

CITY OF NEW YORK
**THE SPECIAL COMMISSIONER OF INVESTIGATION
FOR THE NEW YORK CITY SCHOOL DISTRICT**
80 MAIDEN LANE, 20TH FLOOR
NEW YORK, NEW YORK 10038

ANASTASIA COLEMAN
SPECIAL COMMISSIONER

TELEPHONE: (212) 510-1400
FAX: (212) 510-1550
WWW.NYCSCI.ORG

September 5, 2019

Hon. Richard A. Carranza
Chancellor
New York City Public Schools
Department of Education
52 Chambers Street, Room 314
New York, NY 10007

Re: Hilary Schornstein
SCI Case #2017-2940

Dear Chancellor Carranza:

An investigation conducted by this office has substantiated that Independent Special Education Teacher Support Services (“SETSS”) Provider Hilary Schornstein, also known as Hilary Hirsh, defrauded the New York City Department of Education (“DOE”) of approximately \$80,000 during the 2016-2017 school year.¹ The investigation uncovered that Schornstein billed and was paid by the DOE for over 1900 hours of Special Education services that she never provided to 14 students.² Schornstein was paid \$41.98 per hour for SETSS instruction.

I. Origin of the Investigation

The investigation began in April 2017 when School Social Worker Maritza Rodriguez, from the DOE Committee on School Education (“CSE”) District 10, contacted the office of the Special Commissioner of Investigation for the New York City School District (“SCI”) concerning Schornstein. Rodriguez reported that the mother of a 12-year-old male student (“Student A”) complained that Schornstein billed for SETSS services on Saturdays and Sundays that she never provided. According to Student A’s mother (“Mother A”), Student A only received one hour of SETSS services per week and they only occurred on Fridays.

The initial complaint lodged against Schornstein led to an examination of other students assigned to her. Through the course of the SCI investigation, it was discovered that Schornstein failed to deliver services to 13 other students, although she fraudulently billed the DOE for these sessions. The assigned

¹ Schornstein continues to provide SETSS services as per her vendor agreement. Several witnesses referred to Hilary Schornstein as Hilary Hirsh. Throughout this report, she will be referred to as Schornstein.

² DOE Office of Non-DOE Payables Administrator Frank Lanore provided the assigned investigator with Schornstein’s billing history from September 2016 through June 2017.

SCI investigator learned from parents and students that Schornstein routinely billed for lessons when the students were not present and did not meet with her. Additionally, there were numerous instances when the students or their parents were only able to report “generally” that the student met with Schornstein on a particular day of the week. In these instances, the assigned investigator gave Schornstein the benefit of the doubt and allowed her to claim credit for these days. We describe the investigation with respect to the following students.

II. Investigation and Findings

Student A

In an interview with SCI investigators, Mother A stated that in March 2017, she received a letter from the DOE that requested she verify several dates of SETSS services Schornstein claimed she provided to Student A. Mother A told investigators that Schornstein reported that every Sunday in January 2017—including New Year’s Day – she tutored Student A for either two or three hours. Mother A learned that Schornstein further maintained that she routinely provided instruction to Student A on Mondays, Tuesdays, and Wednesdays for one hour each day. All of these lessons purportedly occurred in Mother A’s home. Mother A responded to the DOE’s inquiry that Student A never received services at her home on any date.

Mother A explained that she and Student A’s father (“Father A”), were divorced, and they shared joint custody of Student A, who attended the Manhattan Day School (“MDS”).³ Mother A stated that Student A resided with her on Sundays, Mondays, and Tuesdays, and the rest of the week he lived with Father A. According to Mother A, Student A received one hour of SETSS instruction per week and this was only on Fridays, after school, at MDS.

