

September 18, 2012

Hon. Dennis M. Walcott
Chancellor
New York City Public Schools
Department of Education
52 Chambers Street, Room 314
New York, NY 10007

Re: Nareesa Mohammed
Saied Mohammed
Nareesa's Day Care
Beanstalk
SCI Case #2011-3124

Dear Chancellor Walcott:

An investigation conducted by this office has substantiated that Department of Education ("DOE") Universal Pre-K program ("UPK") vendors Nareesa's Day Care, owned by Nareesa Mohammed, and Beanstalk, owned by Saied Mohammed, defrauded the DOE.¹ The Mohammeds registered at least 12 children who did not attend the UPK programs run by the Mohammeds and submitted false attendance forms and invoices to receive payment.

This investigation began in June 2011, when DOE Early Childhood Development Operations Manager Richard Switach contacted the Office of the Special Commissioner of Investigation ("SCI") and lodged a complaint against the owners of Nareesa's Day Care and Beanstalk.

SCI investigators met with Manager Switach who said that Nareesa and Saied Mohammed charged the DOE for children who did not attend the UPK programs at Nareesa's Day Care and Beanstalk. According to Switach, the Mohammeds billed the Office of Early Childhood Development \$3,500 per child. Switach provided a list of 10 children whom he believed did not attend the programs, but were used to bill the DOE for claimed services.

¹ Nareesa Mohammed owns Nareesa's Day Care I and II; Saied Mohammed owns Beanstalk I and II. The DOE has suspended doing business with these vendors pending the outcome of this investigation.

SCI investigators spoke with Teacher Judy Dickerson who had been employed at Nareesa's Day Care for five years. Dickerson did not believe that any of the 10 students in question were in her class during the 2010-2011 school year. Dickerson believed that, after the attendance was taken by the teachers and submitted to the office, Nareesa Mohammed added names to the attendance cards.

SCI investigators interviewed the mothers of the 10 children ("Student A" through "Student J"); only the mother of Student E reported that her child's attendance in a UPK program run by the Mohammeds was accurate. The mother of five-year-old female Student E told the assigned SCI investigator that her daughter attended Nareesa's Day Care during the 2010-2011 school year from September through April. The mother added that she signed a Parental Letter of Release on April 6, 2011, to discharge Student E on that date, because they were moving to Florida.

SCI investigators interviewed the mother of five-year-old male Student A who said that her son did not attend Beanstalk II during the 2010-2011 school year.² The mother added that she did not sign a Parental Letter of Release on May 8, 2011, to discharge Student A on May 18, 2011.³ The mother confirmed that Student A did not attend Beanstalk on the 137 days claimed on the attendance card and cumulative record maintained by the UPK provider.

SCI investigators interviewed the mother of five-year-old male Student B who said that her son attended Beanstalk II for about three weeks in September 2010, but did not attend that UPK program for the remainder of the 2010-2011 school year. The mother added that she did not sign a Parental Letter of Release on February 2, 2011, to discharge Student B on that date. The mother confirmed that Student B did not attend Beanstalk on the 65 days claimed on the attendance card and cumulative record maintained by the UPK provider.

SCI investigators interviewed the mother of five-year-old male Student C who said that her son did not attend Beanstalk II during the 2010-2011 school year. The mother added that she did not sign a Parental Letter of Release on February 18, 2011, to discharge Student C on that date.⁴ The mother confirmed that Student C did not attend Beanstalk on the 63 days claimed on the attendance card and cumulative record maintained by the UPK provider.

SCI investigators interviewed the mother of five-year-old female Student D who said that her daughter did not attend Nareesa's II Day Care during the 2010-2011 school

² Student A has turned six.

³ Saied Mohammed signed the document on May 8, 2011.

⁴ Saied Mohammed signed the document on February 18, 2011.

year. The mother added that she did not sign a Parental Letter of Release on April 15, 2011, to discharge Student D on that date.⁵ The mother confirmed that Student D did not attend Nareesa's Day Care on the 129 days claimed on the attendance card and cumulative record maintained by the UPK provider.

SCI investigators interviewed the mother of five-year-old male Student F who said that her son did not attend Nareesa's Day Care during the 2010-2011 school year.⁶ The mother explained that she signed a Parental Letter of Release when she applied to and filled out the original paperwork for Nareesa's Day Care in July 2010, but she did not date the form.⁷ The mother confirmed that Student F did not attend Nareesa's Day Care on the 128 days claimed on the attendance card and cumulative record maintained by the UPK provider.

