

February 12, 2014

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INTRODUCTION

On February 3, 2014, Ron Braver and Associates, LLC was engaged by the Office of the Illinois State Treasurer (“Treasurer’s Office”) to provide investigative services relating to employment matters. The services were to include conducting interviews, analyzing documents performing forensic analysis as required, preparing reports of interviews and other investigative activity, and preparing a written summary report of investigative findings.

EXPERIENCE AND QUALIFICATIONS

I am an Illinois licensed Certified Public Accountant (CPA). I am a Certified Fraud Examiner (CFE), Certified Anti-Money Laundering Specialist (CAMS) and an Illinois licensed Private Detective (PD). I have a Bachelor’s of Science Degree in Accounting and Master of Science Degree in Taxation. I was a Special Agent and Supervisory Special Agent for 25 years with the Internal Revenue Service – Criminal Investigation, where I provided investigative services and forensic accounting analyses in a wide variety of criminal tax, money laundering, fraud and civil and criminal forfeiture matters.

Since retiring from the government I worked for approximately two years as a Senior Manager in an International Public Accounting Firm in its Forensic Accounting and Investigative Services Practice overseeing numerous internal investigation and forensic accounting engagements. In July 2012, I established the firm Ron Braver and Associates LLP, where I have handled numerous internal investigations as well as other engagements.

ALLEGATIONS

On January 24, 2014, Edmund P. Michalowski through his attorney, Christine Svenson, made the following allegations in a conference call with Neil P. Olson and Lorilea Burkett of Brown, Hay, and Stephens (Outside Counsel to the Treasurer’s Office):

- The Treasurer had asked for Mr. Michalowski to meet him at his (the Treasurer’s) home to discuss staffing in April 2011 (later identified the dates as April 2, 2011). Mr. Michalowski thought other staff would be present but no other people showed up. He and the Treasurer worked for a while, and then consumed food and alcohol. Michalowski was planning to stay the night in a separate bedroom from the Treasurer. Michalowski claimed that the Treasurer entered the bedroom and tried to give him a message. According to Michalowski, the Treasurer then tried to grab his “private parts.” Svenson

said that Michalowski then left the house, and went to his car and departed. Michalowski said he mentioned this incident “within a month” to Chief of Staff, Kyle Ham. Kyle Ham allegedly responded that at least Michalowski had job security. Svenson said that Kyle Ham had insinuated that the same thing happened to him as well. According to Svenson, Kyle Ham also allegedly asked Mr. Michalowski to approach the Treasurer about his “alcohol abuse.”

- The second instance of sexual harassment occurred on the date of Republican Day at the State Fair in August 2011. This allegedly occurred at a party at “Brown’s” and speaking to a group of woman. The Treasurer was allegedly watching, walking past, and making negative comments. The Treasurer then took Mr. Michalowski aside and said “If you go home with me, you can have anything you want in the office.” Michalowski said he reported the incident to Kyle Ham, who “brushed it off”. According to Svenson, Kyle Ham again referenced “job security” and said the Treasurer was a terrible person with an alcohol problem. Kyle Ham allegedly said “if he is Governor, we have it made.” According to Svenson, after this incident, Kyle Ham became “distant” and wasn’t talking to Michalowski.
- The third instant of sexual harassment took place in August 2012 at the Republican National Convention in Tampa, Florida. Michalowski claimed that at the “Thursday night out,” the Treasurer pulled his arm and asked him to come upstairs with him. When Michalowski refused, the Treasurer allegedly said, “You just said no to the State Treasurer.” Michalowski said he reported the incident to Kyle Ham, who was “angry” and said that Michalowski was not a “team player.” Kyle Ham said that Michalowski was lucky because Josh Lanning had the worst job.
- Michalowski alleges that Michalowski was increasingly marginalized and subject to scorn (presumably from not acquiescing to the sexual advances).
- Michalowski admits he was hired as Deputy Director of Community Affairs and that later the Division of Marketing was added underneath him. Michalowski alleges he was promised a raise but never received it as a result of his increased responsibilities.
- Michalowski alleged that he was promised the Deputy Chief of Staff position, and should have received the General Counsel position when it came open.
- Michalowski alleged that political active employees received 50% raises but others were denied.
- Michalowski alleged that he was pressured into conducting political activity on behalf of the Treasurer. During the outset of the Romney campaign, the Treasurer allegedly yelled at him to go get signatures.
- According to Svenson, Michalowski has hundreds of texts from Treasurer with angry or disparaging remarks.
- Mr. Michalowski claims he was constantly harassed by the Treasurer to get contributions from people that Mr. Michalowski knew or were his friends.
- Mr. Michalowski alleges he was obligated to bolster I-Cash events to reach voters.
- Mr. Michalowski alleges he has 100 contacts from the Treasurer directing him to raise political money.
- Ms. Svenson alleges that people of the political side were given “do nothing” jobs and identified Curt Conrad as one of these Treasurer’s Office employee.
- Ms. Svenson alleges that for not accepting Dan’s “advances,” audits were done on Michalowski’s time.

