

Attorney General

Eliot Spitzer

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NINETEEN INDIVIDUALS INDICTED FOR RECEIVING BRIBES AND RIGGING BIDS ON SCHOOL CONTRACTS

State Attorney General Eliot Spitzer, Special Commissioner of Investigation for the New York City School District Richard Condon, Department of Investigations Commissioner Rose Gill Hearn and New York City Department of Education Chancellor Joel L. Klein today announced the arrests and indictments of eighteen New York City public school custodians and a window cleaner contractor for violating the New York State's Donnelly Act.

A joint investigation by the Attorney General and the Special Commissioner's offices revealed that the school custodians repeatedly rigged bids and received kickbacks for contracts to clean windows in schools throughout New York City from 1996 through 2001.

According to charges filed today in Bronx County Supreme Court, the defendants arranged to have the windows cleaned at the schools where they were assigned by the Department of Education ("DOE"). Seventeen of the custodians entered an agreement with Thomas Robinson, the owner of Family Window Cleaning, whereby in exchange for being selected as the cleaning contractor, Robinson paid a kickback to the custodian ranging from 10 - 50% of the contract price, roughly \$1,000 to \$4,000 in cash. Robinson is estimated to have made \$250,000 from these illicit contracts. To circumvent the DOE's requirement that at least three bids are received for services costing over \$250, Robinson supplied all of the custodians with phony bids. Sometimes in addition to his own, Robinson provided "bids" from firms that did not exist.

"Individuals entrusted to provide for the well-being of our children must be held to a high standard. These custodians who put greed before their duty as public servants betrayed our trust and failed our schools," Spitzer said. "Today we are holding them accountable and sending a message that such illegal activity will not be tolerated."

Commissioner Condon said: "A little more than a year ago Attorney General Spitzer and my predecessor, Ed Stancik, announced arrests of eleven custodians for similar crimes. At that time, Commissioner Stancik said 'These crimes resulted from a fundamentally flawed system that distorts supply and demand in favor of corrupt custodians and vendors to the detriment of school children and their parents.' I hope that under the new governance the changes we recommended will be implemented."

DOI Commissioner Gill Hearn said: "I am very pleased with the results of this successful investigation by Commissioner Condon and his staff who worked with the Attorney General's

office. They have ferreted out deeply rooted corruption among these many custodians. I know that Commissioner Condon and his staff intend to remain extremely vigilant in this area.”

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Chancellor Klein said: “The safety and well-being of our school children is paramount. We cannot allow individuals who put greed before their duties to continue to fail us and our schools. We are committed to working with the Attorney General and the Special Commissioner to implement the necessary changes to the procurement process.”

In a 2001 report issued by the offices of the Attorney General and Special Commissioner at the time of the last arrests arising out of the investigation, several recommendations were outlined to address the flaws in the current procurement system for DOE custodians. The report noted that corruption was potentially widespread largely because custodians have immense latitude in spending money allocated for schools maintenance. For example, \$40 million is earmarked yearly for goods and services -- such as window washing. Although custodians are required to solicit three bids for each contract, oversight of this process is extremely difficult because there are nearly 850 custodians employed throughout New York City schools. Since custodians are allowed to keep a small percentage of the savings as a portion of their salaries if the entire annual budget is not spent, the system does little to discourage kickbacks and submission of phony bids.

The AG and Special Commissioner made several key recommendations to reform the school procurement system, including centralizing the competitive bidding process, opening up the bidding to public scrutiny and monitoring goods and services for quality and cost standards. The DOE intends to work with the Attorney General's office and the Office of the Special Commissioner to implement the recommendations made in the report.

The eighteen custodians are employed at schools throughout Brooklyn and Queens. They were arrested this morning and will be arraigned today in the Bronx.

The following individuals were arrested this morning:

Thomas Robinson of 1452 Blondell Avenue and 1469 West Avenue in the Bronx.

Ronald Alexander of 130-12 228TH Street, Laurelton, Queens. Alexander was assigned to Richmond Hill High School, Queens.

Julius Caldari of 657 Craig Avenue, Staten Island. Caldari was assigned to PS 94, Brooklyn.

Robert Cann of 2016 Bragg Street, Brooklyn. Cann was assigned to PS 180, Brooklyn.

John Caracciola of 19 Oliver Place, Staten Island. Caracciola was assigned to PS 120, Brooklyn.

Mayra Cintron A/k/a Mayra Zepherin of 22 McIntosh Court, Malverne, Queens. Cintron was assigned to PS 141, Queens.

Kevin Davies of 109 Beacon Court, Brooklyn. Davies was assigned to PS 62, Brooklyn.

Michael A. Graffeo of 87-80 120th Street, Richmond Hill, Queens. Graffeo was assigned to PS 216, Queens.

Michael J. Graffeo of 263 Thomas Street, Staten Island and 294 Combs Avenue, Staten Island. Graffeo was assigned to PS 314, Queens.

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Patrick Graffeo of 12-23 Diane Place, Bayside, Queens and 9 North Gate Court, Melville, Long Island. Graffeo was assigned to Grover Cleveland High School, Ridgewood, Queens.

Brian Hammel of 2597 Beltagh Avenue, Bellmore, Long Island. Hammel was assigned to PS 100, Queens.

Donald Iaccarino of 368 Park Avenue, Oldbridge, NJ. Iaccarino was assigned to PS 24, Brooklyn.

John Romanelli of 985 Oaks Drive, Franklin Square, and 145 Oliver Avenue, Valley Stream, Long Island. Romanelli was assigned to PS 214, Queens.

Kerry Ryan of 2 Bernadette Road, Morganville, NJ and 2248 Royce Street, Brooklyn, NY. Ryan was assigned to PS 57, Staten Island.

John Shanley of 57 Dogwood Road, West Islip, Long Island. Shanley was assigned to PS 147, Brooklyn.

Gerald Stapleton of 39 Summit Place, Staten Island. Stapleton was assigned to PS 176, Brooklyn.

Anthony Vecchione of 263 Lyon Street, Valley Stream, Long Island. Vecchione was assigned to PS 195, Queens.

David Werbelow of 2063 Kirkwood Avenue, Merrick, Long Island. Werbelow was assigned to PS 88, Queens.

Thomas Wyler A/k/a Thomas Wildgruber of 6 Maywood Drive, Marlboro, NJ 07746 and 38 Kingbridge Avenue, Staten Island, NY. Wyler was assigned to PS 146 and PS 22, Brooklyn.

The charges included in the complaints are: Bribe Receiving in the Third Degree, a Class D felony; Receiving Reward for Official Misconduct in the Second Degree, a Class E felony; Contracts in Restraint of Trade (the Donnelly Act), a Class E felony; Offering a False Instrument for Filing, a class E felony; Falsifying Business Records, a Class E felony; and Official Misconduct, a Class E felony.

A 219-count indictment was filed against Thomas Robinson, who orchestrated the kickback agreements with the school custodians. Robinson also submitted phony bids for contracts and falsified paperwork regarding workers' compensation insurance.

If convicted of the felony offenses, the defendants face prison sentences ranging from four to forty-five years. The charges are mere accusations and the defendants are presumed innocent unless and until proven otherwise in a court of law.

The Attorney General thanked the New York State Insurance Fund for its assistance with this case.

The case is being handled by AAG Rhonda Greenstein of the AG's Criminal Prosecutions Bureau along with Special Assistant AG and Deputy Commissioner of the Office of the Special Commissioner Gerald P. Conroy . Assisting in the investigation were Investigators Joseph Piwowarski and Richard Werdann of the Office of the Special Commissioner. ###