

August 31, 2006

Hon. Joel I. Klein
Chancellor
New York City Public Schools
Department of Education
52 Chambers Street, Room 314
New York, NY 10007

Re: Major Seabury
SCI Case #2005-3052

Dear Chancellor Klein:

An investigation conducted by this office has substantiated that Major Seabury, formerly a School Psychologist assigned to the District 19 Clinical Staff in Brooklyn, knowingly collected more than \$120,000 in New York City Department of Education (“DOE”) salary to which he was not entitled.¹

The investigation began on November 16, 2005, when investigators from the Office of the Special Commissioner of Investigation for the New York City School District (“SCI”) received a fax from Zvia Shapiro, Senior Regional Counsel for DOE Regions 4 and 5, which included a copy of a letter written by Seabury and sent to the Kings County District Attorney’s Office (“Seabury Letter”).² The Seabury Letter states, among other things, that between September 1, 2003, and June 28, 2005, approximately

¹ In June 2003, Seabury ceased working within DOE schools. In January 2005, he was removed from the DOE payroll, although he did receive a final DOE payment in June 2005.

² In the Seabury Letter, Seabury refers to the letter as a “sworn complaint” alleging that “the New York City Board of Education falsely and fraudulently defrauded the City of New York of approximately \$113,000 and then falsely and fraudulently used [Seabury] as a vehicle, conduit and venue to launder these moneys [sic] without [Seabury’s] permission or consent.” The Kings County District Attorney’s Office did not open its own investigation; instead, SCI was asked to refer any substantiated findings at the conclusion of our inquiry.

\$106,000 was deposited directly into his checking account by the DOE.³ The Seabury Letter also states that, during that same period of time, although he regularly received a DOE salary for work performed at Public School 224 (“PS 224”) in Brooklyn, he “never ‘actually’ performed any service for the New York City Board of Education.”

In January 2006, SCI investigators spoke to PS 224 Principal George Andrews who told investigators that he had been the principal at PS 224 since July 2004. According to Andrews, during the reorganization of the DOE, some of the clinical staff of the new Regions were placed on school payrolls. Andrews stated that, although Seabury was on his school’s payroll, he was positive that Seabury had never actually worked at the school. Andrews told investigators that Seabury was finally removed from the school’s payroll, at some point during the 2004-2005 school year, after PS 224 Payroll Secretary Stella Robinson made several specific inquiries to Region 5 about Seabury.⁴

SCI investigators also spoke to Stella Robinson in January 2006. Robinson, an employee of the DOE for nearly 30 years, told investigators that she first noticed Seabury’s name on the PS 224 payroll, along with several others who were not actually working at the school, in June 2003. Robinson stated that she made several inquiries, in June 2003, to Region 5 Personnel Liaison Ovella Wilson and Region 5 Payroll Coordinator Gloria Quinn, ultimately resulting in all of the names, with the exception of Seabury’s, being removed from the school’s payroll.⁵ Robinson further stated that, in

³ Seabury claims, in the letter, to have been “improperly and / or illegally retained on the City of New York payroll from Sept. 1, 2003 through and including June 28, 2005.” Although he claims, throughout the letter, that the DOE had “illegally retained” him on their payroll, Seabury also repeatedly states that the money that he received from the DOE during this period was a “tax free gift.”

⁴ SCI investigators spoke to Ovella Wilson, Personnel Liaison for DOE Region 5, in February 2006. Wilson stated that, prior to the DOE reorganization, Seabury was assigned to the Clinical Staff at District 19, and the payroll secretary there was responsible for his timekeeping and payroll. After the reorganization, Wilson stated, there was a lot of confusion and there were employees being moved from one payroll to another on a regular basis. Wilson stated that it was during this time that Seabury was assigned to PS 224 and placed on its payroll.

⁵ SCI investigators spoke to Quinn in April 2006. Quinn told investigators that she recalled getting a call from Robinson, regarding Seabury, in September 2004. Quinn stated that she researched the matter and found that Seabury was “on leave” for an extended period. Quinn informed investigators that, in an effort to resolve the matter, she called Seabury’s home numerous times over a period of several weeks each time leaving a message with a woman who, for one reason or another, told her that Seabury could not come to the phone. Quinn stated that, in January 2005, after conferring with Operations Manager Phyllis Greenberg, she “killed” Seabury’s job in the Employment Information System and took him off the DOE payroll. When SCI investigators spoke to Greenberg, she confirmed Quinn’s statements, adding that the whole situation arose during the reorganization which she stated “was a mess, everyone was foundering.”

April 2005, she received a letter from Administrator for Pedagogical/School-Based Payroll Yvonne Kong, informing her that Seabury's final entitlement had not been entered into the DOE's Employee Information System ("EIS"). In a subsequent conversation with Quinn, Robinson was informed that Seabury had retired from the DOE in January 2005, and that his pay stubs, previously sent to PS 224, should be returned to the Region 5 payroll department. Robinson stated that, on May 13, 2005, she sent Seabury's pay stubs to Quinn at the regional office. Finally, Robinson informed investigators that on May 27, 2005, she entered Seabury's final entitlement into the EIS system, based on information provided by Kong. Robinson stated that she believed the entire Seabury matter was closed until November 7, 2005, when she received a copy of the Seabury Letter in the mail. Upon receiving the letter, Robinson faxed it, and related documents, to Senior Regional Counsel Shapiro.