- Mr. Michalowski was suffering with significant medical issues, and had five brain procedures as well as nerve blocks. Ms. Svenson alleges that these issues were attributable to pressures at work.

On February 3, 2014, Mr. Michalowski tendered his letter of resignation. On February 10, 2014, Edmund Michalowski filed a complaint against Dan Rutherford and Kyle Ham in Federal court alleging political discrimination, sexual harassment and gender discrimination.

PROCEDURES & METHODS

Ron Braver and Associates, LLC performed the following procedures and actions in investigating the allegations:

- On February 7, 2014, an email was sent to all Treasurer's Office employees. The email instructed employees with information about the allegation to contact Ron Braver and Associates LLC.
- Interviewed 16 current or former Treasurer's Office employees. Interviews conducted included employees that were (a) identified or mentioned in the allegation as having information relevant to the allegations, (b) were deemed to have information relevant to the allegations, (c) contacted Ron Braver and Associates LLC to offer information they felt may be relevant, and (d) randomly chosen.
- Interviews in person were recorded with a recording device at witness request or approval.
- Interviews over the telephone were recorded with interviewer's notes only.
- One witness requested to simultaneously record the interview using his/her own recording device. The request was granted.
- One witness requested a copy of the recorded interview and that request was declined by the Treasurer's Office General Counsel. The recorded interview was the property of the Treasurer's Office per contract and the Treasurer's Office declined request.
- One additional witness who Mr. Michalowski identified as someone who had relevant information declined to be interviewed. That witness declined to participate in the investigation and said he/she had "no information" and did not understand why his/her name had been brought into it. The witness said he/she would have reported any misconduct as a matter of "ethics."
- One additional witness provided information by email.
- One witness who was interviewed in person provided additional information via email.
- Reviewed witness notes relating to his/her contacts and history with Ed Michalowski.
- Reviewed the Treasurer's office organizational chart.
- Reviewed January 25, 2014 email from Neil P. Olson - memo to file - regarding Edmund Michalowski allegations.
- Reviewed January 28, 2014, memo from Christine Svenson re: Ed Michalowski employment matters.
- Reviewed January 28, 2014 email from Christine Svenson - attached email text messages involving Ed Michalowski.

- Reviewed January 29, 2014 email from Christine Svenson – additional email text messages involving Ed Michalowski.
- Reviewed January 31, 2014 email from Christine Svenson where she provided the names of two witnesses to the allegation.
- Reviewed January 31, 2014 email from Christine Svenson where she provided the name of an additional witness.
- Reviewed employment files for various witnesses.
- Reviewed resignation of Ed Michalowski dated February 3, 2014.
- Reviewed and analyzed Treasurer’s calendar for the period March through May 2011, August 2011 and August 2012.
- Reviewed and analyzed Ed Michalowski’s travel vouchers for the period January through June 2011.
- Reviewed computer diskette of emails from Ed Michalowski’s email account.
- Reviewed notes found in Ed Michalowski’s office that he abandoned after he resigned.
- Reviewed Office of Executive Inspector General (“EIG”) Report regarding allegations made against an alleged witness dated February 1, 2014.
- Reviewed all EEO complaints filed by Treasurer’s Office employees during the period January 2011 through the present.
- Reviewed emails between Ed Michalowski and human resources.
- Reviewed and analyzed salary increases for union and non-union employees.
- Reviewed and analyzed documents and a computer diskette containing work product performed by a witness including his/her HRIS time information.
- Reviewed ethics, diversity and harassment training attendance sheets and information
- Reviewed Ed Michalowski’s sexual harassment training document.
- Reviewed January 14, 2014 email chain between a witness and Edward Michalowski regarding HRIS.
- Reviewed memorandum to file regarding employment issues a witness had with Ed Michalowski.
- Reviewed Illinois State Treasurer’s Office - Employee Reference Manual.
- Reviewed an email between witness and Ed Michalowski dated April 6, 2011 regarding the April 2, 2011, travel voucher submitted by Michalowski.

