

February 27, 2008

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

Re: Dianne Fultz  
also known as Kinsella or Fultz Kinsella  
SCI Case #2007-1423

Dear Chancellor Klein:

An investigation conducted by this office has substantiated that Dianne Fultz, also known as Dianne Kinsella and Dianne Fultz Kinsella, a teacher and the club advisor of the robotics program at Port Richmond High School (“PRHS”) located in Staten Island, submitted fraudulent documentation in order to receive reimbursement from the school. Specifically, Fultz presented falsified sales receipts to the school for alleged purchases related to the school’s robotics program and wrongly collected over \$2,000 in funds that had been acquired for use in the program.<sup>1</sup> Moreover, Fultz attempted to obtain additional monies in excess of \$500, but did not receive the funds because school personnel determined that the submitted receipts were fraudulent. In addition, Fultz held a fundraiser at the school and failed to deposit the raised funds into the club’s account.<sup>2</sup> Furthermore, Fultz directed a PRHS student to make purchases for the robotics program while the boy attended the school and after he left the school.<sup>3</sup> Additionally, Fultz used a date of birth of May 30, 1960 on much of the Department of Education (“DOE”) paperwork which she completed; however, her birth certificate, her marriage license, Pennsylvania driver’s license, and college documentation list her date of birth as May 30, 1958.

---

<sup>1</sup> Fultz was not reassigned during this investigation and she was permitted to remain as the coordinator of the robotics program. The program was funded primarily through donations and fundraisers.

<sup>2</sup> Fultz was reimbursed \$561.72 for items allegedly purchased for this fundraiser.

<sup>3</sup> Student A attended PRHS from February 2004 through June 2005. He began volunteering in the school’s robotics program the following school year. Although Fultz received reimbursement for the purchases made by Student A, the former student contended that he was reimbursed for less than 10 percent of his purchases.

This investigation began in March 2007, when Timothy Gannon, principal of PRHS, contacted the Office of the Special Commissioner of Investigation for the New York City School District (“SCI”) and reported that Fultz had submitted five receipts to be reimbursed for alleged purchases and only one of the receipts was confirmed to be authentic.

Gannon provided additional details to investigators. Gannon advised investigators that in March 2007, Zona Gurian, an assistant principal at the school, noticed that one of the receipts did not add up correctly, so she contacted the company named on the receipt to confirm the authenticity of the document. Gannon added that Gurian also sought to verify the authenticity of the other receipts bearing the same company name that had been submitted by Fultz with the Request for Expenditure from General School Fund form (“Request”). Gannon informed investigators that Gurian learned that only one out of the five receipts submitted by Fultz had been issued by the company, Innovation First Inc. (“IFI”).<sup>4</sup>

SCI investigators spoke to Gurian who confirmed that when she reviewed Fultz’s Request dated March 22, 2007, she noticed that one of the attached receipts did not add up. According to Gurian, along with the questionable receipt, Fultz had also submitted four other receipts that appeared to have been issued by IFI. Gurian explained that she then contacted the company and IFI representative Rick Ford advised that of the five receipts only one was legitimate in that the invoice number and amount were correct.<sup>5</sup> Gurian clarified that at her instruction PRHS School Aide Marilyn Saewitz had contacted IFI.

In subsequent interviews with Gurian, the assistant principal confirmed the information she had previously provided to investigators. Gurian stated that she was in charge of the school’s checkbook; therefore, the reimbursements to Fultz would be authorized by her. Gurian explained that the funding provided for all clubs, including the robotics club was deposited into the school’s account, and an itemized listing reflecting the deposits and expenditures for each respective club was maintained by her staff. Gurian stated that no school funds were used to pay for expenditures related to the robotics club. Gurian reported that the Requests from Fultz, the club advisor for the school’s robotics program, were processed by School Aide Saewitz who generated a check when the club had sufficient funds. The assistant principal stated that Saewitz presented the documentation to Gurian for her approval and signature on the reimbursement check and the package was then forwarded to Principal Gannon for his signature. According to Gurian, while Saewitz was reviewing one of Fultz’s submissions for reimbursement, the school aide noticed that an invoice did not add up correctly. Gurian instructed Saewitz to contact IFI to rectify the matter. Gurian reported that

---

<sup>4</sup> The receipt was in the name of Fultz’s husband, James Kinsella. It is unknown if the items purchased were actually used by the robotics program at PRHS.

