

City of Palo Alto

Police Department

Dear Palo Alto Citizens,

The Palo Alto Police Department is continuing its criminal investigation into financial irregularities at the Children's Theatre and I am providing this progress update. Because individuals are believed innocent until proven guilty, we have not released specific details in order to protect the individuals involved. This is our standard practice. Due to the nature and the complexity of the investigation, this is the extent of details that I am able to release at this time.

The Palo Alto community has always had an expectation that the Police Department will impartially uphold and enforce all City and State laws. The crimes we are investigating are very serious and do not involve misappropriation of small amounts of money or office supplies, but potentially tens of thousands of dollars.

After considerable thought and discussion, the Children's Theatre was temporarily closed for four days. I asked for the closure in order to secure specific areas of the Theatre to maintain the chain of evidence for the investigation. Additionally, the City had to determine how to provide supervision for the remaining employees and ensure the safety of children at the Theatre because several members of the staff were put on administrative leave. At the time of the closure there were no scheduled rehearsals in progress and a Police Captain oversaw the closure to ensure the process was as low key as possible.

During the course of the investigation, various City departments including the City Attorney's office and the District Attorney have assisted. This investigation is very complex and requires time to thoroughly complete the following:

- Witness and employee interviews
- Review and analysis of thousands of City documents and emails
- Search warrants on numerous employee bank accounts (the average turn around time for obtaining information from these searches is six to eight weeks)
- Search warrants on three employee homes and offices, and a number of storage lockers

Before and after photographs were taken at each location searched to ensure the premises were left in the same condition as the officers found them.

My officers who are involved in this investigation are working tirelessly through their days off and on weekends to complete a thorough and objective case as fast as possible. It is very difficult for officers to conduct investigations involving other City staff members, but it is incumbent upon us to do so as professionally and as sensitively as possible. We ask for the community's patience in allowing us to complete this difficult investigation.

All of us at the Police Department are saddened at the passing of Michael Litfin. He was a valued employee who contributed greatly to the Children's Theatre.

On the day of the theatre closure Mr. Litfin voluntarily came into the Police Department and wanted to give a statement. Due to his illness, my investigators did not want him to have to wait, so he was sent home. When we were made aware of the seriousness of his condition, we chose not to interview him.

I understand that this investigation is extremely sensitive and emotional. The Children's Theatre is a long-standing and valued institution in this community. The beloved staff have provided years of incredible service to the youth in Palo Alto. This investigation will not overshadow those achievements.

I will provide updates as the investigation progresses; however, due to its complexity of the investigation, I will not be able to address many of the community's questions until the conclusion of the investigation.

Sincerely,

Lynne Johnson
Police Chief

###