Rep. Warren, Chair: <u>00:00:02</u>

The May 2nd meeting of the House Oversight and Reform Committee is called to order. On March 28th, State Bureau of Investigation, Director Robert Schurmeier, testified before this committee that his General Counsel, Ms. Angel Gray, seemed conflicted in her responsibilities to the Bureau and to the governor. He also alleged that the Governor's Chief of Staff, Ms. Kristi Jones and General Counsel Eric Fletcher, attempted to interfere in SBI personnel decisions and to intimidate him into resigning from his position. Recognizing the seriousness of the allegations and acknowledging the importance of the SBI maintaining independence from political influence and to ensure public trust in the integrity of the Bureau, Democrat and Republican members of this committee both voiced a desire to hear from those so accused. Therefore, we invited Ms. Gray, Ms. Jones and Mr. Fletcher to testify in response to those allegations. We are pleased members have the opportunity to hear directly from them now to gain a more complete picture of what actually happened.

00:01:04 Today's hearing will help us understand whether the SBI general counsel is statutorily conflicted and how Governor Cooper's Chief of Staff and General Counsel became enmeshed in personnel concerns of the Bureau. Any confusion of roles, responsibilities, expectations, and authority within North Carolina's premier law enforcement agency could weaken public trust in the Bureau, which confirms the need for a clearly independent SBI. Without clarification and statute, whoever is nominated to succeed Director Schurmeier, after confirmation by the General Assembly, would face the same challenges. To that end, the sole focus of this hearing is to address the allegations of interference and intimidation leveled by the Director Schurmeier.

00:01:52 The Chair directs members to keep their questions brief and on topic. Due to the limited amount of time for this hearing, we will forgo opening remarks and proceed directly to members' questions. The Chairs have made your opening remarks available to the committee members and they have been posted on our committee website for public review. To begin, I'd like to recognize and thank our sergeant of arms and our pages for their service today. Today our sergeant of arms include Mark Douglas in the back, Russell Salisbury on the left, my left, Glen Wall and David Layton.

00:02:34 Our pages are in the back and we have—if you will please stand up when your name is called so we can recognize you— Layla Brown, Anthony Guthrie, and Jason Ventura Cruz. We thank you for being here today and appreciate your service,

Ms. Gray, Ms. Jones, Mr. Fletcher, we would like to have all
three of you please just raise your right hand if you would, and
I will ask you in group and ask you individually to confirm. Do
you affirm that your testimony is the truth, the whole truth, and
nothing but the truth? Mr. Fletcher?

Mr. Fletcher:	<u>00:03:06</u>	Yes.
Rep. Warren, Chair:	<u>00:03:07</u>	Ms. Jones and Ms. Gray and thank you. So let us begin the proceedings. The Chair recognizes Representative Stevens.
Rep. Stevens:	<u>00:03:17</u>	Thank you, Mr. Chair and thank you ladies and gentlemen for being here. I'm going to start, Ms. Gray, I understand your general counsel to the SBI?
Angel Gray:	<u>00:03:27</u>	Yes, ma'am. That's correct.
Rep. Stevens:	<u>00:03:28</u>	And who do you represent in that capacity? Who is your client?
Angel Gray:	<u>00:03:33</u>	The SBI is my client.
Rep. Stevens:	<u>00:03:35</u>	Okay. And what about the governor? Are you answerable to the governor?
Angel Gray:	<u>00:03:39</u>	No, ma'am. I am answerable to the SBI, the state agency and the director of the SBI.
Rep. Stevens:	<u>00:03:44</u>	Okay. Has there been any situation in which you believed you represented the governor?
Angel Gray:	<u>00:03:51</u>	No, ma'am.
Rep. Stevens:	<u>00:03:51</u>	Okay. You told staff at one point, and I'm talking about our legislative staff, when you were interviewed that you were unclear on who you ultimately represent, and did you ever seek advice from the State Bar about that?
Angel Gray:	<u>00:04:06</u>	Yes, ma'am, I have. And the advice from the State Bar is I represent the SBI, the state agency.
Rep. Stevens:	<u>00:04:17</u>	Okay. All right. And I think at one point too, you also told the staff here when they were interviewing you that you didn't know where you would be if the director and the governor were in a disagreement. Is that still the situation?
Angel Gray:	<u>00:04:35</u>	No, ma'am. I'm clear my client is the State Bureau of Investigation.

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Rep. Stevens:	<u>00:04:40</u>	Was there a point at which you weren't sure?
Angel Gray:	<u>00:04:42</u>	No, ma'am.
Rep. Stevens:	<u>00:04:43</u>	Okay. How, if you heard the SBI was going to be being investigated by the governor, would you alert the director?
Rep. Warren, Chair:	<u>00:04:57</u>	Excuse me, Ms. Gray, could you move your microphone a little bit closer to you?
Angel Gray:	<u>00:05:00</u>	Sorry sir.
Rep. Warren, Chair:	<u>00:05:02</u>	Thank you.
Angel Gray:	<u>00:05:08</u>	Yes, ma'am. If I had knowledge of something, I would share that with the director.
Rep. Stevens:	<u>00:05:14</u>	Okay. At times did you tell our staff that you that the director believed you were in cahoots with the governor and were not adequately representing him?
Angel Gray:	<u>00:05:25</u>	Unfortunately, because I am a licensed attorney, the Rules of Professional Conduct prohibit me from sharing specific information that I have gained in my role as general counsel to the SBI. So therefore, I can't answer any specifics about conversations that I may have had with Director Schurmeier.
Rep. Stevens:	<u>00:05:49</u>	Okay. Do you know of any reason he would make some of the statements he made last time believing that you were in cahoots with the governor?
Angel Gray:	<u>00:05:58</u>	No, ma'am.
Rep. Stevens:	<u>00:06:00</u>	You spoke to our staff about your relationship with the director and that you and he had some fundamental disagreements as to who you do represent.
Angel Gray:	<u>00:06:11</u>	Again, the Rules of Professional Conduct prohibit me from disclosing specific information that I have that was gained in my role as general counsel to the SBI. So, generally it is not my job to agree with my client. My job is to provide advice to my client so that my client can make the best decision possible.
Rep. Stevens:	<u>00:06:43</u>	Well, your client is the director and the SBI. Do you see potential conflicts in that?
Angel Gray:	<u>00:06:52</u>	I'm sorry, I'm not sure I understand your question.

Rep. Stevens:	<u>00:06:54</u>	If there was supposed to be an investigation into the SBI, who's your client? The director or the SBI in general?
Angel Gray:	<u>00:07:03</u>	I believe my client is the SBI, the state agency.
Rep. Stevens:	<u>00:07:07</u>	And so how does that affect your communications with the director?
Angel Gray:	<u>00:07:17</u>	It doesn't.
Rep. Stevens:	<u>00:07:23</u>	When you were told that there might be an investigation into the SBI from the governor, did you have any discussions with the director about that?
Angel Gray:	<u>00:07:36</u>	Unfortunately, the Rules of Professional Conduct prohibit me from answering specific questions about information that I gained in my role as general counsel to the SBI.
Rep. Stevens:	<u>00:07:47</u>	Well, the director testified that you had a conversation with him about a Governor's Office staffer and whom you ultimately work for. Didn't that never happen?
Angel Gray:	<u>00:08:00</u>	Unfortunately, the Rules of Professional Conduct prohibit me from disclosing specific information that I gained in my role as general counsel to the SBI.
Rep. Stevens:	<u>00:08:10</u>	The Rules of Professional Conduct allow you to defend yourself against certain statements. So that's why I'm asking you if you are in direct disagreement with something that the director testified to before this committee.
Angel Gray:	<u>00:08:37</u>	Upon advice of legal counsel, I've been advised that the Rules of Professional Conduct prohibit me from disclosing specific information that I have gained in my role as general counsel to the SBI.
Rep. Stevens:	<u>00:08:51</u>	But there was a staff member from the Governor's Office that apparently made some comment to you. That's not your client, are they the governor's staffer?
Angel Gray:	<u>00:09:07</u>	Representative Stevens, this is a client confidentiality matter and Rule 1.6 of the Rules of Professional Conduct prohibit me from disclosing any information that I gained during my role as the general counsel to the SBI.
Rep. Stevens:	<u>00:09:23</u>	But when you are put into a conflict position such as you have been with the director saying one thing, I believe the rules allow you to defend yourself.

Angel Gray:	<u>00:09:36</u>	Representative Stevens, upon advice of legal counsel, I have been advised that the Rules of Professional Conduct do not allow me to disclose that information that I gained in my role as general counsel to the SBI.
Rep. Stevens:	<u>00:09:50</u>	Okay. In other words, you-
Amos Quick:	<u>00:09:52</u>	Mr. Chair, may I ask a question, off the Chair?
Rep. Warren, Chair:	<u>00:09:56</u>	I'm sorry. Yes, Representative Quick.
Amos Quick:	<u>00:09:59</u>	Thank you Mr. Chair. You mentioned the time restraints that we have in your introduction, you didn't give an outline as to how we would proceed with asking questions from members. Could you clarify that for me?
Rep. Warren, Chair:	<u>00:10:12</u>	Absolutely. The chair's going to allow each member 10 minutes for questions uninterrupted and we will keep track of your individual time, anytime you don't use we'll keep track of that so you can come back and follow up if you need to.
Amos Quick:	<u>00:10:26</u>	Thank you Mr. Chair.
Rep. Warren, Chair:	<u>00:10:28</u>	Representative Stevens, you may continue.
Rep. Cervania:	<u>00:10:36</u>	Chair, may I ask this question to you? I know this is a very difficult situation and it seems as though Attorney Gray is consulting with her attorney. Is there a possibility of having him sit next to her instead of her having to reach back? It would be efficient use of time and also be Yes please. If that's possible.
Rep. Warren, Chair:	<u>00:11:01</u>	The Chairs agree that that's permissible.
Rep. Stevens:	<u>00:11:06</u>	And I'm just
Rep. Warren, Chair:	<u>00:11:08</u>	Representing Stevens. You may continue now.
Rep. Stevens:	<u>00:11:10</u>	Thank you. So, Ms. Gray, I think I understand you to say today that you are not going to in any way respond to what the SBI director said about your conflict or potential conflicts that you didn't know who you represented. You don't want to respond to that in any way.
Angel Gray:	<u>00:11:32</u>	Representative Stevens, I would like to respond to that. Unfortunately, the Rules of Professional Conduct prohibit me from sharing any information that I have gained in my role as general counsel to the SBI.

