the mayor wanted to let the FOP have the vote. He explained that the Mayor could have done it that day although he doesn't know if anything would have been approved but he says that the Police Department assured them that once the notices went out the approval will happen quick. He said that they told them that they won't wait days and that maybe they could get something within an hour or maybe right there on the phone, saying that they will call back and it will all be done electronically.

So, Mr. Simonson states that the Mayor is thinking he has until the 31st of January because that is their last day (budget deadline) and says so what's wrong with waiting until Tuesday? He stated that the Mayor wanted to see if he could still continue to negotiate with them and get them to approve his proposal. Of course, they did not and after the vote, it was his understanding that the Mayor instructed Chief Jordan, 'Do whatever you do now' and he then signed the MOU's. Mr. Simonson said that he did not know why the Police Department made a submission for 9 months. He said he couldn't speak for the Mayor but he said that directive did not come from him.

According to Mr. Simonson, once they had the vote, he stepped out of it and the Mayor, Webster and the grant guy took over, it was their deal. He relayed that he was surprised when he got a call from Carol Poole with DOJ around the 15th of February and wondered who gave her his name. He went on to state that she told him she got a call from her higher up and said she owed him an apology and explained that they have had a request sitting there since February 8, 2010 and unfortunately because of the blizzard they were closed all last week and the local contact was out of the office and she subsequently went over the request with him.

When asked if he could tell this investigator about his conversation with Chief Palmer, He said, "No" because everybody was saying the same thing and documents were pretty much saying the same thing. Basically, Mr. Simonson explained that everyone is saying that there is no real worry because the money could be used to keep the officers once they have the trigger event. He said that no one was in a panic or a worry because they knew they had the money and they knew it could be used to save men.

Mr. Simonson further explained that once the Mayor issued the layoff notices, this will happen all in one day and it will be a non-event for a bunch of these guys because they have the money, we've done it before and it happens quick. He said it didn't seem like a complicated thing that took a half a dozen ways to tell it, saying nobody was worried.

Continuing, Mr. Simonson relayed that the proposal the FOP voted on shows them how to avoid complete layoffs and that part of that is using the JAG funds, which he claims that the FOP knew that if you take that out, guys are laid off. When asked if the FOP voted to approve the proposal that included JAG, there would be no layoffs, Mr. Simonson said if the JAG money was approved that would be correct. (Note: By his own admission this would not be true because layoffs by his definition had already occurred). He again said that you have to get approval after the layoffs. The Mayor issues the layoff and the FOP votes after the notice. He explains that they had already done the most important thing which is the layoff notice.

Mr. Simonson explained that all of the officers knew when they got to vote, that 155 of them had already been laid off, and what they are about to vote on is a way to save them. If they approve this proposal the Mayor will save. The Mayor then has time to go to the JAG grant. When asked if he had explained it that way to the officers because it didn't seem like anybody knew that, Mr. Simonson said that he has explained this "six different colors, six different ways" and said what else can I do. He said he thought he understood it but he can't say that the Deputy Chiefs or the FOP understood it. He explained that it was complicated and he said that he could have been wrong but he thought he had it right. He also said maybe there is more than one right way to do it. He said he was just thinking, satisfy the DOJ, don't get yourself in supplanting trouble, he said that was all he was thinking.

When asked again if he thought that at some point that someone could have called DOJ and asked, "When can we do this" in order to avoid any confusion, Mr. Simonson said that in hindsight that sounds like it would have been the way to go but that they were led to believe so convincingly by Stuart McCalman and others that they did know it. He said that he and the Mayor were the only people in the dark.

Continuing, Mr. Simonson advised that he doesn't remember anybody telling him (either Chief Palmer or staffers) that they could have applied for JAG before layoff notices were sent out. In fact, he states that Stuart McCalman was telling him the opposite. When asked if he has since learned that this is the case, he replied, "I don't know that was the case." He also said that he did not ask Carol Poole about this. He explained that he spoke with her once over the phone and that was when she called to give approval for the use of funds.