Mother A continued that in April 2017, she received another letter from the DOE that asked her to verify billing submissions from Schornstein for SETSS services for Student A. The dates on the document covered every Saturday and Sunday during the month of February 2017. Mother A again responded that Student A never received services on Saturdays or Sundays and that no services had ever been provided for Student A in her home.⁴

In an interview with SCI, Father A stated that Student A had been approved from SETSS services as of September 1, 2016. Father A corroborated Mother A’s testimony that Student A only received SETSS instruction on Fridays at MDS after school ended. Father A further stated that Student A never received SETSS services on Saturdays or Sundays or at any other location than the school.

SCI investigators met with Student A who stated that Schornstein provided help with his homework on Friday afternoons at MDS from 1:20 p.m. until 2:00 p.m. or until he had completed his assignments. Schornstein never tutored him at any other time or at any other location.

³ MDS is a modern orthodox Jewish Yeshiva elementary school.

⁴ Mother A told investigators that Saturday was the Sabbath and Father A would never permit instruction on this day.

A review of the Authorization for Independent SETSS form for Student A revealed that he was entitled to a maximum of five hours of SETSS instruction per week between, September 1, 2016 and June 30, 2017. The SETSS instruction was to take place at Student A's school and was not to exceed a total of 180 hours during this school year.⁵

The assigned investigator reviewed the Vendor Portal billing entries Schornstein submitted for SETSS sessions she purportedly provided to Student A.⁶ Student A's instruction began in September 2016, and continued through June 2017. During this time period, Schornstein billed for 132 sessions totaling 214 hours. Among those 132 dates were 77 dates that listed "school" as the location of the tutoring sessions. Schornstein documented that the remaining 55 dates of SETSS sessions she provided took place at "home" in contradiction to the statements made by Student A and his parents that sessions occurred only at the school on Fridays. These "home" sessions totaled 119 hours.⁷

With respect to the school sessions, the majority of the dates that Schornstein billed the DOE indicating "school" as the location of the sessions were not Fridays. Further, many of the dates that were documented were days when the school was closed. For example, the first day of the 2016-2017 school year at MDS was September 8, 2016. Schornstein, however, claimed she tutored Student A at the school on September 1st, September 2nd, September 5th (Labor Day), September 6th, and September 7th, for one hour each day, totaling five hours. She further maintained that she provided instruction on the following dates totaling 29 hours when the school was closed and no classes were in session:⁸

- October 3rd, October 4th (Rosh Hashanah)
- October 11th, October 12th (Yom Kippur)
- October 17th through October 21st (Sukkot)
- October 24th through October 26th (Shemini Atzeret)
- November 8th (Election Day)
- November 25th (Thanksgiving recess)
- November 26th (Saturday)
- April 8th (Saturday)
- April 14th (Pesach)
- April 15th (Saturday)
- April 22th (Saturday)
- April 29th (Saturday)

⁵ Attached to this document was the letter dated April 17, 2017 from the DOE Office of Non-Public School Payables addressed to Mother A. The letter asked her to verify eight dates of services in February 2017, that were documented as having occurred at Student A's home. Mother A indicated that the services were not received, locations of service were incorrect, and dates and times of sessions were incorrect. At the bottom of the form, Mother A mother wrote, "My son does not and has NEVER received services on Saturday and/or Sunday."

⁶ The Vendor Portal is the mechanism vendors use to electronically submit their billing invoices.

⁷ Many of these "home" sessions were documented as occurring during weekend hours.

⁸ Three of these dates listed were Fridays when the school was closed: October 21st, November 25th, and April 14th. Schornstein billed for four hours for those three dates.

A further examination of the Vendor Portal documentation submitted by Schornstein for SETSS services to Student A revealed that Schornstein only billed for 19 Friday sessions. Considering the school was closed on three of those Friday dates, Schornstein should be compensated for only 16 Friday sessions totaling 23 hours, and not the 214 hours as she claimed.

In total, SCI substantiated that Schornstein fraudulently billed the DOE and was paid for 191 hours, amounting to \$8,018.18, for SETSS services she never provided to Student A.