Rep. Stevens:	<u>00:11:48</u>	Have you at any point sought to be released by the director to be able to answer those questions?
Angel Gray:	<u>00:11:56</u>	No, ma'am.
Rep. Stevens:	<u>00:11:58</u>	Because you can get that released, is that correct? If your client agrees.
Rep. Warren, Chair:	<u>00:12:02</u>	Representative Stevens, the Chair apologizes for the interruption but appears that the director's attorney Chris Swecker is here. Mr. Swecker, would you like to say something?
Chris Swecker:	<u>00:12:14</u>	Yes. Thank you. As Bob's personal attorney, he's willing to waive communications he's had with Angel Gray in the course of her representation of him. That's the only privilege he has [inaudible 00:12:29].
Rep. Warren, Chair:	<u>00:12:32</u>	Thank you.
Rep. Dahle:	<u>00:12:34</u>	Mr. Chair.
Rep. Warren, Chair:	<u>00:12:39</u>	Representative Dahle, you recognized.
Rep. Dahle:	<u>00:12:42</u>	So we are now hearing about him waiving his privilege after we have asked for this. That means that these folks are not prepared, cannot respond to this and we need to close this hearing down because they are entitled to due process just as Schurmeier was and just as we were. And now you're giving them the nine minutes you gave us when we had this committee meeting last time. I find a lot of fault in this.
Rep. Warren, Chair:	<u>00:13:21</u>	Representative Dahle, Chair appreciates your opinion. This is not a trial, this is not a court of law. This is simply a hearing and the truth is going to be the truth regardless how much time you have to prepare for it. And they do have their attorneys present. So, the chair's going to continue with the hearing. And Representative Stevens, you may continue your line of questioning.
Rep. Stevens:	<u>00:13:42</u>	Thank you. With that having been said, can you now tell us the kind of communications you had with Schurmeier about conflict of interest?
Angel Gray:	<u>00:13:52</u>	Unfortunately, Representative Stevens, on the advice of my legal counsel, while Mr. Swecker and the director can waive their attorney-client privilege, we cannot waive client confidentiality under Rule 1.6 and my responsibility to keep

		that information confidential pursuant to the Rules of Professional Conduct.
Rep. Stevens:	<u>00:14:16</u>	And I think that's where we may have a disagreement with your counsel. I think you could be compelled to testify, but we'll talk about that at a different time. How about your communications with the other two counsel sitting here about what were your obligations to the governor?
Angel Gray:	<u>00:14:58</u>	So, Representative Stevens, again, I think Rule 1.6 of the Rules of Professional Conduct would prohibit me from disclosing information again, that I gained in my role as general counsel to the SBI. However, I can say that frequently employees of state agencies are required and need to communicate with other employees of other state agencies, particularly around matters such as budgeting or litigation. And those conversations pursuant to my reading and the Rules of Professional Conduct can be had with the knowledge and permission of my client. And I never knowingly violated the Rules of Professional Conduct.
Rep. Stevens:	<u>00:15:50</u>	But your client has said that you may communicate with us and now you're refusing to answer questions. Is that correct?
Angel Gray:	<u>00:16:06</u>	Representative Stevens, again, upon the advice of counsel I've been advised that the waiver applies to the attorney-client privilege and not to the rule of confidentiality, Rule 1.6 under the Rules of Professional Conduct, which still prohibits me from disclosing information that I gained in my role as general counsel to the SBI.
Rep. Stevens:	<u>00:16:30</u>	Ms. Jones, did you believe that the SBI, general counsel also worked for the governor?
Kristi Jones:	<u>00:16:36</u>	Thank you for that question, Representative Stevens.
Rep. Stevens:	<u>00:16:38</u>	Is your microphone on?
Kristi Jones:	<u>00:16:41</u>	Thank you for that question. Thank you for that acknowledgement. I want to thank Chairman Johnson and Warren and all the committee for hearing us. And before I answer that, I want to make sure we remember why we're here. The men and women of the State Bureau of Investigation, both sworn and non-sworn. And I think while we have these good robust discussions, it should remind us of our purpose and that we should thank the men and women of the SBI for all the things that they do. The SBI agents work alongside your sheriffs, your chiefs, they work with your district attorneys.

		They work in our communities. They're the ones that investigate officer-involved shootings. They perform background checks. They do so many things to protect our communities. They're there when a officer is killed in the line of duty.
Rep. Stevens:	<u>00:17:33</u>	And, ma'am, I hate to interrupt you, but we are limited in our time here. And so, I'd like you to see if you can answer the question of do you believe that the SBI works directly for the governor?
Kristi Jones:	<u>00:17:43</u>	Well, what I'd like for all of us do is to give a round of applause to the men and women at the SBI because I don't think we've given them enough credit.
Rep. Stevens:	<u>00:17:51</u>	Ma'am. And we don't do that in this committee. We don't.
Kristi Jones:	<u>00:17:54</u>	You don't acknowledge and thank people for the work they do.
Rep. Stevens:	<u>00:17:56</u>	We don't-
Rep. Warren, Chair:	<u>00:17:57</u>	Representative Stevens, if you allow Chair to interrupt. Ma'am, we respect and highly regard the SBI and all of its members. And we would also respect the fact that this hearing is not about them. They're not on question here. Chairs and I would appreciate it greatly if you'd respond to the questions and discontinue any attempts to divert the attention to this hearing.
Kristi Jones:	<u>00:18:20</u>	Sir, I'm sorry, I wasn't trying to divert. Just wanted to make sure that they were acknowledged. Thank you for acknowledging them.
Rep. Warren, Chair:	<u>00:18:26</u>	Yes, ma'am. Thank you.
Kristi Jones:	<u>00:18:27</u>	Yes, ma'am.
Rep. Stevens:	<u>00:18:29</u>	Do you believe that the SBI general counsel also works for the governor?
Kristi Jones:	<u>00:18:33</u>	No, ma'am.
Rep. Stevens:	<u>00:18:34</u>	Okay. But back to Ms. Gray, you told Oversight staff that you barely knew Ms. Jones or Mr. Fletcher and that you don't have any kind of personal relationship with them. Is that correct?
Angel Gray:	<u>00:18:47</u>	Yes, ma'am. That's correct.
Rep. Stevens:	<u>00:18:48</u>	And the same for General Counsel William McKinley?

Angel Gray:	<u>00:18:51</u>	Yes ma'am. That's correct.
Rep. Stevens:	<u>00:18:52</u>	So Ms. Jones, Mr. Fletcher, do you agree with that statement that y'all are just professional acquaintances and not friends? Okay.
Kristi Jones:	<u>00:19:02</u>	Yes, ma'am.
Rep. Stevens:	<u>00:19:02</u>	So any communication between all of you would be strictly professional as employees of the governor and the SBI director?
Kristi Jones:	<u>00:19:11</u>	Yes.
Rep. Stevens:	<u>00:19:11</u>	Okay. Do you recall any specific conversations about having the SBI investigated and communicating those to Ms. Gray? You or Mr. Fletcher, either one.
Kristi Jones:	<u>00:19:29</u>	Much like Angel here. One of the things we [inaudible 00:19:34] are personnel discussions and many of the personnel discussions are privileged. I think Representative Dahle mentioned we asked Director Schurmeier for a waiver so that we can more fully discuss and he declined that waiver. And so, I want to be very careful and respect that privilege around his personnel record and the conversations.
Rep. Stevens:	<u>00:19:58</u>	Okay. But there was at some point the Governor's Office contacted Ms. Gray about an investigation at the SBI. Is that correct?
Kristi Jones:	<u>00:20:08</u>	I cannot answer that, ma'am.
Rep. Stevens:	<u>00:20:10</u>	You have no personal knowledge?
Kristi Jones:	<u>00:20:13</u>	That we contacted
Rep. Stevens:	<u>00:20:20</u>	Ms. Gray about an investigation of the SBI or the SBI director.
Kristi Jones:	<u>00:20:26</u>	Unfortunately, that's the personnel information that I'm being told I cannot answer.
Rep. Stevens:	<u>00:20:30</u>	I'm asking you about a communication you had with the counsel at SBI. Did you tell her there was an investigation into Schurmeier that would've been communicated to a third party? Was that what was said?
Kristi Jones:	<u>00:20:50</u>	What I would like to say is basically, and hopefully you read my opening statement because it further explained it, so if I may

		explain it and that may help answer this question. Serious allegations concern were brought to the attention of the Governor's Office. And when those concerns were brought to the Office of Governor, we had to take those seriously. And what we did at that time was share with Director Schurmeier. That's what you do when allegations come when personnel and their serious allegations of violations, I want to make clear, came to your attention. We took that information to Director Schurmeier.
Rep. Stevens:	<u>00:21:31</u>	And did you ask him to resign to avoid any further investigation?
Kristi Jones:	<u>00:21:35</u>	Well, what we discussed in those conversations is personnel protected?
Rep. Stevens:	<u>00:21:38</u>	So you're not disputing the fact that he said he was asked to resign?
Kristi Jones:	<u>00:21:42</u>	What I said was that we can't answer because it was a part of the conversation and unfortunately we did not get a waiver to fully discuss this.
Amos Quick:	<u>00:21:50</u>	Mr. Chairman.
Rep. Warren, Chair:	<u>00:21:54</u>	Representative Quick.
Amos Quick:	<u>00:21:54</u>	[inaudible 00:22:00].
Rep. Warren, Chair:	<u>00:21:59</u>	Representative Quick, that was very hard to ascertain with all the interruptions Ms. Representative Stevens had. We are keeping track of that. Ms. Representative Cunningham is next in the queue once the Chief of Staff Jones has completed her answer. Thank you for following up.
Rep. Stevens:	<u>00:22:22</u>	I believe we were waiting on your answer.
Kristi Jones:	<u>00:22:25</u>	Can you restate the question?
Rep. Stevens:	<u>00:22:29</u>	So you don't dispute what Director Schurmeier said about being told resign or we will do a big investigation and your group will pay for it.
Kristi Jones:	<u>00:22:39</u>	No, I do not dispute or affirm.
Rep. Stevens:	<u>00:22:42</u>	Your microphone.

Kristi Jones:	<u>00:22:44</u>	Thank you. What I said was that I couldn't answer it, which means I don't dispute or affirm.
Rep. Stevens:	<u>00:22:50</u>	But you've heard the waiver today by Schurmeier.
Kristi Jones:	<u>00:22:52</u>	I'm not sure exactly what waiver that is. I think we ask in writing for that waiver and they declined. And so, I'm not exactly certain what that waiver meant, and I think he said it was for the conversations with the attorney-client privilege, but not sure what that meant.
Rep. Stevens:	<u>00:23:11</u>	And so I'm assuming the governor's not giving you any kind of waiver of confidentiality today of any privilege that you have of making some discussions of answering these-
Kristi Jones:	<u>00:23:21</u>	The conversation was with Director Schurmeier and myself.
Rep. Stevens:	<u>00:23:24</u>	Sure.
Kristi Jones:	<u>00:23:25</u>	So, that's what I'm-
Rep. Stevens:	<u>00:23:26</u>	And you've heard his personal attorney say, we have waived that privilege. You can discuss what's happened. So, I'm asking if the governor has offered that same waiver.
Kristi Jones:	<u>00:23:36</u>	Representative Stevens, I'm not sure if you saw, they also wrote a letter saying they declined to waive that privilege. And so, I'm not sure exactly if he really wants to waive all of Director Schurmeier's rights here. So, I think someone made that point earlier.
Rep. Stevens:	<u>00:23:55</u>	And all we've asked for, all I've asked for of any of you is a response to what Schurmeier said, which again, even if we're in confidential communication, I think you have the ability to refute what he says.
Kristi Jones:	<u>00:24:07</u>	What I can say is I dispute his characterization of the conversation.
Rep. Stevens:	<u>00:24:12</u>	You don't dispute his conversation, but you dispute his characterization. Am I correct? Is that what you just said?
Kristi Jones:	<u>00:24:17</u>	What I said was he characterized his point of view of the conversation.
Rep. Warren, Chair:	<u>00:24:23</u>	Representative Stevens.
Rep. Stevens:	<u>00:24:24</u>	I'm through. Thank you.

