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Report Released Today

Today, Special Commissioner of Investigation Richard J. Condon released a report which found that Professional Development Associates, Inc. (“PDA”) submitted four forged references to the New York City Department of Education (“DOE”) and thereby obtained a contract through which PDA billed the DOE more than \$1.7 million to provide coaching in Literacy to teachers as part of the DOE’s Children First Program. Prior to receiving this contract, PDA submitted fraudulent “competing” bids to DOE principals and assistant principals to sell at least 20 similar – if smaller – programs with a total value of nearly \$170,000 to the DOE. Performing these 20 fraudulently obtained contracts allowed PDA to claim the requisite experience to obtain the \$1.7 million contract from the DOE.

Daniel Portelles, a retired DOE principal, and his son, Edward Portelles, both of Staten Island, are co-owners of PDA. They are also the proprietors of Edufocus, Ltd., a purportedly competing bidder in each of the 20 contracts awarded to PDA. In each of these awards, a third unsuccessful bid was submitted in the name of a company without the permission or knowledge of its executives. When questioned about these matters by investigators of the Office of the Special Commissioner of Investigation, the Portelleses each asserted the Fifth Amendment privilege against self-incrimination.

Commissioner Condon has recommended that the DOE pursue civil remedies against PDA and Daniel Portelles and Edward Portelles, and that the DOE not do business with PDA, Edufocus, or any firm with which the Portelleses are affiliated. He has also referred his findings to Manhattan District Attorney Robert M. Morgenthau, and to the Antitrust Bureau of the Office of Attorney General Andrew M. Cuomo.

Questions should be referred to Sara Scicluna at (212) 510-1425. The Office of the Special Commissioner of Investigation is part of the New York City Department of Investigation and Special Commissioner Condon reports to Commissioner Rose Gill Hearn.