<sup>5</sup> Ford advised that the receipt which was initially questioned by school personnel was false.

Saewitz learned that several receipts were fraudulent.<sup>6</sup> According to Gurian, after Fultz submitted the reimbursement paperwork with the fraudulent receipts in March of 2007, the robotics coordinator then turned in the same fraudulent receipts with the words “order cancelled” written on them in May of 2007.<sup>7</sup>

SCI investigators contacted Rodger Baldwin, a representative of IFI, forwarded him copies of five receipts originally questioned by school personnel, and requested that he review them for authenticity and confirm the information that had been previously provided by IFI representative Rick Ford.<sup>8</sup> Baldwin reported that only one of the receipts appeared to be legitimate in that the items had been shipped to James Kinsella.<sup>9</sup> Baldwin confirmed that the remaining four receipts were fraudulent.<sup>10</sup> Baldwin provided SCI investigators with the actual documents that matched the receipt numbers on the invoices which had been submitted to the school by Fultz. Baldwin stated that the numbers had actually been used by the company to ship different items to customers across the country.<sup>11</sup>

In June 2007, Principal Gannon contacted SCI investigators and advised that in May 2007, Fultz had submitted a revised Request which appeared to be an altered version of her Request dated March 22, 2007. Gannon stated that PRHS Assistant Principal John Romani had received the paperwork from Fultz and attached was an unsigned type written note which claimed that four cancelled receipts had been erroneously included in the total.<sup>12</sup> Gannon stated that the previously submitted fraudulent receipts now each contained the words “order cancelled.”

In an interview with investigators, Romani confirmed that Fultz had given him the above documentation described by Gannon. Romani added that when Fultz submitted the revised paperwork, she said something to the effect of “sometimes we order stuff, to get the receipt.” According to Romani, he did not question Fultz. Romani stated that he forwarded the adjusted Request and receipts to Gurian.

---

<sup>6</sup> Saewitz confirmed that she received this information.

<sup>7</sup> This documentation was submitted by Fultz to PRHS Assistant Principal John Romani.

<sup>8</sup> These were copies of the five receipts already questioned by school staff. The receipts numbers were 127094 in the amount of \$173.03, 123962 in the amount of \$115.04, 126072 in the amount of \$92.05, 108625 in the amount of \$93.85 and 124900 in the amount of \$134.12.

<sup>9</sup> Only receipt number 126072 in the amount of \$92.05 had been issued to James Kinsella. James Kinsella is the name of Fultz’s husband.

<sup>10</sup> One fake receipt contained the date February 29, 2007, which did not exist in the 2007 calendar year.

<sup>11</sup> These receipts submitted to the school by Fultz listed a fraudulent customer, James Kinsella, a false date and a false list of items.

<sup>12</sup> The note read “To Whom it may Concern; [sic] The last expenditure request had four cancelled receipts included in the total. they [sic] have been marked and subtracted from the original request. Several people place orders for parts and also cancel these orders. I was made aware of this oversight from the companies involved. I have reviewed all records and have clarified the remaining receipts.” The receipts that Fultz had marked as cancelled were the four fraudulent receipts she had submitted for reimbursement.

In additional interviews with Romani, he confirmed the information he had previously provided to investigators. According to Romani, Fultz was the club advisor for the school's robotics program. He added that he was the assistant principal in charge of the Science Department and Fultz discussed funding and team details with him. Romani stated that the club was funded by grants and sponsorships. Romani explained that sponsors of the robotics club included the Port Authority of New York and New Jersey and the Richmond County Savings Foundation. Romani added that the Richmond County Savings Foundation sometimes paid the entry fees for the robotics competitions.<sup>13</sup> Romani stated that the students were not required to pay any money to be part of the robotics club. Romani mentioned that James Kinsella is Diane Fultz's husband. Romani was asked about his May 2007, conversation with Fultz when she submitted the adjusted paperwork with the fraudulent receipts marked "order cancelled." According to Romani, Fultz told him that sometimes she will "double order materials" and that the "cancelled" receipts related to duplicated or "cancelled" orders. Romani did not recall other aspects of his discussion with Fultz.