Rep. Warren, Chair:	<u>00:24:26</u>	And the Chair apologizes for tolerating the interruptions during your time limit. We will come back to you if you have follow- ups, just let the Chair know. Representative Cunningham, you were recognized.
Rep. Cunningham:	<u>00:24:36</u>	Thank you, Mr. Chair. I want to direct a couple of these questions back to you. When you did the opening statement, one of the things that you said is that there was a request made by the minority members as well as the majority members to hear these issues that are brought forth by the SBI director. I would ask you to provide those names to me in writing, Democrats, Republicans, provide that to my office because I'm very much unaware that any of our members requested to hear on this issue. So, I would like that provided to my office. Now-
Rep. Warren, Chair:	<u>00:25:17</u>	Representative Cunningham? Yes. We don't have to wait that long. Representative Dahle actually made the remarks and I believe she's sitting about where Representative Cleveland is now. When Director Schurmeier-
Rep. Cunningham:	<u>00:25:28</u>	You're taken away from my time, Mr. Chair.
Rep. Warren, Chair:	<u>00:25:30</u>	l'm sorry.
Rep. Cunningham:	<u>00:25:30</u>	You've taken away from my time.
Rep. Warren, Chair:	<u>00:25:32</u>	Oh, I can take care of that for you.
Rep. Cunningham:	<u>00:25:34</u>	Thank you. May I move forward, sir?
Rep. Warren, Chair:	<u>00:25:36</u>	You may continue.
Rep. Cunningham:	<u>00:25:37</u>	Thank you. Director Schurmeier spoke at length about the efforts he had made to increase diversity at the SBI. We would like to request that the director provide the diversity data on the SBI employees from before he was appointed to his position and the most current data of the same type. I request that too, sir.
Rep. Warren, Chair:	<u>00:26:01</u>	Now, representative Cunningham as Chair's understanding, there's an EOC complaint that is ongoing and we will not delve into that area while that is still active, we do not want to taint anything in that regard. What we will ask you to do is focus on the purpose of this hearing, which is the allegation of political interference with personnel matters at the SBI as well as intimidation. Do you have any questions along those lines, ma'am?

Rep. Cunningham:	<u>00:26:30</u>	Mr. Chair, I do have questions.
Rep. Warren, Chair:	<u>00:26:32</u>	Then please continue.
Rep. Cunningham:	<u>00:26:34</u>	Let me, Mr. Chair, what you have asked us to do on this committee, which I'm not a hundred percent certain of the goals of this committee. I haven't seen the written goals of this committee. I haven't seen a mission statement of this committee. I'm just hearing from Director Schurmeier, now you have them in here that you want us to hear from. What are we supposed to be finding that is a issue with personnel? Those are everyday activities. So, you can imagine, I'm frustrated. Now, Ms. Jones and Mr. Fletcher, when did you become aware that there were workplace issues at the SBI as referenced in the dated letter of April 6, 2023?
Kristi Jones:	<u>00:27:31</u>	Thank you, Representative Cunningham. As to when and how we heard of these allegations, we can't talk about. So, I can't exactly say when and where we heard them. I think if you read in my opening statement, I did mention that in 2018 there were some concerns with the Alcohol Law Enforcement division that had been previously housed with the State Bureau of Investigation. And that in 2019, this particular body, the General Assembly, moved the division of Alcohol Enforcement Division from under the SBI directly to the Department of Public Safety.
Rep. Cunningham:	<u>00:28:14</u>	Mr. Fletcher, do you have any remarks?
Eric Fletcher:	<u>00:28:19</u>	With respect to that question, Representative, and I appreciate the question, I would defer to Chief Jones' answer. I don't have anything to add.
Rep. Cunningham:	<u>00:28:28</u>	Thank you so much. Ms. Jones, were you ever made aware of complaints during Director Schurmeier's tenure, and can you elaborate in that area at all?
Kristi Jones:	<u>00:28:43</u>	As I mentioned before, who made the complaints and what the complaints were, I cannot speak specifically to, but what I will tell you is that serious concerns, allegations were brought to our attention. And when you lead an organization, when you know of an organization, I'm sure you all do this in your own businesses, when allegations of workplace violence come before you, or excuse me, I said violence, violations, workplace violations. I want to make that clear. I did not mean to say violence. Workplace violations come to your attention, it is

		incumbent of you to take those allegations seriously. If you don't take them seriously, it could end in further lawsuits. It could end, in this case, a financial liability to the State. And so, when those allegations came to the Office of the Governor, we had to take those allegations seriously. And at that time, we discussed them with Director Schurmeier.
Rep. Cunningham:	<u>00:29:35</u>	Thank you. Thank you so much. Ms. Jones and Mr. Fletcher, in an ordinary circumstance, would the governor be coming to the General Assembly over a personnel issue? Would you think that is the norm?
Kristi Jones:	<u>00:29:55</u>	I think, Representative Cunningham, what we can say is that in state government, in local government, in private businesses, in all aspect where you have employees, there are going to be allegations of workplace violations, workplace harassment, all types of things. And a lot of agencies where there's oversight and accountability, there are processes in place to handle those types of complaints. There's a whole chapter in our general statutes about how these things are to be handled. So, it is not uncommon for allegations to come up. What we ask and expect of all state agencies is that you take them seriously, that you think about them men and women who work for state government and you protect them and take these allegations serious. So, it's not that they come up, it's how you handle them when they do come up.
Rep. Cunningham:	<u>00:30:48</u>	Thank you. Mr. Fletcher?
Eric Fletcher:	<u>00:30:51</u>	Again, I think Chief Jones has answered the question fully and well.
Rep. Cunningham:	<u>00:30:55</u>	Thank you. I only have two more to go. How would you describe your relationship with Director Schurmeier?
Kristi Jones:	<u>00:31:03</u>	I think also, again, if I'd been able to read my testimony, I would've talked about how we worked collaboratively. I had the opportunity to meet Director Schurmeier when I took this position in 2017. We decided and agreed that we would work collaboratively for the mission of the Bureau, and that's what we've done. You know, Director Schurmeier would ask me to support his request in the governor's budget. Director Schurmeier would ask me to support if he needed some assistance from the Department of Public Safety. And I would always be there to assist Director Schurmeier. Likewise, I would ask Director Schurmeier, "Hey, Director Schurmeier, you know it seems to be an uptick in law enforcement harm, things happening in law enforcement. What recommendations would

		you have? What do you see? What else can we do?" Director Schurmeier and I have worked collaboratively over the course of since 2017 when I took this office. So, we have worked collaboratively, not only in the past, and continue to work collaboratively. Things happen every day. And Director Schurmeier knows he has my support.
Eric Fletcher:	<u>00:32:11</u>	I would just add that I've had quite limited interactions with Director Schurmeier, and I view it as part of my job to support all state agencies. And I think we all work for the State. I wholeheartedly agree with Chief Jones about the importance of the mission of the SBI and want to support them like all state agencies.
Rep. Cunningham:	<u>00:32:32</u>	Thank you. So, did the Governor's Office tell Director Schurmeier to offer his resignation? And before you answer that, I want to go to another part, because was it also that decision shifted back to offer him to go ahead and stay on board?
Kristi Jones:	<u>00:32:54</u>	So, the discussions that Director Schurmeier, that he and I had, are personnel protected, and I can't discuss those.
Rep. Cunningham:	<u>00:33:06</u>	Mr. Chair, I'm going to make my final comments because I'm going to move on. When the people testify in reference to leadership, and the Director Schurmeier is considered leadership of the agency. And when the director is the leader, there's a total reflection on the entire department. It's a trickle down. It's not a trickle up. If he is running it and operating his agency and there's a issue at the top, there's usually going to be an issue trickling down to the bottom. And so I get it. I get it, because I've worked in corporate America, and I've also been a business owner myself. But when you start saying that the people down here are not impacted by the leadership, that is totally inaccurate. So, whatever issues that are brought before the committee, I don't have a problem with looking at a issue when it is really something that we can do something about, and when we can really get the full information on the issue. All we're going to be able to hear is this story, that story. We don't have no facts. That's all I got to say. Thank you.
Rep. Warren, Chair:	<u>00:34:31</u>	Representative Cunningham, does that conclude your remarks? You still have a little over two minutes remaining if you'd like to use it later. Now, in response to your earlier question, from the transcript of the last committee meeting which we heard from Director Schurmeier, you were quoted as saying, "Thank you, Mr. Chair. So, we're hearing the testimony of the director. Will there also be testimony coming forward

from the Governor's Office to this committee?" Thank you. Representative Chesser, you're recognized.

Rep. Chesser:	<u>00:35:02</u>	Thank you, Mr. Chair. Just a couple questions. If you guys can bear with me, I'm going to jump around a little bit here. Want to open with a couple statements. First, I appreciate Mrs. Jones' comments about the SBI and why we're here and the reason we're here. And I think the reason we're here is to investigate what an independent agency actually looks like and who has oversight over that and how much pressure can be exerted upon them. And so, getting to the truth of that is why we are here. And I think Director Schurmeier, if he were here, would probably disagree with your statement that I think his testimony disagrees with your statement that "Director Schurmeier knows he has my support." That's a direct quote of what you just said. His testimony flies in the face of that. So, I would just caution you about speaking for others before the committee.
	<u>00:35:51</u>	Now, moving into a brief line of questioning, if I may, for Mrs. Jones, Mr. Fletcher, whichever one of you would choose to answer. Well, actually, we'll just direct it to Mrs. Jones, if that's appropriate, because in your letter you mentioned a meeting with Director Schurmeier. Is this the October 3rd meeting that you were mentioning in your letter?
Kristi Jones:	<u>00:36:11</u>	I'm not sure specific where you're talking about in the letter, but we did have a meeting.
Rep. Chesser:	<u>00:36:17</u>	On October 3rd?
Kristi Jones:	<u>00:36:19</u>	I don't remember the dates off the top of my head, but probably about so, sir.
Rep. Chesser:	00:36:22	Seems about that timeline?
Kristi Jones:	00:36:24	Yeah.
Rep. Chesser:	<u>00:36:24</u>	Okay. And with the meeting and that director, did you happen to communicate with Mrs. Gray prior to that meeting that that meeting was going to occur?
Kristi Jones:	<u>00:36:34</u>	Whether she was sent an invite, I don't know what you're asking.
Rep. Chesser:	<u>00:36:38</u>	Did you reach out to the director's general counsel before scheduling the meeting?