Student B

A 17-year-old female student ("Student B") who attended the Manhattan High School for Girls ("MHSG") was another pupil whom Schornstein was assigned to tutor. SCI investigators interviewed Student B's mother ("Mother B"), her father ("Father B"), and Student B, who was not present, but was contacted and placed on speakerphone. During the interview, the assigned investigator learned that Student B had never been provided SETSS sessions at her home. Instead, the few sessions that did take place, occurred exclusively at school.

Student B stated that she did not begin receiving SETSS instruction from Schornstein until November 2016, and even then, Student B only met with her approximately three or four times. Student B explained that Schornstein was supposed to assist Student B with her Social Studies and English lessons, however, Schornstein "didn't know anything," and Student B found her unhelpful. Mother B and Father B told investigators that they paid for an outside tutor to help Student B with the same lessons that Schornstein was expected to provide.

A review of the Authorization for Independent SETSS form for Student B revealed that she was entitled to a maximum of five hours of SETSS instruction per week between September 1, 2016 and June 30, 2017. The SETSS instruction was to take place at MHSG and was not to exceed a total of 180 hours for the school year.

An examination of the Vendor Portal documentation submitted by Schornstein for SETSS sessions she purportedly provided to Student B revealed that from September 2016 through June 2017 she billed the DOE for 112 dates amounting to 220 hours. Ninety-three of the 112 sessions were documented as having taken place at "home." The remaining 19 dates listed "school" as the location for the lessons. Schornstein routinely billed each session as having lasted for either two or three hours.

According to the testimony of Student B and her parents, none of the SETSS instruction occurred at her home. Consequently, all of the 93 sessions that Schornstein submitted listing "home" as the location for the SETSS session were clearly fraudulent for which Schornstein should not have been compensated. Assuming that Schornstein did provide tutoring services to Student B on four occasions at MHSG, as Student B acknowledged, then at most Schornstein provided between eight and 12 hours of instruction.⁹ The remaining sessions that Schornstein billed citing "school" as the location for the instruction, however,

⁹ In our final analysis, Schornstein was given credit for 12 hours of SETSS sessions.

should be discounted. In fact, records revealed that Schornstein billed for six “school” sessions totaling 16 hours on dates when MHSB was closed:

- October 30th (Sunday)
- November 5th (Saturday)
- November 6th (Sunday)
- November 13th (Sunday)
- November 20th (Sunday)
- November 25th (Thanksgiving recess)

In total, SCI substantiated that Schornstein fraudulently billed the DOE and was paid for 208 hours, amounting to \$8,731.84, for SETSS services she never provided to Student B.

Student C

An eight-year-old male student (“Student C”) who attended the Birch Wathan Lenox School in Manhattan (“Birch”) received SETSS services from Schornstein for three years.¹⁰ SCI investigators interviewed his mother (“Mother C”), who stated that sessions for the past school year began in early September 2016 and continued through June 2017. According to Mother C, Student C received SETSS instruction on Fridays after school either from 2:30 p.m. until 3:30 p.m. or from 2:30 p.m. until 4:30 p.m. at Schornstein’s residence. Student C never received lessons at Birch and was never tutored by Schornstein on Saturday or Sunday. Mother C added that to the best of her recollection, Student C’s lessons were frequently two-hour sessions rather than one-hour sessions.

A review of the Authorization for Independent SETSS form for Student C revealed that he was entitled to a maximum of five hours of SETSS instruction per week between September 1, 2016 and June 30, 2017. The SETSS instruction was to take place at Schornstein’s home and was not to exceed a total of 180 hours during the school year.

An examination of the Vendor Portal documentation submitted by Schornstein for SETSS sessions she claimed she provided to Student C revealed that, from September 2016 through June 2017, she billed the DOE for 154 sessions amounting to 205 hours. Among those 154 dates were 39 dates totaling 53 hours where Schornstein claimed the SETSS sessions took place at “school,” in contradiction to the statements made by Mother C that all of her son’s lessons occurred at Schornstein’s home on Fridays. Additionally, records revealed that there were 16 weekend hours included in the hours of billed “school” sessions:

- June 3rd (Saturday)
- June 10th (Saturday)
- June 11th (Sunday)
- June 17th (Saturday)

¹⁰ SCI only received Schornstein’s invoices and payments for Student C for the 2016-2017 school year.