When discussing the Carol Poole e-mail, Mr. Simonson said that the way he interprets her email response to him was that he had to lay people off before he could make application for reallocation of funds and you have to have the documentation. (Note: basically, he states that this is true because of his definition of retain and rehire.) He explained that Mrs. Poole kept drilling home documentation, documentation, documentation. He said she kept hammering that to him, telling him that he better have it because they were going to come audit him and that they needed to see it. He relayed that she told him that she trusted him on the phone that he had it and that he did not have to send it right then but that he had better have it. He stated that she made that 'really dang clear'.

Mr. Simonson said that he was not told that he could apply for the grant well in advance and that he was not told this by the Deputy Chiefs or Chief. He says that Stuart McCalman told him he had to have intent and the government action. He advised that in his interpretation, how could anybody have recommended that to the Mayor to do something which clearly seems to him to be a violation of the regulation. He asked what documentation they would have told Mrs. Poole December 23rd or January 12th for instance. He asked what would they say they have?

When asked if the Mayor could have created a document that would have stated his intention to layoff police officers if they could not use the grant money, Mr. Simonson said that if he could have hit all of the word buttons, such as we intend to layoff, I've got a document produced in the ordinary course of business, I can substantiate it and by doing so we would like to retain or rehire policemen, I so swear. He said that if he had something like that he would hope that would be sufficient but that examples of documentation they give seem to be a little stronger, such as executive order, resolution, Council minutes or adopted budgets.

Mr. Simonson said that he was erring on the strict side. He was erring on a strict interpretation of this because it reduces the margin of risk and error because they did it wrong. When suggested that a

combination of a phone call and documentation might have resolved it, he relayed that it might have but he doesn't know.

When asked if the payouts could have been avoided, Mr. Simonson said that the answer was yes and it was no. He explained that he doesn't even know what happened between the 27th or 28th of January and February 8th. He said he didn't know what was going on in the Police Department. He had no clue what happened in that period of time. He said that if this was a simple electronic transmission and approval in an hour what was going on. He advised that he didn't even know that it didn't happen until February 8th when Mrs. Poole called him up and said that they got it. He states that they lost a week and asked what were we doing?

He went on to state that all he heard was that a request was submitted for a shorter period of time for more officers at the end of January and as he understands it the Mayor said he wanted it for a longer period of time but that to him that sounded like a quick fix. He explained that he thinks they pulled the request back and sent another one. Still, he says there were 7 or 8 days lost. Even having said that, he states that if it hadn't been for the winter storm they still could have avoided sending out the checks if someone would have been at DOJ on the 8th, 9th, 19th or 11th.

When asked if they could have put off the deadline for cutting the checks, Mr. Simonson advised that they could not have done this because the Finance Department said you cannot let the officers work one day in February because they would have to pay the officers for the whole half of the month in the payroll period. He explained that they don't pay by day, so that was why the pressure was on the Mayor to say the 31st was the deadline. He said they were told that the vote had to be done before the 31st or they're out. The money is not there.

Mr. Simonson stated that the Mayor wondered at one point if the JAG funds could be used to bring the Tulsa County Sheriff's Office in to patrol the city streets but said he didn't know if he could really do that. With respect to the City Council, Mr. Simonson explained that he was not advocating for the Mayor, he was not being anti-policemen, he was just down there as the general counsel trying to "Protect us from us" and they never got it.

He said you've got Stuart McCalman feeding lies, you've got the FOP cornering Christianson, so they are all over there playing some other games. He said he didn't even know what they were playing. He relayed that he was only here for one reason. He wants to make sure they are right and are legal and said, "I'm trying to protect you from you, and you're not liking my interpretation and I'm sorry but you can get another one. That's all I am doing here." He advised that they did it the way he thought it should be done and nobody told him different. In fact, he states that the people around him told him to do it that way.