Kristi Jones:	<u>00:36:43</u>	I don't recall reaching out.
Rep. Chesser:	<u>00:36:48</u>	Would it be appropriate for you to reach out to the general counsel of the director before scheduling a meeting to discuss personnel issues?
Kristi Jones:	<u>00:36:54</u>	I usually reached out to the director and allowed him to bring who he would like to bring with him to the meetings.
Rep. Chesser:	<u>00:36:59</u>	Okay. So, you don't recall whether or not you made Ms. Gray aware of the meeting or the nature of the meeting?
Kristi Jones:	<u>00:37:10</u>	I don't recall specifically that meeting. As you can imagine, I have a lot of meetings and can't necessarily remember exactly the order of
Rep. Chesser:	<u>00:37:17</u>	If I may, a quick redirect? Mrs. Gray, were you made aware of the meeting prior to the meeting?
Angel Gray:	<u>00:37:23</u>	No, sir, not that I can recall.
Rep. Chesser:	<u>00:37:24</u>	So, you were not informed that there would be a meeting between the general counsel and the chief of staff of the governor's office and your client?
Angel Gray:	<u>00:37:34</u>	No, sir, not that I can recall. Not that particular meeting on October 3rd.
Rep. Chesser:	<u>00:37:38</u>	I'm going to also assume you did not show up for said meeting.
Angel Gray:	<u>00:37:41</u>	I did not know about said meeting.
Rep. Chesser:	<u>00:37:43</u>	Agreed. All right. Is there any reason why you would or wouldn't communicate with Ms. Gray on an SBI personnel matter?
Kristi Jones:	<u>00:37:52</u>	I would usually talk to the leader of the agency and Director Schurmeier.
Rep. Chesser:	<u>00:37:58</u>	Okay. And so, I believe a response that Mrs. Gray gave to staff previously said that communication on such matters would be inappropriate.
Angel Gray:	<u>00:38:16</u>	I don't recall that specific communication.
Rep. Chesser:	<u>00:38:21</u>	Okay. Would you consider that contact inappropriate at this time?

Angel Gray:	00:38:32	Are you asking hypothetically, or if it actually happened?
Rep. Chesser:	<u>00:38:36</u>	No, I'm saying if the Governor's Office wanted to interfere in personnel matters to an independent agency, would you consider that inappropriate behavior?
Angel Gray:	<u>00:38:46</u>	I think interference, no.
Rep. Chesser:	<u>00:38:54</u>	Would it be appropriate?
Angel Gray:	<u>00:38:55</u>	No.
Rep. Chesser:	<u>00:38:56</u>	It would not be appropriate? Thank you.
Angel Gray:	<u>00:38:57</u>	lt's interference.
Rep. Chesser:	<u>00:38:59</u>	And Mrs. Jones, would you agree with that?
Kristi Jones:	<u>00:39:03</u>	I did not interfere. What I did, as I mentioned-
Rep. Chesser:	<u>00:39:05</u>	I didn't ask that. I said, would you agree with the statement that that would be inappropriate?
Kristi Jones:	<u>00:39:12</u>	What I've done, what I've mentioned before, is I would have, as I learned of these information, I would take it to Director Schurmeier. And so, I would communicate with Director Schurmeier.
Rep. Chesser:	<u>00:39:23</u>	Reclaiming my time. Did you or Eric Fletcher brief the governor on the series of meetings that you had with the director in 2022?
Kristi Jones:	<u>00:39:33</u>	Sir, as my role as chief of staff to the Office of the Governor, I often share high level information with the governor about things that are happening, agencies. As you can imagine, lots of things are happening in North Carolina, natural disaster, fires
Rep. Chesser:	<u>00:39:50</u>	Reclaiming my time.
Kristi Jones:	<u>00:39:51</u>	all those types of things. And so-
Rep. Chesser:	<u>00:39:52</u>	Ma'am, would you answer the question, did you brief the governor on this specific issue? Yes or no?
Kristi Jones:	<u>00:39:58</u>	He was made aware of personnel issues.

Rep. Chesser:	<u>00:39:59</u>	So, the governor was aware that there was a complaint against the director of the SBI?
Kristi Jones:	<u>00:40:03</u>	He was made aware of the allegations and concerns at the SBI in personnel. Yes, sir.
Rep. Chesser:	<u>00:40:08</u>	Okay. So, following the director's testimony before this committee, your office told news outlets that the SBI has the independence to manage its own workforce. Is that correct?
Kristi Jones:	<u>00:40:24</u>	You recall that. I'm not the person that talks to the press. But if that's what you say, it's that. You're quoting something that I don't have in front of me.
Rep. Chesser:	<u>00:40:35</u>	Yes, ma'am. I am.
Kristi Jones:	<u>00:40:35</u>	That's what I'm saying. I don't have it in front of me.
Rep. Chesser:	<u>00:40:38</u>	Yes, ma'am. I am.
	<u>00:40:38</u>	Okay. So, how would you define independence?
Kristi Jones:	<u>00:40:43</u>	Independence?
Rep. Chesser:	<u>00:40:44</u>	Yes.
Kristi Jones:	<u>00:40:44</u>	Independent to make its own decisions as an agency. And sir, as you mentioned, I'd like to kind of also talk about Director Schurmeier's testimony.
Rep. Chesser:	<u>00:40:54</u>	No, ma'am. This is going to be my time, so we're going to stay on my topics, please.
Kristi Jones:	<u>00:40:59</u>	I would like to Yes, sir. Okay.
Rep. Chesser:	<u>00:41:03</u>	So, has the Governor's Office or the Department of Public Safety ever consulted with the director on personnel hires?
Kristi Jones:	<u>00:41:13</u>	As I mentioned before, when these serious concerns and allegations came to our office, I talked to Director Schurmeier.
Rep. Chesser:	<u>00:41:19</u>	Ma'am, we're not talking about the concerns. I'm talking about hiring practices.
Kristi Jones:	<u>00:41:25</u>	We've had lots of personnel discussions, a lot of personnel discussions include hiring. As you know, recently has been a

		enforcement officers and all those types of things. So, lots of people are having lots of discussions around hiring right now.
Rep. Chesser:	<u>00:41:41</u>	Okay. Do you recall any of those specific positions that maybe the discussions occurred about?
Kristi Jones:	<u>00:41:47</u>	No, don't recall. Can't discuss any specific. But always talk about hiring practices, promotional opportunities, training and continuing education and those types of things, and personnel matters.
Rep. Chesser:	<u>00:41:59</u>	But it's not your personnel, and it's not under executive privilege because the governor's not directly involved in an independent agency. So, why would that be privileged?
Kristi Jones:	<u>00:42:08</u>	Sir, as I mentioned before, when this information came to me, I shared it with Director Schurmeier.
Rep. Chesser:	<u>00:42:13</u>	Mm-hmm. But I'm asking about positions that the Governor's Office inserted themselves in in the hiring practice.
Kristi Jones:	<u>00:42:22</u>	That's your characterization.
Rep. Chesser:	<u>00:42:25</u>	So, you guys have not influenced hiring practices within the SBI?
Kristi Jones:	<u>00:42:29</u>	Sir, if I may refer back to Director Schurmeier's testimony where he talked about, several times, how he was able to promote, how he was able to hire. I think he even talked about one time he decided not to, I think. In one of his statement, he said, "I promoted. I promoted. I did this." I think
Rep. Chesser:	<u>00:42:49</u>	Thank you. If you read just a little bit further in that testimony, you'll also find where he said that the governor blocked him from hiring someone. They drug their feet until they lost him. Or they denied his ability to remove staff and also hire the candidate that he wanted.
Kristi Jones:	<u>00:43:02</u>	I think you also see where Director Schurmeier said
Rep. Chesser:	<u>00:43:04</u>	Reclaiming my time.
Kristi Jones:	<u>00:43:06</u>	Well, actually, I do have that authority.
Rep. Chesser:	<u>00:43:08</u>	Ma'am, reclaiming my time. Thank you. Have you or anyone from the Governor's Office or Department of Public Safety ever delayed in giving approval to such a candidate that was presented to you by the director?

Kristi Jones:	<u>00:43:21</u>	As I mentioned to you, when these allegations came, we would talk to Director Schurmeier. One of the things we would talk about is his clear ability to make these decisions. Sometimes, he would say he chose not to go down the directions. He would take into account the ramifications of his decisions.
Rep. Chesser:	<u>00:43:40</u>	But was one of his candidates ever delayed?
Kristi Jones:	<u>00:43:43</u>	I don't know what you mean by delayed, sir.
Rep. Chesser:	<u>00:43:45</u>	Well, in his testimony that you're thumbing through there, he mentions a particular candidate that was delayed to the point that he lost his applicant.
Kristi Jones:	<u>00:43:53</u>	He also talked about his ability that he had the authority to hire and those types of things.
Rep. Chesser:	<u>00:43:59</u>	Thank you, ma'am. Redirect over here to Ms. Gray, if you will. Director Schurmeier mentioned an allegation of discrimination last year. You don't have to waive any of that. He mentioned that in his testimony. As SBI general counsel, did you provide legal advice or representation in those matters?
Angel Gray:	<u>00:44:24</u>	So, I think, generally, yes. I cannot, again, reveal the specifics of those.
Rep. Chesser:	<u>00:44:31</u>	I didn't specific. But yes, ma'am. As general counsel, how many EEOC complaints have you defended since the director has been in charge? Not asking the characterization of the complaints, just the quantity.
Angel Gray:	<u>00:44:45</u>	And again, the rules of professional conduct prohibit me from answering that question and disclosing information that I gained in my role as general counsel.
Rep. Chesser:	<u>00:44:54</u>	Has that information been disclosed to the Governor's Office?
Angel Gray:	<u>00:44:58</u>	Not to my knowledge.
Rep. Chesser:	<u>00:45:07</u>	Okay. How many of the complaints, in a general sense, is the Governor's Office directly involved in?
Angel Gray:	<u>00:45:20</u>	Again, the rules of professional conduct prohibit me from disclosing information that was gained in my role as the general counsel to the State Bureau of Investigation.
Rep. Chesser:	<u>00:45:33</u>	It makes it difficult for us to get to the truth when we have conflicting stories on printed testimony, and then we can't ask

		questions here. Can you explain the process of how these kinds of complaints are filed within the SBI?
Angel Gray:	<u>00:45:56</u>	Are you talking about EEO complaints?
Rep. Chesser:	<u>00:46:00</u>	Sure.
Angel Gray:	<u>00:46:01</u>	Okay. So, those are not filed
Rep. Chesser:	<u>00:46:02</u>	Well, I understand those are [inaudible 00:46:04].
Angel Gray:	<u>00:46:04</u>	There are some that are filed within the Bureau. So, if it's an internal complaint, there's a team from the Department of Public Safety that investigates those, and those findings are shared with Director Schurmeier. Outside EEO complaints are filed with the EEO commission. In general, once those complaints are filed, the SBI will receive a notice of charge that a complaint has been filed, and we are given a timeframe to respond to it, to file a written response. In general, I will work with the staff at the SBI and the director to compile the information necessary to respond to the complaint. I will draft the response that goes to Director Schurmeier to review and have final approval, and then that gets filed, and then we wait for EEOC to investigate further, close out, whatever they're going to do with it.
Rep. Chesser:	<u>00:47:03</u>	Okay. And just to continue on this vein, in another hypothetical situation, how would you handle being named as a witness in a complaint against the SBI?
Angel Gray:	<u>00:47:15</u>	Again, if I am named as a witness in a complaint against the SBI, I think my limitations, again, from the Rules of Professional Conduct, would prohibit me from sharing information without the permission of the director of the SBI.
Rep. Chesser:	<u>00:47:35</u>	I'm not sure you follow my question.
Angel Gray:	<u>00:47:37</u>	Maybe not. I'm sorry.
Rep. Chesser:	<u>00:47:38</u>	In the service you provide to the SBI and to the director, how would you proceed if you yourself, as general counsel, were named as a witness in a complaint?
Angel Gray:	<u>00:47:46</u>	So, if I'm a witness, then I am then, I think, conflicted out from representing the SBI, and we would find external counsel or different counsel to represent the SBI.
Rep. Chesser:	<u>00:47:59</u>	And so, you would have to recuse yourself. Would you have to