In March 2006, SCI investigators spoke to Sherri Schulman, the DOE Region 5 Committee on Special Education ("CSE") Chairperson, whose responsibilities include overseeing school psychologists and clinical supervisors. According to Schulman, after the DOE reorganization, school psychologists were assigned directly to schools rather than to districts as they had been in the past. Unlike in the past, a school psychologist was now required to follow the timekeeping procedures of the assigned school and, ultimately, that individual school's principal was responsible for overseeing the day-to-day attendance of the psychologist. Schulman told investigators that, since she became the CSE Chairperson in July 2003, Seabury had not been working within the Region.

Investigators spoke to the DOE Region 5 Supervisor of Psychologists, Ruth Goldstein, in March 2006. Goldstein told investigators that Seabury had been a psychologist under her supervision since 1993, but it was her understanding that he had retired from the New York City School System in June 2003. Goldstein stated that, although she was not directly notified of Seabury's retirement, it was "common knowledge" around the office that Seabury had filed for retirement directly with the Teacher's Retirement System ("TRS"), and then had filed a lawsuit against TRS for allegedly not properly crediting his service time.⁶ Goldstein further stated that Seabury was assigned to the District 19 Review Team, and was on the District 19 payroll from September 2002 until his retirement in June 2003.⁷

⁶ In March 2006, SCI investigators spoke to Sheila Miller, formerly the Payroll Secretary for the District 19 CSE and currently the Payroll Secretary at Public School 290 in Brooklyn. Miller stated that, in June 2003, she ran into Seabury on a street in Brooklyn, at which time he informed her that he had submitted his retirement paperwork directly to TRS. According to Miller, Seabury told her that it might take a long time to get his paperwork together because he was having trouble with TRS.

⁷ In June 2006, SCI investigators spoke to TRS Retirements / Withdrawal Manager Nazek Ibrahim who stated that Seabury had filed an application for retirement in June 2003, however it was denied because, on the application, Seabury included numerous "conditions" on which his retirement would be contingent. According to Ibrahim, Seabury's additions to the retirement paperwork altered the documents, and his "conditions" were entirely unacceptable to TRS.

In March 2006, SCI investigators also spoke to Leighton Dingwall, who is currently the DOE Region 5 Administrator for Special Education, and formerly the Chairperson for the District 19 CSE. Dingwall informed investigators that one of his responsibilities, from 1996 until June 2003, was to supervise members of the District's CSE Review Team to which Seabury was assigned between September 2002, and June 2003. Dingwall explained that school psychologists would regularly be assigned to the Review Team for three year terms, however, if a more senior psychologist applied for a position on the Review Team, the team member with the least seniority could be removed regardless of when his or her three year term was set to expire. According to Dingwall, in June 2003, this situation occurred resulting in Seabury, the least senior member of the Review Team, being removed from his position and reassigned to Junior High School 292 ("JHS 292") in Brooklyn. Dingwall stated that when Seabury learned of his reassignment, he became very annoyed and started taking a lot of sick days. Ultimately, it was Dingwall's understanding that Seabury retired in June 2003.

SCI investigators reviewed bank records and DOE payroll records which demonstrated that, between July 1, 2003, and June 28, 2005, DOE payments totaling \$120,962.17 were directly deposited into Seabury's bank account.⁸ These account records also showed regular cash withdrawals and routine payments from the account during the same time period.

SCI investigators made numerous attempts to contact Major Seabury during the course of this investigation, both in person and by leaving telephone messages. Seabury did not respond.

Major Seabury knowingly and wrongfully accepted, withdrew, and apparently spent, more than \$120,000 in DOE money that was erroneously deposited into his bank account. His argument, made in the Seabury Letter, that the DOE had bestowed upon him a "tax free gift" is simply not credible. It is therefore the recommendation of this office that he be placed on the ineligible list, and that this matter be considered should he apply for any position with the New York City school system in the future. In addition, a full accounting of Seabury's DOE payroll records should be completed and he should be required to reimburse the DOE for the approximately \$120,000 that he was erroneously paid.

In addition, it is clear from this investigation, as well as several similar recent cases that, although resignation letters are regularly requested by a school's principal and payroll secretary, these letters and their resignation information often are not received, followed-up on, or successfully transferred from the individual school to the Regional Operations Center or the DOE payroll department. In this instance, it appears clear that Seabury's DOE employment status "fell through the cracks" during the reorganization

⁸ Although Seabury was removed from the DOE payroll system in January 2005, he received a final payment, presumably for back vacation pay, on June 28, 2005.

and several transfers. Therefore, it continues to be our recommendation that the DOE develop a simple and uniform method of removing former DOE employees from the payroll system when their employment ends, and that each party within each region be advised of his or her responsibilities within the process.

We are sending a copy of this letter and of our report concerning this investigation to the Office of Legal Services. In addition, we also are forwarding our findings to both the Kings County District Attorney's Office and the New York State Education Department for whatever action they may deem appropriate. Should you have any inquiries regarding the above, please contact Special Counsel Daniel Schlachet, the attorney assigned to the case. He can be reached at (212) 510-1418. Please notify Mr. Schlachet within thirty days of receipt of this letter of what, if any, action has been taken or is contemplated concerning this investigation. Thank you for your attention to this matter.

Sincerely,

RICHARD J. CONDON
Special Commissioner
of Investigation for the
New York City School District

By:

Regina A. Loughran
First Deputy Commissioner

RJC:RAL:DIS:ss

c: Michael Best, Esq.
Theresa Europe, Esq.