SCI investigators interviewed the mother of five-year-old male Student G who said that her son did not attend Nareesa's II Day Care during the 2010-2011 school year.⁸ The mother reported that, during the 2010-2011 school year, she and Student G lived in Orlando, Florida. The mother explained that she filled out the original paperwork for Nareesa's Day Care in March 2010, but the family then relocated to Florida. The mother added that she did not sign a Parental Letter of Release on April 28, 2011, to discharge Student G on that date, and it was not her signature on the document.⁹ The mother confirmed that Student G did not attend Nareesa's Day Care on the 133 days claimed on the attendance card and cumulative record maintained by the UPK provider.

The assigned SCI investigator interviewed the mother of five-year-old female Student H who said that her daughter did not attend Nareesa's II Day Care during the 2010-2011 school year.¹⁰ The mother explained that, in 2010, she filled out paperwork to register Student H at that UPK program, but then decided the location was too far from her home. The mother added that she did not sign a Parental Letter of Release on May 16, 2011, to discharge Student H on that date, and it was not her signature on the document.¹¹ The mother confirmed that Student H did not attend Nareesa's Day Care on the 135 days claimed on the attendance card and cumulative record maintained by the UPK provider.

⁵ Nareesa Mohammed signed the document on April 15, 2011.

⁶ Student F has turned six.

⁷ The form is dated April 12, 2011, discharging Student F on that date. Nareesa Mohammed signed the document on April 12, 2011.

⁸ Student G has turned six.

⁹ Nareesa Mohammed signed the document on April 28, 2011.

¹⁰ Student H has turned six.

¹¹ The document originally was dated May 15, 2011, but "6" was written over the "5." Nareesa Mohammed signed the document on May 16, 2011.

The assigned investigator interviewed the mother of five-year-old male Student I who said that her son attended Nareesa's II Day Care for approximately 15 days starting in September 2010.¹² The mother explained that she filled out the original paperwork to register Student I in 2010, but when the UPK program started, she was seven months pregnant, and it was too far to walk there. The mother added that she signed a Parental Letter of Release, a document dated November 10, 2010, but did so several months after that date, when someone from the UPK provider came to her home. The mother confirmed that Student I did not attend Nareesa's Day Care on the 35 days claimed on the attendance card and cumulative record maintained by the UPK provider.

SCI investigators interviewed the mother of five-year-old male Student J who said that her son did not attend Nareesa's II Day Care during the 2010-2011 school year.¹³ The mother added that she did not fill out paperwork to enroll Student J at that UPK program. The mother reported that she did not sign a Parental Letter of Release, dated May 13, 2011, to discharge Student J on that date, and it was not her signature on the document.¹⁴ The mother confirmed that Student J did not attend Nareesa's Day Care on the 141 days claimed on the attendance card and cumulative record maintained by the UPK provider.

The mother of an 11th student confirmed that her child's attendance in a UPK program run by the Mohammeds was inaccurate. SCI investigators interviewed the mother of the five-year-old female ("Student K") who said that her daughter attended Beanstalk for about three months from September through November 2010, and she filled out the original paperwork to register Student K in the program. However, the mother confirmed that Student K did not attend Beanstalk on the 117 days claimed on the cumulative record maintained by the UPK provider.¹⁵

SCI investigators again met with Manager Switach and requested documentation submitted by Nareesa's Day Care and Beanstalk to receive payment for services purportedly rendered during the 2009-2010 school year. The investigators interviewed mothers of children whom the UPK providers claimed to have serviced during that year and discovered two additional fraudulent submissions ("Student Q" and "Student R").¹⁶

SCI investigators interviewed the mother of six-year-old male Student Q who said that her son attended Nareesa's Day Care for about one month, from September 2009

¹² Student I has turned six.

¹³ Student J has turned six.

¹⁴ Nareesa Mohammed signed the document on May 13, 2011.

¹⁵ There was no Parental Letter of Release in Student K's file.

¹⁶ SCI investigators also interviewed the mothers of five other students ("Student L" through "Student P") who confirmed that their children attended Nareesa's Day Care as reported by the UPK provider.

until the beginning of October 2009. The mother confirmed that Student Q did not attend that UPK program through April 23, 2010, as claimed in the invoices Nareesa's Day Care submitted to the DOE.