Angel Gray:	<u>00:48:06</u>	Yes.
Rep. Chesser:	<u>00:48:07</u>	So, it would not be appropriate for you to continue on as counsel?
Angel Gray:	<u>00:48:10</u>	Not if I am named as a witness, no.
Rep. Chesser:	<u>00:48:14</u>	Did you happen to have the opportunity to attend any meetings between DPS and the Governor's Office or the SBI working through any of these personnel issues?
Angel Gray:	<u>00:48:29</u>	So, again, the rules of professional conduct prohibit me from discussing specifics of information that I gained in my role as general counsel. However, I can say that I did attend meetings in my role as general counsel to discuss various matters.
Rep. Chesser:	<u>00:48:46</u>	Okay. And are these the only meetings you attended where DPS and the governor's staff were present?
Angel Gray:	<u>00:48:52</u>	Again, the rules of professional conduct prohibit me from providing information that I gained in my role as general counsel to the SBI.
Rep. Chesser:	<u>00:49:00</u>	I'm not talking about information. I'm talking about who was present in the room.
Rep. Warren, Chair:	<u>00:49:04</u>	Representative Chesser?
Rep. Chesser:	<u>00:49:05</u>	Yes, sir?
Rep. Warren, Chair:	<u>00:49:06</u>	Chair apologizes for the interruption, but your time has expired. We will be glad to come back to you for any follow-up questions that you have. Representative Quick, you're recognized.
Amos Quick:	<u>00:49:16</u>	Thank you very much, Mr. Chair. And Mr. Chair, I want to thank you, first of all, for attempting to set the atmosphere for this proceeding and stating that it was not a trial or anything of that nature. So, two, you three, first of all, I thank you for taking the time to be here today. I promise to you I will not be discourteous to you in any way. I will ask you a question and allow you to answer the question, for as my understanding is we're not here to have "gotcha" moments, but we're here to gather information so that we can proceed with whatever this committee is going to do, whatever that is. And I thank you, again, for being here.

	<u>00:49:55</u>	To Chief of Staff Jones, I thank you. I know that in our professional correspondence that you have always been very helpful in assisting, not only to the residents of District 58 that I represent, but into the entire state. I thank you for your 25 years of service in state government and knowing that it has not been easy for you to get to where you are over 25 years of state government. And I appreciate the fact that you serve our governor so ably, and I appreciate that.
	<u>00:50:26</u>	Attorney Fletcher, I have not had the experience of working with you very often. However, your reputation proceeds you as being fair and honest, and I appreciate you being here today. And Attorney Gray, I thank you very much for taking the time to be here today and for maintaining professional standards. That is very important. I'm a pastor, and I know that sometimes what you share with someone in confidence, not only should it be policy, but it also should be a matter of personal ethics to be able to have people to rely on what you say to them being kept confidential. But that's a little different for you and me. You have professional standards, and I thank you for upholding those standards here today.
	<u>00:51:09</u>	My questions are, earlier it was said by another representative that you're not to speak for others, but that baffled me a little bit because when I was here on the 28th, that's exactly what Director Schurmeier did. He sat there and said to us what other people said and shared details of a conversation with us, so I think he spoke for others. Thank you for maintaining confidentiality as best you can. Attorney Fletcher or Chief Jones, has the governor's office directed the SBI or Director Schurmeier to make personnel decisions?
Kristi Jones:	<u>00:51:54</u>	Thank you, Representative Quick. The Governor's Office, as I mentioned, when these allegations came into the Governor's Office, we went back to the SBI director, shared that information with him, and always made it clear to him that the decision was his to make.
Amos Quick:	<u>00:52:11</u>	Thank you for that. And attorney Gray, I have a few questions for you. I'm going from my memory. I think the last comments I made when Director Schurmeier was here was that this sounded more like a personal rather than personnel situation. You hear the difference in those two terms. How would you characterize your relationship with Director Schurmeier for the past seven years?

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Angel Gray:	<u>00:52:43</u>	Unfortunately, Representative, the rules of professional conduct prohibit me from disclosing any information that I gained during my role as general counsel to the SBI.
Amos Quick:	<u>00:52:56</u>	Thank you. Over the last seven years, would you say that Director Schurmeier has done any good things for the SBI?
Angel Gray:	<u>00:53:17</u>	Representative Quick, unfortunately, again, the rules of professional conduct prohibit me from disclosing any information that I gained during my role as the general counsel to the SBI.
Amos Quick:	<u>00:53:28</u>	Thank you very much. I don't have any other Yes?
Kristi Jones:	<u>00:53:31</u>	I do want to proactively say that Director Schurmeier has done good work for the SBI. The beta program that we have in North Carolina and some of the other programs that he has started are highly recognized. And I don't want to go and miss this opportunity, since you asked this question, to acknowledge the good work that he has done in his role as SBI director.
Amos Quick:	<u>00:53:51</u>	I appreciate that. And again, thank all three of you for being here and for your testimony and for your willingness to sit through this hearing that we have had that has kind of taken on the tone and tenor of a trial sometimes. And hopefully that you will, if we need you back, you'll agree to come back and we'll be nice. Thank you.
	P	ART 2 OF 4 ENDS [00:54:04]
Rep. Warren, Chair:	<u>00:54:17</u>	Representative Quick, you have approximately five minutes remaining. We can come back to you if you have any follow up questions.
Amos Quick:	<u>00:54:23</u>	No sir.
Rep. Warren, Chair:	<u>00:54:24</u>	Representative Johnson, you were next in the queue. Are you prepared or would you like to—
Rep. Johnson:	<u>00:54:31</u>	I'm always prepared.
Rep. Warren, Chair:	<u>00:54:32</u>	That's frightening.
Rep. Johnson:	<u>00:54:35</u>	Thank you both, all three so much for being here. And I think between the three of you have at least three more law degrees than I do. So, I'm going to try to keep this very conversational and some of it'll be a repeat of what we've already touched on and then we'll also try to get a little bit more into these

		conversations. You had stated you met with the director in late 2022, I think, I believe it was October 3rd, that first meeting, but late 2022 to discuss these issues. What prompted that first meeting? What was the original prompt to ask for that first meeting and who asked for the meeting?
Kristi Jones:	<u>00:55:14</u>	So, while I can't discuss, what I would just continue to reiterate is when allegations were brought to our attention, we wanted to take that information to Director Schurmeier.
Rep. Johnson:	<u>00:55:25</u>	Were there meetings after that first October 3rd meeting? Where there subsequent meetings after that?
Kristi Jones:	<u>00:55:32</u>	Yes sir. There were meetings and yes sir.
Rep. Johnson:	<u>00:55:36</u>	Do you remember how many meetings in total there were?
Kristi Jones:	<u>00:55:40</u>	No, I think we might have talked, I think Director Schurmeier might have talked about the number of meetings but-
Rep. Johnson:	<u>00:55:47</u>	And can you mention who all was present during those meetings? Not the content, but who was present during those meetings?
Kristi Jones:	<u>00:55:55</u>	So, in many of the meetings as I mentioned, I talked to Director Schurmeier and I told him and said, I'd like to meet with you. He had the opportunity to bring who he would want and so it would be at different times, different people in those meetings.
Rep. Johnson:	<u>00:56:09</u>	And just to clarify, when you had communications with SBI, it was through Director Schurmeier, correct?
Kristi Jones:	<u>00:56:13</u>	Yes sir.
Rep. Johnson:	<u>00:56:14</u>	Thank you. And I know I had some questions here about what was the topic of discussion. We pretty well covered that. If the basis of the meeting was the EOC complaint, was there a point, and I don't know the timeline of it, was the EOC complaint concluded before that meeting or after or was it in the middle of the complaint? Where was that?
Kristi Jones:	<u>00:56:42</u>	So sir, you specifically say, I'm not stating that it was about the EOC complaint. I am not allowed to talk about any of those issues. Those are personnel protected, so I can't respond to that. What I can say in a lot of our meetings we talked about personnel actions and the importance of personnel actions and the implications or the ramification on those personnel actions, on the Bureau. All the things that go with personnel:

		recruitment, retention, new academies, all of those type of personnel things.
Rep. Johnson:	<u>00:57:22</u>	Okay. And this is I believe, per the director's testimony, so I want to give you a chance to respond. In past meetings regarding SBI personnel issues, you've invited DPS leadership and an SBI general counsel. What was different about the October meeting and why wasn't the SBI's general counsel invited?
Kristi Jones:	<u>00:57:47</u>	As mentioned, I would always contact Director Schurmeier about the meeting and he had the flexibility to bring who he would like to that meeting.
Rep. Johnson:	<u>00:57:55</u>	Okay. And still referencing these along the lines of the meetings, is that typically how if there was a complaint filed at another department or anything like that, you reach out to the department head, say, "We want to schedule a meeting." Is that typical kind of standard of practice across all departments?
Kristi Jones:	<u>00:58:17</u>	So, I think this is a great time to talk about the unique situation of how SBI is housed and that it is an independent agency and that it does operate differently than, for example, cabinet agencies. And so, respecting that, what I would do is as the information came to me, I was certain Director Schurmeier would want to know this information himself and so I would go to the leader of that particular agency and talk to him about-
Rep. Johnson:	<u>00:58:43</u>	So it's safe to say that that would be the first point of contact would be the director, head person in the agency?
Kristi Jones:	<u>00:58:49</u>	For this unique agency that is an independent agency. So, with Director Schurmeier? Yes, sir.
Rep. Johnson:	<u>00:58:54</u>	Okay. Do you have any idea, and again, we're not, we weren't sitting in the meetings, do you have any idea why he would categorize those as threatening or intimidating in those meetings?
Kristi Jones:	<u>00:59:04</u>	No sir. And I would dispute his characterization. I will say, the questioning today, I don't think you all intend that to be intimidating. And our conversations have never been anything like some of the questioning today. We would always leave those meetings and have a handshake and a smile. So, I dispute his characterization of those meetings.