- June 18th (Sunday)
- June 24th (Saturday)
- June 25th (Sunday)

As a result of Mother C's statements that all of Student C's SETSS sessions occurred on Fridays, the assigned investigator re-examined the Vendor Portal documentation and counted all the Friday sessions. From September 2016 through June 2017, Schornstein billed for a total of 29 dates amounting to 34 hours. The location for all of the Friday sessions, however, was not listed as occurring at "home." In fact, among the 29 dates, 12 of the dates were recorded as having taken place at "school," in contradiction to Mother C's testimony that all of Student C's sessions were at Schornstein's residence. Nonetheless, in tallying SETSS lessons that Schornstein provided to Student C, the assigned investigator gave her credit for all Friday sessions listed and the 34 hours she documented for this instruction.¹¹

In total, SCI substantiated that Schornstein fraudulently billed the DOE and was paid for 171 hours, amounting to \$7,178.58, for SETSS services she never provided to Student C.

Student D

An eight-year-old male student ("Student D"), who attended The Cathedral School ("Cathedral") in Manhattan, began receiving SETSS services from Schornstein in October 2016. Student D's father ("Father D") told the assigned investigator that Student D was approved for services for one hour every day, but Schornstein was unable to commit to that timeframe and told Father D that she would provide instruction to Student D three days a week. According to Father D, all SETSS services were provided to Student D at Cathedral, and no services were provided at their residence or during the weekend.

A review of the Authorization for Independent SETSS form for Student D revealed that he was entitled to a maximum of five hours of SETSS instruction per week between November 10, 2017 and June 28, 2017.¹² The SETSS instruction was to take place at Cathedral and was not to exceed a total of 180 hours for the school year.

An examination of the Vendor Portal documentation submitted by Schornstein for SETSS sessions she claimed to have provided to Student D revealed that from October 2016 through June 2017, she billed the DOE for 96 sessions amounting to 185 hours. Included in those sessions were 53 dates that listed "home" as the location of the SETSS lessons – in contradiction to Father D's statements that all of his son's lessons occurred at Cathedral. In total, Schornstein billed the DOE for 115 hours of "home" sessions, with a majority of them billed as two and three-hour sessions on a Saturday or Sunday.

¹¹ Since Mother C acknowledged that Student C was tutored on Fridays, the assigned investigator gave her the benefit of the doubt and credit for all Fridays.

¹² Although Student D's SETSS Authorization Form stated that services could not begin prior to November 10, 2017, documentation revealed that Schornstein billed, and was compensated for, one-hour of instruction on each of the following dates: October 20th, October 21st, October 27th, November 8th, and November 9th.

The remaining sessions that Schornstein billed the DOE for services provided to Student D revealed additional fraudulent entries. Schornstein documented “school” as the location of the SETSS instruction and billed for the following dates, totaling 19 hours, when Cathedral was closed:

- December 23rd, December 26th through December 30th (Christmas Break)
- April 9th (Sunday)
- June 3rd (Saturday)
- June 4th (Sunday)
- June 11th (Sunday)
- June 18th (Sunday)
- June 25th (Sunday)
- June 29th, June 30th (school closed for summer).¹³

In total, SCI substantiated that Schornstein fraudulently billed the DOE and was paid for 134 hours, amounting to \$5,625.32, for SETSS services she never provided to Student D.

Student E

A seven-year-old female student (“Student E”) who attended MDS had received SETSS services from Schornstein since September 2016. Student E’s mother (“Mother E”) told investigators that Student E was entitled to SETSS services five days a week for a total of 10 hours, however, there were numerous occasions when Schornstein failed to appear. Mother E stated that she received correspondence from the DOE that indicated that Schornstein claimed she provided instruction to Student E at home and during the weekend. Mother E stated that Schornstein had never been to her residence and never provided any tutoring during the weekend. According to Mother E, all of Student E’s lessons occurred at MDS.