SCI investigators spoke with school personnel regarding Fultz's fundraiser. PRHS Assistant Principal Andrew Greenfield recalled that Fultz conducted a fundraiser for the robotics program, but he was unable to provide any details. PRHS teacher and Coordinator of Student Activities Christopher Walters informed SCI investigators that he remembered that Fultz conducted a fundraiser although he was unable to provide any details.<sup>14</sup> School Aide Saewitz stated that from December 2004 to December 2005, no bank deposits were made relating to a robotics fundraiser. Saewitz also provided SCI investigators with an itemized listing of the robotics club's deposits and expenditures from April 2004 to May 2007, which did not indicate any deposits of fundraiser monies.

Some receipts submitted by Fultz to the school for reimbursement had been issued to parents of a former PRHS student ("Student A") and to Student A. Investigators spoke to the mother of Student A ("Mother A") who acknowledged that her son had been a PRHS student. Mother A explained that when Student A attended PRHS he was involved in the robotics program. Mother A added that after he left PRHS, Student A volunteered his time to assist Fultz with the robotics program.<sup>15</sup>

Student A confirmed his association with the PRHS robotics program as described by his mother. Student A stated that in March 2004, he assisted Fultz with the start of the robotics program at the school. Student A stated that he graduated in June 2005, and in September of that year, he learned from a friend that Fultz wanted to meet with him. According to Student A, Fultz asked that he become a mentor for the new

---

<sup>13</sup> The entry fee included the cost of the robot. This funding began in the 2005 – 2006 school year. According to Romani, generally the entry fees were paid directly to the competition and were not funneled through PRHS.

<sup>14</sup> According to Gurian, Walters was supposed to maintain the records for fundraisers at the school.

<sup>15</sup> Mother A stated that Student A has a sibling who is currently attending PRHS.

students on the robotics team and he complied with Fultz's request. Student A stated that he made purchases for the robotics program and Fultz reimbursed him for a few but not all of his purchases.<sup>16</sup> Student A stated that he provided a number of receipts to Fultz and to her husband, James Kinsella. Student A was shown receipts which contained identifying information relating to him or one of his family members. When Student A was shown a receipt, in his name, which had been submitted by Fultz to the school for reimbursement, the former student acknowledged that only one of the items listed was at the school while the others were at his home.<sup>17</sup> Student A admitted that he created a number of false receipts which he provided to Fultz because she told him that she needed extra receipts and money. Student A explained that he created the fraudulent document using either a school computer or Fultz's home computer.<sup>18</sup> Student A stated that he overheard Fultz and Kinsella discussing Kinsella's creation of false invoices. Student A stated that in February 2007, he received reimbursements from Fultz for three purchases totaling about \$200. Student A added that he had not received any other reimbursement from Fultz.

In a subsequent interview that occurred at the SCI office, Student A reiterated the information he had previously provided to SCI investigators and provided additional details. Student A stated that Fultz had a fundraiser around Valentine's Day 2005, and that hundreds of dollars were collected for the robotics program.<sup>19</sup> Student A estimated that he had spent \$2,000 to \$3,000, mostly in cash, to purchase various tools and materials for the robotics program. Student A stated that he gave Fultz the receipts for his purchases. Student A explained that he was not reimbursed for his purchases during the 2004 – 2005 school year and the 2005 – 2006 school year, but he was reimbursed between \$200 and \$250 for the purchases he made in the 2006 – 2007 school year. According to Student A, Fultz requested that he produce false documents which she, in turn, submitted to the DOE for reimbursement. Student A stated that he did not receive any of the funds that Fultz obtained using the false paperwork. Student A was shown a "Dr. Don's Buttons and Badges" receipt which Fultz submitted for and received reimbursement from the DOE. Student A admitted that he produced the false document which he provided to Fultz.<sup>20</sup> In addition, Student A acknowledged that he created a receipt for "The Discount Printer" which Fultz submitted for reimbursement.<sup>21</sup> Student A added that he created other false receipts which he provided to Fultz for which he did not

---

<sup>16</sup> Student A stated that he used his father's credit card and mother's debit card as well as cash to make the purchases.