Rep. Johnson:	<u>00:59:28</u>	And one thing and in the spirit of saying, here's what he said and we would like a response to it to get the bottom of it. I believe it was alluded to in his or directly said in his testimony that there was a threat of an investigation or something like that. I don't know if it was into a complaint. I don't know. Does the Governor's Office have any authority to launch an investigation into an independent agency?
Kristi Jones:	<u>00:59:54</u>	So first of all sir, I'd like to make it clear that we talked about doing a review. When allegations of violations come to your attention usually what happens is somebody makes the allegation, somebody disputes the allegation. And the way it usually happens is, the way it works best is to bring some third- party group in to do an analysis of what was said, to do some fact finding and see if it's true, if it's not true. And so, what we talked to Director Schurmeier and still contend that there should be a review needed to have these kinds of discussions and do this type of assessment. So, I want to make it clear, not an investigation. It was just a review, an HR personnel review of the facts and the allegations that were made.
Rep. Johnson:	<u>01:00:38</u>	Thank you. And, Ms. Jones, Mr. Fletcher, the same question to you. At any point during those meetings was the director asked to resign or threatened in any way that something would happen if he didn't resign? Do you have any response to that?
Eric Fletcher:	<u>01:00:56</u>	Again, I think the subject of your question is protected by the State Personnel Act, so I don't think I can answer your question.
Rep. Johnson:	<u>01:01:09</u>	Okay. And just in conclusion, thank you both. Ms. Gray, the director testified that he was invited to a meeting on October 3rd with Kristi Jones and Eric Fletcher. They were threatening to investigate him if he didn't resign. Do you have any inclination of why you weren't invited to that meeting? And not the subject of the meeting, just the relationship, why you may have not been asked to attend?
Angel Gray:	<u>01:01:37</u>	Again, the Rules of Professional Conduct prohibit me from disclosing any information that I gained in my role as the general counsel to the SBI.
Rep. Johnson:	<u>01:01:46</u>	And I believe that he has waived his privilege on the relationship. And again, not the content, not the personnel case, just the relationship you had.
Angel Gray:	<u>01:02:04</u>	So again, the attorney-client privilege is different than the Rule of Confidentiality under Rule 1.6 of the Rules of Professional

		Conduct. While Director Schurmeier through legal counsel may have waived the attorney-client privilege, I do not believe that he can waive client confidentiality under Rule 1.6 of the Rules of Professional Conduct.
Rep. Johnson:	<u>01:02:27</u>	And the last question I'll ask is just in general terms, we're not talking about any specific relationship, maybe just better as a legal question. Is your fiduciary duty to the director, I believe you stated that in the opening line of questioning, your relationship is to him and any communication you have through the Governor's Office? He would be privy to that, correct?
Angel Gray:	<u>01:03:04</u>	So again, the Rules of Professional Conduct prohibit me from discussing specifics, specific information that I gained in my role as general counsel. However, I can say that the Rules of Professional Conduct would allow me to have communications obviously with the knowledge and permission of my client Director Schurmeier and I have never knowingly violated those Rules of Professional Conduct.
Rep. Johnson:	<u>01:03:32</u>	Perfect. Thank you so much. Thank you.
Rep. Warren, Chair:	<u>01:03:40</u>	Representative Johnson, you have approximately a minute remaining. Representative Dahle, the Chair is not sure whether you were trying to get my attention to be on the list or if you were trying to get my attention for Representative Cunningham. Would you like to ask some questions?
Rep. Dahle:	<u>01:03:52</u>	Yes, please.
Rep. Warren, Chair:	<u>01:03:53</u>	You are recognized to ask questions.
Rep. Dahle:	<u>01:03:56</u>	Thank you very much, Mr. Chair. First off, I need to set my understanding and so I'll need to ask Representative Johnson some questions and or Representative Warren. I want to understand at what point did Director Schurmeier reach out to the committee to express his desire to provide testimony? And what specifically about his request, you guys are off the hook for a minute, prompted oversight by this committee?
Rep. Johnson:	<u>01:04:34</u>	I wanted to make sure my memories served correct from his testimony and I believe that it does. That he had originally reached out to the Speaker's Office. I don't know if he had someone there that he'd worked with in the past. And at that point this committee had been created to look into matters like that. And so it was referred over here. That was the way I believe he described it in his testimony.

Rep. Dahle:	<u>01:05:01</u>	Okay. And I don't agree with that, but thank you for that answer. So, the other question is about the fact that the minority only received nine minutes of notice about the director's testimony and were given no opportunity to prepare questions. Members of the majority had questions and had at least two hours. They were given questions and documents prepared by staff. So, this speaks to my earlier point where I feel like you have to be prepared when you're going to be asked questions and if somebody's going to waive privilege, this is indeed important because then the truth is the truth. You are correct Representative Warren or Chair Warren, but you also have to refresh your memory because we're talking about things that happened last year. So let me get on with my question.
	<u>01:06:10</u>	I would ask that we all are given the same information at the same time. I am extremely concerned how this is handled, how this entire thing has been handled. Because I think what we're doing is we're listening to one characterization of a conversation and placing that same characterization upon these three people. During our training on oversight committees, I thought it was clear that this should not be a partisan issue, but what this should be is an inquiry and a general inquiry. So, I guess I'm done with my statements and it wasn't really a question.
	<u>01:07:06</u>	I'm going to ask the committee some questions now. Some members of the committee have alleged that your office's discussion with Schurmeier regarding workplace practices at the SBI have been politicized. I'm a little confused because if I look back at my agency history, in 2014, were any of you, Kristi Jones or Eric Fletcher, were either of you in the office that you occupy now?
Kristi Jones:	<u>01:07:42</u>	No.
Eric Fletcher:	<u>01:07:44</u>	No, ma'am.
Rep. Dahle:	<u>01:07:44</u>	And to the best of your knowledge, who was the governor at that time?
Kristi Jones:	<u>01:07:49</u>	I think it was Governor McCrory.
Rep. Dahle:	<u>01:07:51</u>	You're right. Ding ding. You got it right. So, in 2016, Governor McCrory appoints Bob Schurmeier as SBI director. So, my question is, and at that point your boss, Roy Cooper said, "This is going to be a problem if we move the SBI over because it's

going to put it under the governor's purview." Is that your understanding of what has happened with the SBI?

Kristi Jones:	<u>01:08:26</u>	I think the concerns about when it was moved from the Attorney General's Office and the concerns that you all still face is accountability. I think it needs to be an independent agency with regards to the work that it does and it is such of that. But I think also, and I think Director Schurmeier testified himself about the need for checks and balances and where that accountability stands. Obviously, the State Bureau of Investigation is currently housed and administratively housed in the Department of Public Safety. And I think that has been both helpful to the State Bureau of Investigation with regards to funding and projects and other types of support that they needed. So, I think the issue is just assuring and helping with accountability.
Rep. Dahle:	<u>01:09:13</u>	The other question is, while Director Schurmeier did not allege in his testimony that the Governor's Office had interfered in investigations, it was nevertheless implied that some members of the Governor's Office engaged in political pressure to affect the Bureau. To your knowledge, has the governor or any of his staff ever interfered with an active SBI investigation or insisted that an investigation be opened or closed?
Kristi Jones:	<u>01:09:45</u>	Not at all.
Rep. Dahle:	<u>01:09:46</u>	I have one more question. So, Ms. Gray, when did you start your employment with the SBI? Was it in 2022?
Angel Gray:	<u>01:10:04</u>	No, ma'am, it was 2011.
Rep. Dahle:	<u>01:10:07</u>	Okay. So, you have worked through several iterations of different offices?
Angel Gray:	<u>01:10:15</u>	Yes, I've had four directors at the SBI that I have served.
Rep. Dahle:	<u>01:10:19</u>	Okay. Is this the first-time anything like this has ever happened?
Angel Gray:	<u>01:10:27</u>	Yes, ma'am.
Rep. Dahle:	<u>01:10:28</u>	Okay.
	<u>01:10:28</u>	I'm finished with my question.
Rep. Warren, Chair:	<u>01:10:34</u>	Thank you, Representative Dahle. You have approximately three and a half minutes remaining if you'd like to come back.

		And the Chair would just hesitate for a moment to address an issue in regards of a characterization of a conversation and addressing that. The reason you've been invited here was to respond to that allegation. This is not a partisan issue. As you've pointed out so adeptly, Ms. Jones, we have the greatest respect for the SBI and we have a firm belief in its independence and it's necessity to be an independent agency to ensure the trust of the general public in that agency. So, the waiving of confidentiality by the director's attorney is absolutely surprised to me and how you want to respond to it is entirely up to you. But we are here to address those allegations that were made on the 28th of March. Having said that, Representative McNeely, you are recognized for your series of questions.
Rep. McNeely:	<u>01:11:39</u>	Thank you, Mr. Chairman. Thank you all for being here today. Real quick, I just have one question for Ms. Gray because it looks like she's lawyered up enough. I'm not going to get a whole lot out of her. Curious though, since being here since 2011, who was it that hired you or who was above your agency at the SBI then that would've signed off on your hiring?
Angel Gray:	<u>01:12:06</u>	Sir, at the time, the SBI was part of the Department of Justice and at that point, I believe the person that hired me was John Aldridge, who was in the Law Enforcement Liaison section.
Rep. McNeely:	<u>01:12:19</u>	Okay.
Angel Gray:	<u>01:12:19</u>	I had been with the Department of Justice since 1999.
Rep. McNeely:	<u>01:12:23</u>	Okay.
	<u>01:12:24</u>	One question, do you know who the acting Attorney General was who would be over the Department of Justice in 2011?
Angel Gray:	<u>01:12:32</u>	Yes sir. That would've been then-AG Cooper. Yes.
Rep. McNeely:	<u>01:12:37</u>	So now our Governor Roy Cooper, correct?
Angel Gray:	<u>01:12:40</u>	Yes sir.
Rep. McNeely:	<u>01:12:40</u>	So you would've worked underneath him originally then at the SBI until it was moved to the Department of Public Safety?
Angel Gray:	<u>01:12:48</u>	That's correct.
Rep. McNeely:	<u>01:12:48</u>	Okay.

	<u>01:12:50</u>	That's all the questions I have for you. I don't think I'm going to get a lot more information out of you until we get a judge to do a court order, but that's a whole other story. If I could ask of Mr. Fletcher and Mrs. Jones. Aside from the meetings with DPS and the Governor's Office, described by Director Schurmeier, has the Governor's Office been involved in any other personnel matters at the SBI?
Kristi Jones:	<u>01:13:14</u>	Sir, as mentioned, Director Schurmeier and I and lots of other people have had lots of conversation around personnel issues. We talked about hiring. We talked about recruitment, retention, needs for all of those things and SBI salary. We talked about a lot of things that fall under personnel.
Rep. McNeely:	<u>01:13:34</u>	I guess my question is if it's an independent agency, why did the executive branch feel like that they needed to be the ones to talk to them about hiring practices and what they needed to do and make sure they were diversified?
Kristi Jones:	<u>01:13:47</u>	I think he talked to us as well about what we were seeing in recruitment and retention about academies, about where to recruit, how to retain. As you know, it's been tough recruiting and retaining particularly law enforcement officers. So, I think it was a conversation, lots of conversations about helping to provide agents training, getting them continuing education, doing all of that could be done to help support agents.
Rep. McNeely:	<u>01:14:14</u>	And is it normal practice for you all to do this with other departments then? Do you all have constant talks with them about doing diversity hiring and doing all these different things that you just said?
Kristi Jones:	<u>01:14:23</u>	Sir, I wasn't specifically speaking about diversity hiring. I was just talking about hiring in general at the Bureau. Every so often they have an academy that graduates new agents that become. So, we've talked about general hiring practices and a lot of agencies have been talking about hiring lately. State government just went through what they termed as the "Great Resignation" where unfortunately, a lot of people retired, took other jobs. There's been lots of discussions about recruiting and retaining good state employees.
Rep. McNeely:	<u>01:14:54</u>	So, I think the question was asked here by the committee, at least by one, why are we doing this? And to me it's to discover possible allegations of intimidation, threats and maybe even possible extortion to allow the executive branch to advance their political agendas on independent state agencies. So that's why I think we're having this because that's what we seem to