FINDINGS

Sexual Harassment

In my opinion, I found no evidence to support the alleged claim that Mr. Michalowski was retaliated against as a result of his failure to acquiesce to the alleged sexual advances by the Treasurer. I found no supporting evidence to his claims of being sexually harassed. My findings are supported by the following facts and evidence:

April 2011 – Allegation of Sexual Harassment

The Federal complaint and Michalowski's notes recovered from his office confirm that the date in question is April 2, 2011. On April 2, 2011 the Treasurer's calendar indicates that Ed Michalowski picked him up at his home in Pontiac Illinois at 7 am and departed for a breakfast event at the Chicago Hilton & Towers from 8:50 to 9:45 am. They then proceeded to two other events and departed back to Pontiac or Chenoa around noon.

The travel voucher filed by Ed Michalowski for April 2, 2011 supports the Treasurer's calendar and shows that Michalowski left his home at 4 am in his personal vehicle and arrived in Pontiac at 6 am. The voucher indicates that he drove in a State vehicle back to Chicago and then back to Pontiac and then departed Pontiac in his personal vehicle at 2 pm and arrived at his residence around 4 pm in his personal vehicle. Ed Michalowski's travel voucher states that he attended events with Treasurer. The statements made in the voucher submitted by Ed Michalowski is further supported by an email chain he sent to a Treasurer's office employee on April 6, 2011 in which he said he used a State vehicle to drive the Treasurer to an event in Chicago. Mr. Michalowski said in the email that he used the car ride as an opportunity to work on details of community affairs.

The travel voucher and events attended by the Treasurer and Mr. Michalowski are inconsistent with the allegations made by Mr. Michalowski in that he alleges that he met at the Treasurer's home to discuss staffing. There is no indication in the Treasurer's calendar and the travel voucher submitted by Michalowski that there were any plans to spend the night or any referral to spending the night but shows they attended events in Chicago and Mr. Michalowski dropped off the Treasurer in Pontiac and returned to his personal residence by 4 pm. In fact Michalowski said the Treasurer and him discussed community affair business in the vehicle which is contrary to his allegation that they had dinner and drink at the Treasurer's home.

The travel voucher and supporting documents indicate that Ed Michalowski either made false statements on his travel voucher or in a complaint filed in Federal court. I have referred these false statements to the EIG Office with a recommendation for further investigation and action.

Kyle Ham denies ever being told about this alleged harassment as claimed by Mr. Michalowski.

July 24, 2011 – Text Message

The complaint refers to a text message in which Curt Conrad says to Ed Michalowski the following "The Treasurer specifically asked that you wear a tank top. Totally your decision if you want to ignore. I am just the messenger." The complaint fails to provide the context of the email. These were text messages between Conrad and Michalowski in which it started on Saturday, July 23, 2011, when Conrad reminds Michalowski about being at the Pontiac office on Monday, July 25, 2011, relating to an event. They discuss providing a State car if possible. On July 24, 2011, Conrad informs Michalowski that the Monday event will not require a coat and tie and business casual is fine. Michalowski responds to Conrad later in the evening on July 24, 2011 "what about my toupee, should I bring my business casual one?" That is when Conrad

responded with “the Treasurer specifically asked that you wear a tank top. Totally your decision if you want to ignore. I am just the messenger.”

Conrad was questioned about this text message exchange and said it was clearly a joke in response to what appeared to be humorous banter by Mr. Michalowski. Conrad said this was an event that required business casual attire as stated earlier in the text messages. Conrad was not with the Treasurer when he joked to Michalowski to wear a tank top and the Treasurer never instructed him to tell Mr. Michalowski to wear a tank top.