When asked if knowing what he knows now, if he would have done something differently, Mr. Simonson said that if you could really do it pre-layoff, which he said that he doesn't know is true but if you could do it pre-layoff or have a number and have the trigger pulled back. He said if all of that was possible, he didn't want to disrupt anybody's life. He said he would have liked the officers to approve the concession but said that wasn't going to happen and said that they didn't want to make it happen saying that they thought it was union busting. He went on to say that the officers didn't like the fact that the Mayor kept talking to the Sheriff. He said it was a horrible backdrop of stuff going on.

Mr. Simonson said that he did not lie to the council and would have told them the same thing again and again. He said that maybe he would have tried to explain it a little differently like he and I have done.

He said maybe he could have given them some definition sheets but at the end of the day now that I know what Stuart was trying to do behind my back, what good would it have done. He was poisoning the well. He said he wanted to make sure there was doubt and states that he doesn't what the motivation was all about. He advised that he thought Stuart liked working up there and that he was not throwing Stuart McCalman under the bus. He relayed that he thought that Stuart McCalman was actually giving him pretty straight stuff or at least that is the way he interpreted it, saying that he wasn't sure why he was feeding Mr. Christianson what he was telling him.

According to Mr. Simonson, Stuart McCalman used the words imminent and certain as they relate to the JAG Grant and that this was the advice that Mr. McCalman was giving him. He explained that Mr. McCalman gave him all of his talking points for the March 9, 2010 Council Meeting, everything he was to go down there and say the next day in a March 8, 2010 e-mail. He advised that he hasn't seen it but he said that if he watched it on TGOV he bets that he went down and followed the script. He said that he knew more in March than in January but that he was still relying on Stuart McCalman. He said that was good that Mr. McCalman was trying to help him, he thought.

Further, Mr. Simonson stated that Mr. McCalman told him to try and explain it this way, and try to say this and he went down the next day and he did. He said that he wasn't lying to the Council unless Mr. McCalman was lying to him.

When asked 'when is a layoff a layoff?', Mr. Simonson said that a layoff is a layoff when the notices go out. Mr. Simonson's attorney stated that he recognized that there are two different definitions. He said you had to issue the layoff notices but you are saying nobody is getting laid off if you just do this.

Mr. Simonson said that it was confusing and that he could understand why the Council thinks he is not telling the truth. He said I don't know that anybody lied here and then said, "Maybe Stuart a little." He went on to state that they were all giving their interpretation and their understanding and that it wasn't intended to mislead it was intended to explain.

This investigator then asked Mr. Simonson why Mayor Bartlett had to leave my interview with him to go and talk to him. Mr. Simonson said that the Mayor was confused on some dates and he said that the Mayor said something about the officers having to walk out the door and also said that he could not remember the sequence of time or what happened and asked him to refresh his memory. Subsequently, he said that he laid out a timeline for him.

Continuing, Mr. Simonson said that what the Mayor was trying to do was get a timeline. He said that he told the Mayor that this was not about doors, as it relates to the Mayor's comment that the officers had to go out the door. He said it is about documentation. The documentation doesn't say they just went out the door the documentation says I laid them off on January 22, 2010. He further stated that he told the Mayor, if you have that you can probably keep them from going out the door, but you've gotta move and get the request in.

Mr. Simonson said they made their best and last offer and they also knew that the Mayor had until the 22nd to lay people off. He said that the FOP could have called a meeting to vote and maybe they wouldn't have to have a "Bloody Friday" on the 22nd. He said that was what they were hoping would happen. He said they didn't want to wait but they couldn't make the FOP vote.

When asked about using JAG grant money in negotiations, the only document he has is the supplanting guide and it doesn't address that. He explained that people have told him that you can't use the grant

as bargaining chips. He said he wondered if that was anecdotal, or is that really a rule or a regulation. He advised that nobody ever gave him a document that said that and that he had asked it. But, he went on to say that we weren't "bargaining". He said it may be semantics but we are in budget reconciliation, we are trying to figure out how to meet the bottom line.