		be looking at, uncovering. Now the question I'll ask, so when the Governor's Office threatened the director to resign or face an investigation, did y'all already have somebody in mind to replace him?
Kristi Jones:	<u>01:15:27</u>	Sir, I will dispute your characterization of those conversations and his characterizations of those conversations.
Rep. McNeely:	<u>01:15:35</u>	I'm going to take it you ain't going to tell me who it was. That's fine.
	<u>01:15:42</u>	Let me ask you this. In your opinion, is the current director of the SBI eligible for what we would call continuing or holdover status? Or is he to vacate the role at the end of his term if we have not appointed anybody that was chosen by the governor?
Kristi Jones:	<u>01:16:02</u>	Isn't that what you all are considering?
Rep. McNeely:	<u>01:16:05</u>	We are, but I'm just asking in your eyes in the executive branch, can he continue his office?
Eric Fletcher:	<u>01:16:19</u>	Representative McNeely, that's a legal question. I don't know that we have a conclusion on that question right now.
Rep. McNeely:	<u>01:16:26</u>	Okay.
	<u>01:16:27</u>	Because if it takes us time to end up accepting the appointee, then my question is, who will be over the SBI at that time? Will the Governor's Office or the executive branch want to put in an interim or will we continue as we are?
Kristi Jones:	<u>01:16:45</u>	I'm not sure I'm following, sir.
Rep. McNeely:	<u>01:16:54</u>	I guess my question is, do you believe that an appointee can assume the leadership of the SBI before being confirmed?
Kristi Jones:	<u>01:17:06</u>	Sir, what I believe I think Mr. Fletcher answered to the— I'm not sure of the legality of that question. So, I—
Eric Fletcher:	<u>01:17:18</u>	Representative. You're asking us to give a legal opinion that I just don't know that we have at this moment.
Rep. McNeely:	<u>01:17:25</u>	Okay. Instead of a question, just like to make a statement. In my personal belief, I feel like Director Schurmeier was intimidated. I feel like he was, to a point, threatened and I felt like there was somebody already in mind to replace him. And because he chose not to resign, we are here today discovering what all went on and that's why we are in these meetings.

Rep. Warren, Chair:	<u>01:17:56</u>	Does that conclude your remarks, sir?
Rep. McNeely:	<u>01:17:59</u>	Yes sir, Mr. Chairman.
Rep. Warren, Chair:	<u>01:18:00</u>	Thank you, Representative McNeely. Representative Cervania, you are next, but in the interest of time, I'm going to ask you please keep your questions concise and quickly as possible.
Rep. Cervania:	<u>01:18:11</u>	Most definitely, Chair, I will do that. I want to make sure that I do not ask questions of personnel protected and confidentiality, but I do want to piece out what's happening today in the most impartial way possible. So, Attorney Gray, you have spoken that you've been working in the office since 2011. So, you've worked under many administrations of both sides of the aisle or both affiliations. But I do want to understand, what is your accountability? Who are you accountable for and even though you were appointed at one, well actually you weren't appointed by the Governor's Office, correct?
Angel Gray:	<u>01:18:50</u>	Correct. I was not.
Rep. Cervania:	<u>01:18:53</u>	And so are you beholden at any point in time—is part of your evaluation process integrated with the Governor's Office?
Angel Gray:	<u>01:19:04</u>	No, Representative. I'm beholden to the Director Schurmeier, the director of the SBI or whoever the director of the SBI is.
Rep. Cervania:	<u>01:19:11</u>	Yes. So just to make clarity on that, so the director of SBI is the one who evaluates you and your performance of your job within your role?
Angel Gray:	<u>01:19:22</u>	Correct.
Rep. Cervania:	<u>01:19:23</u>	And no one else?
Angel Gray:	<u>01:19:25</u>	Correct.
Rep. Cervania:	<u>01:19:26</u>	Thank you. So, let's progress to your role when it comes to when there's EEOC filings. So, you've alluded to it briefly, but I want to do a differentiation between an employee of SBI versus what we're seemingly to be here today as SBI director and where your role ends up being in that situation. And if you can't answer certain things, I'll understand. So, when it's internal and there is an EEOC complaint, a personnel complaint, what is your role in that situation?

Angel Gray:	<u>01:20:13</u>	So again, just generally I can't answer specifics. If it's an internal EEO complaint, there are investigators at— We use the Department of Public Safety Investigative Team because the SBI does not have its own. I defend the SBI to the best of my ability. I would say the same thing for an external EEO complaint or any other complaint against the SBI. My role is to defend the SBI to the best of my ability.
Rep. Cervania:	<u>01:20:51</u>	So if the complaint actually includes an allegation towards the SBI director, what is your role in that?
Angel Gray:	<u>01:21:03</u>	Generally, if the allegation is against the SBI director in his role as the director, my job is to defend the SBI, including the SBI director.
	Р	ART 3 OF 4 ENDS [01:21:04]
Rep. Cervania:	<u>01:21:15</u>	Yes. Thank you for that clarification. At any point in time of your role of doing these things You're an independent agency, correct? Go ahead.
Angel Gray:	<u>01:21:28</u>	Correct.
Rep. Cervania:	<u>01:21:28</u>	At any time, do you have to integrate the Governor's Office in any of this in part of your role or defense of the SBI, or SBI director in these situations?
Dean Arp:	<u>01:21:45</u>	[Not Testimonial] No specifics, but we talked about the financial aspect of that.
Angel Gray:	<u>01:21:45</u>	Again, the rules of professional conduct prohibit me from discussing any specific information generally. However, there may be times when litigation is filed against the SBI, a state agency that I need to coordinate with, if another state agency has been named as a co-defendant, we may need to coordinate managing that litigation, or coordinate with other state agencies in terms of budget issues to look at resolving those complaints.
Rep. Cervania:	<u>01:22:24</u>	Thank you. It's case by case, correct. So, it sounds like it could be DPS, it could be the governor, but it's not part of your process to have to always include the Governor's Office in any complaint?
Angel Gray:	<u>01:22:41</u>	That's correct. It's case by case.
Rep. Cervania:	<u>01:22:43</u>	Thank you. Let's go specifically I want to be clear because I've been involved in state government and EEOC situations as a

		boss myself at one point in time. My understanding is, and you can correct me if I'm wrong, personnel issues are confidential for a reason. We have laws to protect, correct?
Angel Gray:	<u>01:23:11</u>	Correct.
Rep. Cervania:	<u>01:23:12</u>	I know we usually go into closed session if we were in a different level of government because of certain legality. In this situation, when it comes to the SBI director, help me understand. When was the differentiation between it being specific to the SBI director, and where your role ends up being? I don't know if that question is clear.
Angel Gray:	<u>01:23:46</u>	I'm sorry, Representative. I don't understand your question.
Rep. Cervania:	<u>01:23:50</u>	And I don't understand what I just asked. So, yeah, I know.
Rep. Warren, Chair:	<u>01:23:54</u>	Ms. Gray, the chair is not quite clear on it either.
Rep. Cervania:	<u>01:24:00</u>	Let's reverse back. There was a series of meetings that were called upon the Governor's Office for the SBI director to have a conversation about certain allegations. Did the SBI director have a choice of bringing you in because of your role? Correct.
Angel Gray:	<u>01:24:26</u>	Again, I cannot answer specifics. But, in general the SBI director can request that I attend, and he has in the past requested that I attend meetings.
Rep. Cervania:	<u>01:24:41</u>	Just to reiterate, Director Schurmeier had the choice. He made the choice of not bringing you?
Angel Gray:	<u>01:24:48</u>	l can't answer—
Rep. Cervania:	<u>01:24:50</u>	Okay.
Angel Gray:	<u>01:24:50</u>	that specifically because again, I can't speak for him.
Rep. Cervania:	<u>01:24:54</u>	Yes.
Angel Gray:	<u>01:24:55</u>	And I can't answer specific questions, that's information I gained in my role as general counsel. I'm sorry.
Rep. Cervania:	<u>01:25:03</u>	That's all right. I'm trying to ask the best question. We come forward to this situation, you have a lawyer present with you, and you also expressed that you contacted the State Board or State Bar in making sure you contacted them. What part of the process did you acquire counsel, and also got advice from the State Bar in the midst of this process?

Angel Gray:	<u>01:25:42</u>	When I was asked to provide information to this body, it's been fairly stressful to try and cooperate as much as I can with this body, to provide information while also: One, first and foremost protecting my client's interest which is again, the State Bureau of Investigation. And two, staying within my ethical boundaries as a licensed attorney and not violating the Rules of Professional Conduct. When I was requested to give testimony before this body, I wanted to make sure that I did all of those things. So, I consulted with the State Bar and I also consulted and hired legal counsel to make sure that I did not violate my rules of professional ethics.
Rep. Cervania:	<u>01:26:34</u>	For clarification, what time frame was was that?
Angel Gray:	<u>01:26:40</u>	I don't recall exactly. But it would have been when I was contacted to give information to this committee, when I received a letter inviting me to give testimony.
Rep. Cervania:	<u>01:26:52</u>	So, approximately probably two to three months.
Angel Gray:	<u>01:26:57</u>	It was obviously after Director Schurmeier's testimony. So possibly a couple of weeks, two, or three weeks?
Rep. Cervania:	<u>01:27:06</u>	Last question, or series related. Do you currently work at SBI as their general counsel?
Angel Gray:	<u>01:27:14</u>	Yes, I do.
Rep. Cervania:	<u>01:27:16</u>	Are you currently, in full, 100% of your role in what you've described as your responsibilities at the agency?
Angel Gray:	<u>01:27:29</u>	I'm not sure I understand your question. I'm sorry.
Rep. Cervania:	<u>01:27:32</u>	Even with everything that's been with the stress, you're still in the function of the role of SBI general counsel, and all its responsibility.
Angel Gray:	<u>01:27:41</u>	Yes. I'm continuing to do my job. Yes
Rep. Cervania:	<u>01:27:43</u>	Right. Thank you for that, and I relinquish my time.
Rep. Warren, Chair:	<u>01:27:50</u>	Thank you, Representative. Representative Cleveland, you're recognized. Again, sir, remind of our time constraints.
Rep. Cleveland:	<u>01:27:59</u>	Thank you, Mr. Chairman. Ms. Gray, I didn't catch it, when you were first hired at the SBI, or when you moved to the SBI, you were general counsel from 2011?