<sup>17</sup> Fultz received reimbursement of \$134.95 for submission of this receipt. According to Student A, an item which cost \$69.99 was the only one at the school.

<sup>18</sup> Student A identified the invoice for "Dr. Don's Buttons" as one that he created.

<sup>19</sup> Student A believed that Fultz had purchased the items which were sold at the event from "Oriental Trading." The school's bank account related to the robotics program did not show a deposit of fundraiser monies.

<sup>20</sup> Fultz received \$494.48 from the DOE for this receipt.

<sup>21</sup> Fultz received \$527.27 from the DOE for this receipt.

receive any monies.<sup>22</sup> Student A was shown three documents relating to a single Internet order which he placed. Student A confirmed that he placed the order, for which he did not receive reimbursement, and that he provided the receipts, in different forms, to Fultz.<sup>23</sup> Student A stated that he heard James Kinsella tell Fultz that Kinsella had created fraudulent receipts.

Investigators examined the paperwork that Fultz submitted for reimbursement. For the period from January 2005 to May 2007, Fultz wrongly received over \$2,000 from the school's robotics account as a result of her Request submissions. In addition, Fultz attempted to acquire over \$500 for fraudulent receipts she submitted but for which she did not receive reimbursement.<sup>24</sup> Many of the receipts, which were in the name of James Kinsella, indicated that the items listed had been shipped to Fultz's home address.<sup>25</sup>

SCI investigators were unable to determine with certainty if all of the receipts for items purchased from various stores such as, Michaels, Lowes, Wal-Mart, and Staples were actually used for the school's robotics program. However, investigators did determine that Fultz submitted Requests and subsequently received reimbursement based on a number of fake receipts. In addition, although some of the receipts submitted by Fultz during the 2005 – 2006 school year were dated from the prior school year, she still received reimbursement based on these receipts. In addition, Fultz submitted receipts in excess of \$600 that were in the names of Student A and Student A's parents for which she received reimbursement.<sup>26</sup>

Investigators learned that Fultz had submitted a "Radio Shack" sales quote for which she received over \$500 from the robotics account. Officials from "Radio Shack" confirmed that the quote in fact was a price list that had been disseminated to various schools and that as a quote none of the items listed on the document had been shipped to Fultz or anyone else. In addition, Fultz submitted for reimbursement an order confirmation form in the amount of \$500 plus shipping and handling from the company "The Discount Printer." As a result of this submission to the school, Fultz received \$527.17. Officials from "The Discount Printer" confirmed that the document was false and that the company had not sold any merchandise to James Kinsella.<sup>27</sup> Investigators

---

<sup>22</sup> Student A identified several fake invoices that he provided to Fultz. Student A was shown an IFI invoice with Fultz's house number and Student A's street name which he admitted creating in the amount of \$216.53.

<sup>23</sup> Fultz submitted for reimbursement three versions of an invoice for "sdp-si.com/estore" and wrongly received funds in excess of \$300. The purchase was made online by Student A. For each submission, Fultz used a different printout. In one she included only the item cost and handling charges, while on the other two she used the item cost, shipping and handling. All three documents were included as attachments with the same Request.

<sup>24</sup> These fraudulent IFI receipts were submitted to the school by Fultz in March 2007.

<sup>25</sup> This was the address Fultz had on file with the DOE.

<sup>26</sup> On a number of these submitted receipts the parent's e-mail information had been blacked-out.