Mr. Simonson indicated that if the FOP really wanted to raise a stink about it, they should have but they didn't. They accepted the proposal for consideration. He advised that they voted it down but they took it to the ballot and they had every opportunity before that to say you can't put that in there. He again said that people have said it is improper but that he has not read anything about that. He explained that that they didn't do that and that he believes they didn't do that.

When asked if he had ever made the statement that he could have used the JAG grant funds to avoid layoffs, Mr. Simonson said that would not be accurate. He advised that he never said that he could have applied for the funds before the 22nd because he doesn't believe that. When asked if he ever had a conversation with Stuart McCalman about being able to use JAG before layoffs, Mr. Simonson said, "No", because that's not what I was told.

Further, when asked if he had ever indicated to anyone in the FOP or the City that he could have gotten hold of DOJ to see if JAG grant funds could be used, Mr. Simonson replied, "Not me." He said he doesn't know anybody in DOJ to call and, it is not his job. He said we have policemen sitting over there in the grants department.

When asked if he had ever told anybody in the media that there would be no layoffs if they, (FOP) had voted on the proposal, Mr. Simonson said he doesn't recall but explained that if he had said something to the media it would have been that if they had voted on the proposal, this would be the outcome, 2 MOU's and the JAG grant and nobody's laid off.

When asked if he would agree that because of the way that things happened there were twelve additional officers lost to cover the cost of severance, Mr. Simonson replied, what I am waiting for is the City Council to ask, did the City of Tulsa submit the grant to redirect the funds to the Department of Justice in enough time to save those twelve guys and all that money and the answer is yes.

When asked if he sees that there are two different versions of the term "layoff", Mr. Simonson replied, "Clearly." When asked if he could see how that there might have been some mistrust on the part of the FOP, Mr. Simonson responded by stating that the mistrust started way before that. He said it started that day the Mayor went over and saw Stanley Glanz.

Mr. Simonson went on to say that this is kind of like going after the black box in the airplane. This is what you are doing. He said you're opening the black box and you're thinking, "Oh my God, I see how this accident happened." He said it wasn't really pilot error but there was a lot of things going on that could have been done different such as better communications. Why don't we all use the same words? Why don't we all read the same document and the same timing, the same understanding at the same time and then go out and fight our fight. He said they would at least have the same ground rules. He said that never happened. He agreed that there were two or three people telling the Council different things and said that it was probably an example of how not to do it.

Again, Mr. Simonson said it was his opinion and understanding that there was no way he could have applied for the grant funds prior to the layoff notices going out but admits that he did not check with anyone to see if that was true.

Additionally, Mr. Simonson said that he did not know for certain that they could get the JAG funds but they were told that it would be quite certain. He was also told that it was a lot like the COPS grant. He went on to explain that the way it would be certain is if you mess up following the procedures and play loosey goosey with the documentation. He said he went to the strict side of things because the last thing he wanted was a denial.

When asked about the payouts, Mr. Simonson said that the real loss because of the payouts in dollars was 75k. The other money was money that the officers were owed anyway. When asked whose call it was to make the reallocation request after the layoff notices went out, Mr. Simonson said it would be somebody in the Police Department. He explained that the Police Department got the direction from the Mayor the last week of January and said that delay was not in his building.

He explained that the Police Department made a submission for a lesser amount of months than the Mayor wanted and it was recalled. He said they just had to change the number of officers and all he knows is that within that week period of time he presumed that Chief Jordan and his deputies are trying to figure out how many guys. He said that if the Mayor is saying 18 months then it's the Chief's job to figure out how many guys for however long, stating that you have to be specific. He also said that he doesn't know why it took as long as it did. He said nobody in City Hall was driving the grant process.

Lastly, Mr. Simonson acknowledged that he understood that it was a misdemeanor to lie to the City Council and having that in mind he would not change anything that he told me or the City Council. Further, he stated that he knows what false representation means is and he knows what deceit means. He said he also knows that rendering an opinion is different than that.