Angel Gray:	<u>01:28:13</u>	Yes.
Rep. Cleveland:	<u>01:28:14</u>	Okay, thank you. Ms. Jones, you stated that the SBI director had full authority to hire anybody and everybody he wanted. Yet in his discussion, he pointed out that he tried to hire a liaison, and asked the Governor's Office If there was any problem, which, to me, he shouldn't have done. The Governor's Office never got back to him and he lost that person he wanted. The governor suggested somebody else. If he had full authority to hire, why did he go to the Governor's Office? Why didn't the Governor's Office say, "Hey, that's your decision?"
Kristi Jones:	<u>01:29:04</u>	Representative Cleveland, I want to be clear, what I would like to do, and the way that I answer. Director Schurmeier had some conflicting information in his testimony as well. While he might have mentioned that, he also talked about decisions that he made, and he knew the decisions were his. He decided this or he decided that. Unfortunately, it was some conflicting statements made, and you're asking about that one, is there other opportunities where he says that he made those decisions?
Rep. Cleveland:	<u>01:29:39</u>	That wasn't my question, and it doesn't answer my question. If he did go to the Governor's Office and he didn't have to, why didn't the Governor's Office say, "that's your problem," instead of leaving them hanging on the hook, for however long it was? I don't understand that, why that happened?
Kristi Jones:	<u>01:29:57</u>	And again, I think that's a mischaracterization he made of the circumstances.
Rep. Cleveland:	<u>01:30:03</u>	Okay. I find it disturbing. Why is the Governor's Office dealing with an EEOC complaint? There are other processes, and I'm not well versed in the processes for these types of complaints, but what's it doing in the Governor's Office? Why is it being dealt with there?
Kristi Jones:	<u>01:30:26</u>	Sir, you are saying, and I'm not agreeing that the Governor's Office is dealing with an official EEOC complaint. To your point, there is that process. You all mentioned EEOC, I'm not sure that the director mentioned an EEOC complaint.
Rep. Cleveland:	<u>01:30:43</u>	I had a distinct impression in the discussions here with Ms. Gray and yourself that it was an EEOC complaint that was the concern of the Governor's Office. Am I wrong?

Kristi Jones:	<u>01:30:55</u>	I think some of the members may have mentioned that, but you did not hear me say I'm not allowed to talk about complaints or where they came from or who they came from or what direction.
Rep. Cleveland:	<u>01:31:08</u>	Okay. General Statute gives the governor the ability to appoint a director to the SBI if the General Assembly is not in session. Do you have any indication at all if the governor may want to appoint somebody if his nominee is not confirmed this session?
Kristi Jones:	<u>01:31:29</u>	Sir, as statute required, we made the nomination to you on or about May 1st, which was required. What happens next will bewe'll find out.
Rep. Cleveland:	<u>01:31:43</u>	Okay, the reason I asked is my understanding is that the present director will stay in office until the confirmation by the House and the Senate. Am I wrong in that assumption? I guess it's not an assumption, it's my understanding of how things work.
Eric Fletcher:	<u>01:32:05</u>	Again, I think that's a legal question. It's pretty far outside the scope of the questions that the committee identified for us to discuss today. It's one that I don't know that we can give the Governor's Office's opinion on that legal question here today.
Rep. Cleveland:	<u>01:32:26</u>	Okay. The governor's appointed by Chief Hawley as the replacement for Mr. Schurmeier. How many people applied for the position of director?
Kristi Jones:	<u>01:32:40</u>	I'm being advise that I can't share who, how many, and those type of things, expressed interest in the position?
Rep. Cleveland:	<u>01:32:48</u>	Well, could you answer: Did anyone else besides Chief Hawley be considered for the position?
Kristi Jones:	<u>01:32:56</u>	I'm being told no one else—that no, I can't answer.
Rep. Cleveland:	<u>01:33:02</u>	Okay. I don't know. I think I see a lot of hypocrisy here in both directions, but we'll see where it winds up. Thank you.
Kristi Jones:	<u>01:33:15</u>	Thank you, sir.
Rep. Warren, Chair:	<u>01:33:17</u>	Are you through with your questioning Representative Cleveland? Chairman Johnson, you're recognized to complete the time.

Rep. Johnson:	<u>01:33:26</u>	Again, thank you all for being here, and I know we're running short on time. I wish we could get deeper into this but, I'd like to circle back to the reason we're here. We had a director come and claim that there was inappropriate communication at the least, collusion and coercion at the worst. We've kind of talked around it today, really. I wanted to bring out that I've been reading through a litany of emails going back to 2019. I'm reading some of these back to as early as July of 2019, and they range between Ms. Jones, Ms. Gray, and I believe William McKinney at the time. Is that your predecessor, Mr. Fletcher?
Eric Fletcher:	<u>01:34:21</u>	Mr. McKinney was the general counsel prior to me, yes.
Rep. Johnson:	<u>01:34:24</u>	Was there anyone between that time or did you take over upon his departure?
Eric Fletcher:	<u>01:34:29</u>	I took over shortly after he departed.
Rep. Johnson:	<u>01:34:36</u>	Okay. It's my understanding, and based on testimony that everyone's given today, no communication between the SBI and the Governor's Office would've been made without the SBI director being aware, who you have fiduciary duty to. What I'm seeing here is a communication that he is not copied on. In his conversations with our counsel, has made it aware that he was not blind copied on that, and was not made aware of these emails. One of them, I believe from you, Ms. Jones, saying, "Angel, will you please keep William (I assume the general counsel at the time was) up-to-date on these EEOC complaints?" I believe that was later on that day, if not the next day. I believe one minute later it was followed up. "Thank you, Angel. Once you have this list, let's touch basis at your convenience." And then I believe after that, approximately 10 minutes later, or maybe a little more, it was made aware that, that was received. It's been made aware to us through discussions with counsel that the director was not made aware of these conversations. We're not going to have time to go through everything, but I wanted to go through a few that I felt were relevant to the testimony today. Jumping ahead to July 31st, 2019. This is toward the end of the month, or this chain started on July 23rd.
	<u>01:36:11</u>	This is between the attorney, and I will not get into too much, because of personnel, the attorney representing the person filing the EOC complaint reaching out to Ms. Gray and Ms. Gray, communicating with Ms. Jones on July 31st. to which Ms. Jones, you said, "Thanks for sharing this. Here's a couple of thoughts from recent conversations I've had with the director." Then this email goes on to give some, I wouldn't go as far to

call it legal advice but, some advising on the matters. There is an email in here that the director is copied on, that I'm looking at. To me that shows that there is a pattern here of some he is copied on, some he is not. I'd like to jump ahead to the last thread from 2019,

01:37:13 From Ms. Gray that says, "Met with Ms. (I'll leave her name out, the attorney of the person filing the complaint.) We did not resolve anything but left it open. I'm trying to schedule a formal mediation September 26th, I would like to discuss the options when you have a free moment." Mr. McKinney there, at the time in the Governor's Office said, "Be glad to, can you come by tomorrow in the AM?" Then, Ms. Gray said, "Sure, what time?" And Mr. McKinney set up that time. This was in September of 2019. Do you have any recollection of what took place at that meeting in 2019?

Angel Gray:01:37:51So again, the rules of professional conduct prohibit me from
disclosing any information that I gained during my role as
general counselor. Again, however, I can say that oftentimes
someone from a state agency, the SBI, including me, will have
a need to discuss matters with someone else from another
state agency. Whether it be budget matters or pending
litigation. The rules of professional conduct prohibit me from
having those conversations without the knowledge or
permission of my client. And again, I never knowingly violated
those rules of professional conduct.

Rep. Johnson:01:38:34So by saying that, are you saying that the director was aware of
these conversations going on?

Angel Gray:01:38:40I can't answer again, the specifics, the rules of professional
conduct prohibit me from disclosing that specific information.
But again, the rules prohibit me from having conversations
without the knowledge and permission of my client. I never
knowingly violated those rules of professional conduct.

 Rep. McNeely:
 01:39:03
 Mr. Chair, can I ask a question, please?

Rep. Warren, Chair:01:39:07Not at this time, Representative, we are really pressed for time.These folks were kind enough to come over today and they
have a hard stop at three o'clock.

Rep. Johnson:01:39:15What I'll do just to get us up a little more, and I'll skip through a
little bit. But I want to get us up to a more current date. This is
September 12th, prior to the October meeting, it seems like
Ms. Jones, you reached out to Ms. Gray and said, "What is the
best way to be in contact?" At that point, Ms. Gray, it looks like

		you provided your cell and that matches, I won't say it out loud, but that matches up with what we've been given as well. "Will call you after my meeting. Thank you." And that response, I believe happened two minutes later. Then we jump forward to Mr. Fletcher, you've come on board by this point, December 2nd. It looks like this correspondence in the subject line is "SBI Deputy Director." This is for everybody's references on December 1st, 2021, says, this is from Ms. Gray to Mr. Fletcher. "Good afternoon. Director Schurmeier asked me to reach out to you regarding any movement on the SBI director appointment. Any status you can provide would be appreciated. I'm in and out of the office, the best way to reach me is via cell." To which he responds back, "I'll be around 3:30 to 4:30. Give me a call today." "Will do, thanks." Do you remember the subject of those calls with the subject line being SBI, Deputy Director Mr. Fletcher?
Eric Fletcher:	<u>01:40:41</u>	No, and also I want to see documents that you're going to ask me to testify about.
Rep. Johnson:	<u>01:40:51</u>	This is just based on your recollection, I understand these weren't provided ahead of time, and I'm reading through them really quick here. Then we're going to jump forward to March 10th, 2022. This is from Mr. Fletcher to Ms. Gray. "Angel, hope you're doing well. Is there a time we could talk briefly later?" Then Ms. Gray responded back, "I'm on a quick Teams call right now, but will be available after 11 o'clock, then reach out to me." Then gives the number again. This seems like there's a pretty constant line of communication here between the end of 2021, and through the beginning monthsthis is March of 2022. Is there any insight we can get on what the subjects of those communications were? Just add some context.
Eric Fletcher:	<u>01:41:48</u>	You're asking me about two email exchanges that occurred more than a year ago that I haven't seen. It's really hard for me to give any kind of context about what those conversations were about. I'd also dispute your characterization of regular communication or contact. I've spoken with Ms. Gray on occasion, but I would dispute that characterization.
Rep. Johnson:	<u>01:42:20</u>	I guess the bigger question is if her fiduciary responsibility is to the director, it would strike me that any communications about a deputy SBI director, ongoing complaints, anything of substance like that, he would need to be privy to. He would at least need to be read in on what those conversations are being had. I'll have to go back, but it seems like in his conversations that was not the case, he was not made aware of these. I can tell based on some emails, actually only one out of that entire

thread I was kind of skimming through that he was CC'd on, the other ones he was not. That raises a bigger concern in my head. Is there a back channel going on? Is there a line of communication that the independent agency is not privy to?

01:43:10 I think that opens up a lot of problems when we get into the independence of an agency. We'd be happy to follow up if there's some context we can put to those calls, we can put to those meetings that took place right here. But, these are things that he has waived privilege on that we are able to talk about. We want to get down to what that context was, and making sure it wasn't compromising the independence of a state agency, the highest law enforcement body in our land. I'll turn my time back over to the chair.

Rep. Warren, Chair: 01:43:44 Thank you, Representative Johnson. Ms. Gray, Ms. Jones. Mr. Fletcher, on behalf of the committee, we really appreciate you taking the time to come here. We hope you didn't find us as being adversarial, it was not intended to be. Allegations were made and we simply wanted to give you an opportunity to respond to those. We still have some members who did not get an opportunity to ask you some questions. Representative Willingham, Representative Arp, and of course some of the members still had time remaining that they could go back based on questions you've given to other members. Since we got a late start, and those are extenuating circumstances beyond our control. I don't feel like we made a lot of progress to the original intent of the meeting. We may find a need to come back and ask you to reappear and to Representative Dahle's point. It'll give you more opportunity to prepare. Again, we appreciate you being here, and this concludes our meeting. Thank you.

PART 4 OF 4 ENDS [01:44:45]