August 2011 – Allegation of Sexual Harassment

This allegedly took place the evening before the “Republican Day at the State Fair” where the Treasurer and his staff were at the Brown’s bar. The Treasurer allegedly grabbed Michalowski’s arm when he was leaving with a group of woman. No staff members have come forward to support this allegation and Mr. Michalowski has failed to provide the name of any of the women or anyone else who may have observed the incident. Michalowski said he told Kyle Ham about the incident. Kyle Ham said he was never told about any incident of sexual harassment by the Treasurer.

August 20, 2012 - Allegation of Sexual Harassment

This alleged incident occurred at the St Petersburg hotel where the Illinois delegation for Romney was staying. A witness who was with the Treasurer during the entire convention recalls seeing Mr. Michalowski on one occasion at the convention. The witness recalls seeing Mr. Michalowski with his sister. Mr. Michalowski was staying with his sister somewhere in the Tampa, Florida area. The witness never saw the Treasurer display the activities alleged in the complaint. Mr. Michalowski said he again reported the incident to Kyle Ham. Ham denied ever being notified of any sexual harassment involving the Treasurer.

Sexual Harassment Training and Background

My investigation found that Mr. Michalowski received sexual harassment training and received the Treasurer’s Office employee reference manual. The employee reference manual provides detailed information as to where to file a complaint and provides reference materials and forms. Mr. Michalowski also received yearly ethics training put on by the EIG and the Ethics Officer. The EIG stated that Mr. Michalowski never made any allegations of harassment to him. The EIG has had several contracts with Mr. Michalowski over the period January 2011 through the present and never once mentioned any harassment claims until the day he made the allegation known through his attorney on January 24, 2014.

Mr. Michalowski is an attorney and has a history of working in management and legal positions in State government since 1997. His employment files state he was admitted to practice as an attorney in 1997. His employment files show he is approved for dual employment as a self-employed attorney. From 2002 through approximately January 2011, he was Executive Counsel to the Illinois Secretary of State. In 2010, he was a candidate for Cook County Circuit Court Judge.

Other Information

A review of Equal Employment Office (“EEO”) investigations of discrimination and harassment claims or allegations filed in the Treasurer’s Office during the period January 2011 through the present shows Ed Michalowski was interviewed as a witness in connection with its investigations on two occasions. One interview occurred in June 2012 regarding allegations of one Treasurer’s Office employee making other employees uncomfortable with comments and actions. The other occurred in November 2013 and involved a Treasurer’s office employee claims of workplace harassment by her/his supervisor. None of these EEO investigations involved the Treasurer. Michalowski appeared to be familiar with the procedures involved in handling these complaints. During these investigations and interactions with the EEO Officer, Michalowski never informed the EEO Officer of any of the claims of harassment that he now claims have occurred.

Ed Michalowski received favorable performance appraisals throughout his tenure with the Treasurer’s Office. These appraisals covered the period January 2011 through April 2011, January 2011 through June 2011, January 2011 through December 2011, and January 2012 through December 2012. The appraisal covering the period January 2011 through April 2011 was signed by Kyle Ham and Ed Michalowski on April 18, 2011 which is just over two weeks after the alleged April 2, 2011 incident. Ham signed off on each performance appraisal with Michalowski signing that he concurred.

An email review of Ed Michalowski mailbox was conducted for the period March 2011 through the present. There was no indication in any emails which supports his claims of harassment.

Audit of Time Sheet

A review of the emails between human resources and Michalowski indicate that his time was monitored throughout his tenure as was the policy of the Treasurer’s Office with all employees. There are emails regarding Mr. Michalowski’s use of leave during his tenure. There is evidence that he had a severe medical condition. There is evidence in the emails that the Treasurer’s Office provided Mr. Michalowski flexibility as a result of his medical condition including allowing him to work from home. There are statements from witnesses that Mr. Michalowski brought his children to work. This apparently was allowed by management to accommodate him while he was going through a divorce. I found no evidence that the review of his time sheets was the result of any harassment sanctioned by the Treasurer or his staff as a result of his perceived failure to acquiesce to sexual or political pressure.

Interviews

Interviews of 16 Treasurer’s Office employees were conducted with no employee claiming to be sexually harassed or receiving unwanted or unwelcomed advances during the period January 2011 through the present other than what is described below. The current and former employees interviewed were frequently with the Treasurer alone on multiple occasions.