Mother E recounted that in May 2017, she confronted Schornstein and questioned her about the correspondence she received that indicated that Schornstein provided SETSS instruction to Student E at her home and during weekend hours. Mother E stated that Schornstein told her that the “times and places didn’t matter,” and that she should not worry about it. Mother E added that because Student E’s SETSS instruction occurred at MDS, Mother E could not verify how often Student E received the services or for how long.

The assigned SCI investigator was unable to obtain the Authorization for Independent SETSS form for Student D because it could not be located. Instead he was provided with a copy of the DOE “Provider Assignment” form for Student E which revealed that she was entitled to a 10 hours per week of SETSS instruction in a group setting.

An examination of the Vendor Portal documentation submitted by Schornstein for SETSS sessions she claimed she provided to Student E revealed that from September 2016 through June 2017, she billed the DOE for 215 two-hour sessions, which totaled 430 hours. Included in those sessions were 22 dates

¹³ In addition to Cathedral being closed for summer break, Student D’s SETSS Authorization Form specifically noted that services must conclude by June 28, 2017.

that listed “home” as the location of the SETSS lessons – in contradiction to Mother E’s statements that all of Student E’s lessons occurred at MDS. A review of the remaining sessions in which Schornstein documented “school” as the location of the SETSS instruction, revealed 44 occasions when Schornstein billed for two-hour sessions. These sessions totaled 88 hours when MDS was closed and classes were not in session:

- September 6th, September 7th (first day of school was September 8th)
- September 11th (Sunday)
- September 18th (Sunday)
- October 3rd, October 4th (Rosh Hashanah)
- October 11th, October 12th (Yom Kippur)
- October 17th through October 21st (Sukkot/Chol Hamoed)
- October 24th through October 26th (Shemini Atzeret/Simchat Torah)
- November 6th (Sunday)
- November 8th (Election Day)
- November 20th (Sunday)
- November 25th (Thanksgiving recess)
- November 27th (Sunday)
- December 30th
- January 2nd, (New Year’s Day)
- January 19th, January 20th
- January 23rd through January 27th
- April 10th through April 14th (Pesach/Chol Hamoed)
- April 17th through April 19th (Pesach)
- May 6th (Saturday)
- May 29th (Memorial Day)
- May 30th through June 2nd (Shavuot)

In total, SCI substantiated that Schornstein fraudulently billed the DOE and was paid for 132 hours, amounting to \$5,541.36, for SETSS services she never provided to Student E.

Student F

A 14-year-old male student (“Student F”) who attended MDS was interviewed by SCI investigators in the presence of his mother, (“Mother F”). Student F stated that he did not recall having received SETSS sessions with Schornstein. Student F stated that he may have met her on one occasion, but was not sure. According to Student F, a woman named Jennifer had provided him SETSS instruction at MDS three to four times a week beginning in February 2017, and continued until school concluded in June 2017.

Mother F corroborated Student F’s account. Mother F stated that in September 2016, she corresponded with Schornstein and arrangements were made for her to provide SETSS services to Student F at MDS. In November 2016, however, Mother F was advised by MDS Director of Student Services,

Flo Fruchter, that Schornstein maintained that she had looked for Student F at MDS on several occasions but was unable to locate him. Consequently, Schornstein was unable to provide SETSS instruction to Student F.

A review of the Authorization for Independent SETSS form for Student F revealed that he was entitled to a maximum of three hours of SETSS instruction per week between September 1, 2016 and June 30, 2017. The SETSS instruction was to take place at MDS and was not to exceed a total of 108 hours during the school year.

An examination of the Vendor Portal documentation submitted by Schornstein for SETSS sessions she claimed she provided to Student F revealed that from September 2016 through November 2016, she billed the DOE for 17 weekend sessions that amounted to 39 hours. All of the sessions listed “home” as the location of the SETSS lessons. Upon learning that Schornstein billed the DOE for instruction she claimed to have provided to Student F, Mother F repeated that Schornstein never provided any SETSS instruction to Student F and that she certainly did not tutor him at their residence or during weekend hours.