SCI investigators interviewed the mother of six-year-old female Student R who said that her daughter attended Nareesa's Day Care from September 2009 until the beginning of October 2009. The mother confirmed that Student R did not attend that UPK program through November 16, 2009, as claimed in the invoices submitted to the DOE by Nareesa's Day Care.

SCI investigators spoke with Teaching Assistant Zulaykha Narine who said that she had been employed by Nareesa's Day Care and worked with Teacher Geanine Maiello-Millett. According to Narine, no additional children were added to the class roster when attendance was taken in the classroom. Narine did not know what was done with the rosters after the documents were delivered to the main office.

SCI investigators spoke with Teacher Geanine Maiello-Millet who said that she worked for Nareesa's Day Care until November 2011. Maiello-Millet did not believe that students were added to her class attendance sheets and she did not know of any student who was added to an attendance sheet after the document left her classroom.

SCI investigators spoke with Teaching Assistant Lilloutie Rambajue who said that she was employed by Nareesa's Day Care and worked with Teacher Judy Dickerson from September 2006 until September 2011. Rambajue believed that there were nine or 10 names of students added to her class attendance sheets during the 2010-2011 school year. According to Rambajue, she did not add those names and believed that it was done by the office. Rambajue reported that, in past years, only two or three names were added to her attendance sheets.

SCI investigators spoke with Teaching Assistant Elizabeth Haniff who said that she worked for Beanstalk. Haniff did not believe that students were added to her class attendance sheets and she did not know of any student who was added to an attendance sheet after the document left her classroom.

SCI investigators spoke with Teaching Assistant Dadewattee Dallmick who said that she worked for Beanstalk. Dallmick did not believe that students were added to her class attendance sheets and she did not know of any student who was added to an attendance sheet after the document left her classroom.

SCI investigators interviewed Teaching Assistant Chandrawattee Madramuthu who said that she worked at the Beanstalk sites. Madramuthu added that she was not responsible for keeping track of attendance. According to Madramuthu, on at least three or four occasions during the 2009-2010 school year, she witnessed both Mohammeds write the “signature” of parents on enrollment and discharge documents.

SCI investigators interviewed Nareesa and Saied Mohammed in the presence of their attorney. When Saied Mohammed was asked whether the Mohammeds submitted names of children who did not attend the UPK program in order to obtain payment from the DOE, and whether they signed the names of parents on release documents without the knowledge or consent of the parents, the attorney advised the Mohammeds not to answer.¹⁷ The attorney asserted that, if the Mohammeds submitted names of students who did not attend the UPK program for payment from the DOE – on two or three occasions – it was done in error and not intentionally.

The assigned investigator re-interviewed Manager Switach who said that, for the 2010-2011 school year, the Mohammeds were paid \$3,500 per student for the nine students who did not attend the UPK programs.¹⁸ Switach added that the DOE held back the last five percent because of the SCI investigation. Thus, the Mohammeds were paid \$3,325 for each student, totaling of \$29,925. During the 2009-2010 school year, the Mohammeds billed the DOE \$ 3,500 per student for the additional two students who did not attend the UPK programs. According to Switach, the total amount owed to the DOE by Saied Mohammed and Nareesa Mohammed was \$36,925. The DOE contracts with the Mohammeds were suspended as a result of this investigation.

It is the recommendation of this office that the DOE stop doing business with any company associated with the Mohammeds, including all Nareesa’s Day Care sites and all Beanstalk sites. We further recommend that this matter be considered should Nareesa Mohammed, Saied Mohammed, or any company associated with either of them, apply to work for or seek to work with the City school system in the future. In addition, the DOE should recover the funds fraudulently obtained by the Mohammeds.

We are referring our findings to Queens County District Attorney Richard A. Brown for whatever action he deems appropriate.

We are sending our findings to the Mayor’s Office of Contract Services for appropriate action.

¹⁷ Presumably, he was advising them to invoke their Fifth Amendment privilege against self-incrimination.

¹⁸ This refers to Student A through Student D and Student F through Student J. It does not include Student K.

We are forwarding a copy of this letter to the Office of Legal Services. Should you have any inquiries regarding the above, please contact First Deputy Commissioner Regina Loughran, the attorney assigned to the case. She can be reached at (212) 510-1426. Please notify First Deputy Commissioner Loughran within 30 days of receipt of this letter of what, if any, action has been taken or is contemplated regarding 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:gm

c: Courtenaye Jackson-Chase, Esq.
Theresa Europe, Esq.