Two employees stated that on one occasion in 2012 the Treasurer made what they classified as an uncomfortable comment about one of the witnesses as they were walking up the stairs on the way to an event in the Western Suburbs of Chicago. Neither of these employees brought there uncomfortableness with the comment to the attention of the Treasurer, to the EIG or to the EEO Officer.

One former employee indicated the Treasurer, on a couple of occasions, made what he/she considered an uncomfortable push in the small of his/her back to guide him/her in the direction the Treasurer was planning on walking. The former employee said he/she was with the Treasurer on many occasions and only felt uncomfortable on a couple of occasions. This former employee never brought his/her uncomfortableness to the attention of the Treasurer, his/her supervisor or the EEO Officer.

One witness stated that he/she received some uncomfortable comments or suggestions from the Treasurer around 2007 or 2008. This is the witness who observed the uncomfortable comment made to another witness in 2012 as described in the previous paragraph. This witness said he let the Treasurer know these were unwelcomed at the time they occurred in 2007 or 2008. This witness has worked on and off for the Treasurer since 2007. The witness said he/she never brought this to the attention of anyone at the time it occurred. The witness indicated that he/she did not know who to bring the complaint to at the time. The witness did not feel he/she was being harassed as a result of not acquiescing to any unwanted or unwelcomed advances. Around December 2013, the Treasurer made an uncomfortable comment in front of Mr. Michalowski and others during a meeting in Chicago. This witness never brought these activities to the attention of the EEO Officer or the EIG. The witness was a direct report to Mr. Michalowski who he said he informed. Mr. Michalowski never brought this to the attention of the EIG or the EEO Officer. This witness received at least one raise since 2011 and received at least one promotion.

An email was sent to the entire Treasurer's Office asking anyone with information about the allegations or anyone who would want to provide information to contact my office. I received two telephone calls from employees and an email from another in response to this email. These employees contacted my office to provide information regarding Mr. Michalowski and no one provided information about allegation of harassment.

Attempts to interview Mr. Michalowski went unanswered by his attorney, Christine Svenson. These included telephone messages and emails. On February 5, 2014, I received a read receipt for one email sent to Ms. Svenson. On February 6, 2014, Ms. Svenson responded "ok will do". To date I have not been contacted.

Political Discrimination

Regarding the allegations of political discrimination I found no evidence to support the alleged claim. My findings are supported by the following facts and evidence:

Allegation of Not Receiving Pay Raises and Other Alleged Promised Jobs

Interviews were conducted regarding the decisions and policy of the Treasurer's Office on increases of employee pay. When the Treasurer took office he met with a representative for employees that were with the office prior to his arrival. The employees had expressed concern that they had not received cost of living or other raises for a significant period of time. The Treasurer had a policy and appears to have followed that policy to provide raises to the long term employees. The Treasurer also granted raises to employees that were promoted with additional responsibility.

I analyzed and reviewed a schedule of raises that were made to both union and non-union employees during the period January 2011 to the present. The analysis shows that almost 71% of the raises granted after January 2011 went to employees that were from the prior administration.

Ed Michalowski has the sixth highest salary in the Treasurer's Office and his salary was in line with other Directors with the same responsibilities.

I reviewed Ed Michalowski's email and employment file and see no discussions with his supervisor regarding obtaining a raise. It was noted that Mr. Michalowski made more money at his prior employer but he apparently knew the amount of his salary when he accepted his position.

On or about January 11, 2011, Mr. Michalowski was hired by the Treasurer's Office in the Division of Legal. On or about June 29, 2011, Mr. Michalowski became the Director of Community Affairs. On or about December 1, 2011, Mr. Michalowski title was changed to Director of Community Affairs & Marketing. His salary remained the same during each of the changes.

The documents and interviews conducted indicate that "Marketing" was added to Michalowski's title but at the same time they added at least one supervisor to assist in the management of his added responsibility. I see that Mr. Michalowski did not complain or discuss the title changes in any email or employment action at the time the change occurred.