<sup>27</sup> This document was in the name of James Kinsella.

contacted “Dr. Don’s Buttons, Badges and Magnets” and learned from the company president that the \$484.48 receipt submitted by Fultz was not genuine.<sup>28</sup>

SCI investigators examined various documents which listed Fultz’s “date of birth.” This review revealed the following:

- Birth Certificate<sup>29</sup> May 30, 1958
- Marriage License May 30, 1958
- Pennsylvania Driver’s License May 30, 1958
- Wagner College Transcript<sup>30</sup> May 30, 1958
- The College of Staten Island Transcript<sup>31</sup> May 30, 1958
- Previous Employer Paperwork<sup>32</sup> May 30, 1958/1960
- DOE Certificate Of Completion<sup>33</sup> May 30, 1960
- DOE Substitution of Experience for Student Teaching Form<sup>34</sup> May 30, 1960
- Release Authorization and Fair Credit Reporting Act Disclosure<sup>35</sup> May 30, 1960
- DOE Certification Of Completion<sup>36</sup> May 30, 1960
- DOE Application for Pedagogical License (Form A)<sup>37</sup> May 30, 1960
- DOE Application for Pedagogical License or Certificate<sup>38</sup> May 30, 1960

James Kinsella appeared at the SCI office and, in the presence of his attorney, took the 5<sup>th</sup> Amendment to almost all of the questions put to him.

Through her attorney, Dianne Fultz declined the opportunity to speak with SCI investigators.

---

<sup>28</sup> This document was in the name of James Kinsella. The paperwork listed Fultz’s house number and Student A’s street name.

<sup>29</sup> SCI investigators received information that the date listed on Fultz’s birth certificate was May 30, 1958.

<sup>30</sup> Fultz’s college transcript from Wagner College located in Staten Island, submitted by Fultz to the DOE did not contain a date of birth and it appeared to have been removed. A copy of Fultz’s transcript, obtained by SCI investigators directly from Wagner College, included Fultz’s date of birth as 1958.

<sup>31</sup> Fultz’s college transcript from The College of Staten Island, submitted by Fultz to the DOE did not reflect the date of birth. Information obtained by SCI investigators from an official at The College of Staten Island confirmed that the school’s records list Fultz’s date of birth as 1958.

<sup>32</sup> SCI investigators examined paperwork that Fultz had completed pertaining to her employment prior to joining the DOE which revealed that Fultz used both May 30, 1958 and May 30, 1960 as her date of birth. In addition, the birth certificate which Fultz submitted to this employer contained an altered date of birth of May 30, 1960.

<sup>33</sup> This document which was dated August 23, 2002, related to Coursework/Training in Identification and Reporting of Child Abuse and Maltreatment and was signed by Fultz.

<sup>34</sup> This document was not signed or dated by Fultz.

<sup>35</sup> This DOE document was signed by Fultz and dated August 26, 2003.

<sup>36</sup> This document which was dated August 23, 2002, related to Training in School Violence Prevention and Intervention and was signed by Fultz.

<sup>37</sup> This document was dated August 26, 2003. The complete name of this document was Application for Pedagogical License (Form A) or Certificate and Salary Step Placement.

<sup>38</sup> This document was dated July 31, 2002.

This investigation revealed that Fultz misappropriated over \$2,000 as a result of submitting fraudulent invoices to the school, attempted to acquire over \$500 for fraudulent receipts she submitted but for which she did not receive reimbursement, and failed to deposit the monies raised at a robotics fundraiser. In addition, Fultz directed a PRHS student to create false invoices and make purchases for the robotics program. Moreover, contrary to information contained on Fultz's birth certificate and other paperwork which listed Fultz's date of birth as 1958, Fultz completed DOE forms with a birth date of 1960.

Accordingly, it is the recommendation of this office that Fultz be required to reimburse the robotics school account, be terminated from employment with the DOE, be placed on the ineligible list, and that this matter be considered should she seek future employment with the City school system in the future.

We have referred this matter to Richmond County District Attorney Daniel M. Donovan, Jr. for whatever action he deems appropriate.

We are forwarding a copy of this letter and of our report concerning this investigation to the Office of Legal Services. We are also sending our findings to the State Education Department for whatever action it deems appropriate. Should you have any inquiries regarding the above, please contact Eileen C. Daly, the attorney assigned to this case. She may be reached at (212) 510-1407. Please notify Ms. Daly within 30 days of the receipt of this letter of what, if any, action has been taken or is contemplated in regards to Dianne Fultz. 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:ECD:gm

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