Mr. Michalowski alleges that he was not granted a promised job. Michalowski made inquiries to his direct supervisor when the Treasurer's Office General Counsel position became available and was told the position description would require experience in handling Freedom of Information Act requests, human resources and other matters. Michalowski told his supervisor that he did not have that experience and never applied for the position. The Deputy Chief of Staff position was a promotion from within the office. There is no indication that Mr. Michalowski did not get this job because of any type of harassment.

Mr. Michalowski is an attorney and an experienced manager. He has attended annual ethics training. If he felt any type of harassment he never let the EIG, human resources or any of his supervisors other than allegedly Kyle Ham, know about this alleged harassment at the time it occurred or within a reasonable amount of time. Again Kyle Ham denies ever being informed of any harassment. Mr Michalowski had several opportunities to inform the EIG and EEO Officer

if he felt his allegations were not being acted upon. Mr. Michalowski was familiar with the Treasurer's Office Employee Resource Manual.

Pressured Into Performing Political Activity

I reviewed the text messages between Mr. Michalowski the Treasurer and his staff that was provided by Mr. Michalowski. I see no text messages where the Treasurer pressured Mr. Michalowski into performing political activities. The texts messages accurately show that Mr. Michalowski went out of his way to assist in the campaign. There is no indication from the text and email messages that he was yelled at or threatened. To the contrary there were several instances where they referred to each other as friends. There are text messages where political donations were alluded to but absolutely no evidence that Mr. Michalowski was not assisting on his own free will and no apparent pressure. The text and email messages also show that the Treasurer and his staff made it clear that all campaign or political activity was to be performed not on government time or the use government property in connection was prohibited.

I reviewed an email dated June 13, 2013 where Kyle Ham sent to all Treasurer's Office employees that the Treasurer was running for Governor of Illinois. The email was to remind all employees about the ethics training and that all State employees shall not perform any prohibited activity during compensated time.

There was an email dated September 7, 2011, where a business person is asking Mr. Michalowski about a target donation the Treasurer is looking to receive. Mr. Michalowski tells the business person that he could not discuss the subject via State computer and asked to discuss outside of the office.

My interviews with Treasurer's Office employees indicate that the culture and tone at the top of the Treasurer's Office was to keep political and Treasurer's Office business separate and all political activity to occur "off campus" meaning not on government property and not on government time. I observed no violations of this policy and everyone I interviewed indicated strict adherence to policy.

The annual ethics training covered prohibited political activity in detail and everyone present was told by the EIG to contact him and report any violations. Mr. Michalowski never contacted the EIG. Per the EIG, Michalowski asked pointed questions at the ethics training and via an email dated September 30, 2013, regarding a Treasurer's Office policy of not driving a personal vehicle containing political indicia at a government event or on government time. Mr. Michalowski was questioning this rule which he directed to the Treasurer's Office General Counsel and the EIG. Mr. Michalowski never made any attempt to provide information about any violations or being forced to do political activity.

The Treasurer's Office instituted a policy of time recordkeeping to ensure all employees time was tracked and monitored for violations. There are numerous emails between supervisors, employees and human resources ensuring time was tracked properly for violations. This also included close monitoring of government travel vouchers and State vehicle usage. This was a system the Treasurer Office adopted early after becoming Treasurer.

Do Nothing Jobs by Employees on Political Side

Michalowski provided only one name of a person who he alleged was given a do nothing job because that employee was on the “political side”. I reviewed the HRIS time reporting documents for this employee. I also obtained a computer diskette that was obtained from the computer of the subject employee. The computer diskette contained significant work product the subject employee worked on while employed at the Treasurer’s Office.

Again, if Mr. Michalowski had allegations of impropriety in the Treasurer’s Office he knew and understood he has a duty to report the allegation to the EIG. There is no evidence of Mr. Michalowski ever reporting this employee. This employee has been on administrative leave from the Treasurer’s office since sometime around September 2013 and no allegation was made before or after he left.

Other information

One witness was told by Mr. Michalowski in December 2013 that he (Mr. Michalowski) interviewed for a job with someone who was expecting to become the Secretary of State upon the possible retirement of Jesse White. Michalowski told the witness that he expected to get the job. Michalowski told the witness that he was not sure if he would take the job if offered because he had a “good gig” and “nobody asks much from him” “the new job could be a lot more work”. The witness spoke to Michalowski again around January 9, 2014, where Michalowski said he was offered the job but it was at a junior position then the one he interviewed for but at the amount of money he discussed. At the time, Michalowski said he disclosed his bankruptcy to his potential employer and that the offer was contingent on him filling out the employment paperwork. This was the last time the witness spoke to Michalowski.

On or about January 27 or 28, 2014, the witness received a call from another Treasurer’s office employee who informed the witness that he/she heard a rumor that after the State primary that Ed Michalowski and 5 or 6 others would be let go from the Treasurer’s Office. The witness assured the caller that the rumor was untrue. The witness called two others who he/she indicated would know if the rumor was true and was told emphatically that it was untrue. The witness called back the person who provided the information and assured him/her that the information was not true. The witness believes that this may have been a key factor in Mr. Michalowski making these allegations. Mr. Michalowski and the witness have spoken about personal issues over the years and he never confided in him/her about any harassment allegations either sexual or political.

Another witness who was interviewed in person stated that he heard that Michalowski and he/she were on a list to be let go after the primaries. This witness believes he/she is also being retaliated against for not doing enough for the Treasurer’s Office campaign. This witness also indicated he/she attended functions for another candidate running for Governor of Illinois and that this possibly got back to the Treasurer’s staff. The witness indicated that he was recently the subject of an EIG investigation relating to his attendance at a BCS game and felt this was part of the retaliation. A review of this EIG investigation shows that the information was provided by

someone who was friends with the witness on Facebook and a friend of the person making the allegation who was mentioned in the EIG investigation had previously been disciplined by the witness when he/she was a direct report of the witness. There is no evidence that the Treasurer or his staff were the source that initiated the EIG investigation. This witness provided text messages to my office showing he was the source for the attorney that Michalowski used in filing his harassment suit. The attorney, Christine Svenson is the General Counsel for the Cook County Republican Party. The Cook County Republican Party endorsed the Treasurer's opponent for Governor in December 2013. This witness also provided information in an email on why he/she personally relinquished a job title and responsibility. The witness stated that he/she offered and volunteered to assist on the political side but the Treasurer's staff never took him/her up on the offer. The statement made by the witness indicates that he/she was willing and offered to assist and saw no pressure he received to participate on the political side. His/her belief or suggestion received from others that he/she would lose his/her job because he/she did not participate will be referred by my firm for further investigation to the EIG Office.

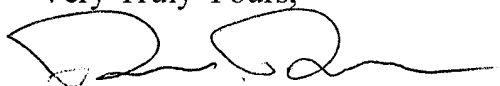
Several witnesses were aware from conversations they had with Michalowski that he (Michalowski) had experienced a personal bankruptcy, that he was having personal issues with his wife and going through a divorce, and that he had medical conditions. Michalowski told witnesses that the medical condition was the result of some fall. On September 23, 2012, a text message was sent by Michalowski to the Treasurer that Michalowski was put on bed rest as a result of a concussion he suffered and mentioned swelling in the brain. There is a series of texts in December 2012, where Michalowski tells Treasurer that he is in hospital for spinal brain procedures. The allegation made through Michalowski's attorney says the medical condition was attributable to pressures at work but none of Michalowski's emails or text messages makes this connection.

CONCLUSION AND FINDINGS

It is my opinion that Mr. Michalowski was not retaliated against for not acquiescing to the alleged sexual or political pressures. It is my opinion that any perception of retaliation or harassment could have and should have first been reported to the EIG or in a manner outlined in the employee reference manual. It is my opinion, based on the evidence reviewed, that rumors that Mr. Michalowski may be let go from the Treasurer's Office after the primary elections played a role in coming forward with these serious allegations and the allegations appears to be released to influence his current election.

I relied on information that I disclosed in my report. To the extent any representations, information, documentation and/or understanding of such is inaccurate and/or incomplete, if requested and if permitted, I reserve the right to update and/or supplement my analysis and/or conclusions upon receipt of additional representations, information, documentation and/or understanding. Accordingly, the observations, conclusions and opinions reached and contained in my report may be subject to modification if additional representations, information and/or documentation is provided and/or made available.

Very Truly Yours,

A handwritten signature in black ink, appearing to read 'Ron Braver', with a long, sweeping horizontal line extending to the right.

Ron Braver, Managing Member
Ron Braver & Associates LLC