In total, SCI substantiated that Schornstein fraudulently billed the DOE and was paid for 39 hours, amounting to \$1,637.22, for SETSS services she never provided to Student F.

Student G and Student H

Twin 10-year-old female students (“Student G”) and (“Student H”) attended the Abraham Joshua Heschel School (“Heschel”) in Manhattan and began receiving SETSS services from Schornstein in October 2016. Student G and Student H’s father (“Father G/H”) told investigators that both of his children were authorized to receive up to seven hours of SETSS per week at Heschel. Father G/H stated that neither child received any SETSS tutoring at their home or during weekend hours.

A review of the Authorization for Independent SETSS forms for Student G and Student H revealed that each child was entitled to a maximum of seven hours of SETSS instruction per week between September 1, 2016 and June 30, 2017. The SETSS instruction was to take place at Heschel and was not to exceed a total of 252 hours during the school year.

An examination of the Vendor Portal documentation submitted by Schornstein for SETSS sessions she claimed to have provided to Student G revealed that from October 2016 through June 2017, she billed the DOE for 181 dates totaling 308 hours. Included in those sessions were 19 dates that listed “home” as the location of the SETSS lessons – in contradiction to Father G/H’s statements that all of Student G’s lessons occurred at Heschel. These “home” lessons amounted to 34 hours. A review of the remaining sessions that Schornstein billed having documented “school” as the location of the SETSS instruction, revealed 17 occasions totaling 30 hours of tutoring that Schornstein claimed she provided Student G at Heschel during weekend hours.

Schornstein further maintained that she provided instruction to Student G at Heschel on the following dates totaling 54 hours when Heschel was closed and no classes were in session:

- September 1st, School not open (September 6th first day of school)
- October 3rd, October 4th (Rosh Hashanah)
- October 12th (Yom Kippur)
- October 17th, October 18th (Sukkot)
- October 24th (Shemini Atzeret)
- October 25th (Simhat Torah)
- November 25th (Thanksgiving break)
- December 23rd, December 30th, January 2nd (December break)
- January 16th (Martin Luther King, Jr. day)
- April 11th through April 13th (Pesach/Spring break)
- April 17th through April 19th (Pesach/Spring break)
- May 29th (Memorial Day)
- May 30th (Erev Shavuot)
- May 31st, June 1st (Shavuot)
- June 19th through June 21st (school closed for summer)
- June 26th through June 28th (school closed for summer)

In total, SCI substantiated that Schornstein fraudulently billed the DOE and was paid for 118 hours, amounting to \$4,953.64, for SETSS services she never provided to Student G.

An examination of the Vendor Portal documentation submitted by Schornstein for SETSS sessions she claimed to have provided to Student H revealed that from October 2016 through June 2017, she billed the DOE for 188 dates totaling 309 hours. Included in those sessions were six dates that listed “home” as the location of the SETSS lessons – in contradiction to Father G/H’s statements that all of Student H’s lessons occurred Heschel. These “home” dates amounted to eight hours. A review of the remaining sessions in which Schornstein documented “school” as the location of the SETSS instruction, revealed 10 occasions, amounting to 10 hours, when Schornstein billed for tutoring sessions at Heschel during the weekend. When presented with this documentation, Father G/H repeated that no SETSS sessions ever occurred at their residence. He further stated that Heschel was a religious Jewish school and no instruction would ever be permitted on Saturdays.

Schornstein further claimed she provided instruction to Student H at Heschel on the following dates totaling 63 hours when the school was closed and no classes were in session:

- September 1st, September 2nd, (school not open - September 6th first day of school)
- October 3rd, October 4th (Rosh Hashanah)
- October 12th (Yom Kippur)
- October 17th, October 18th (Sukkot)
- October 24th (Shemini Atzeret)
- October 25th (Simhat Torah)
- November 25th (Thanksgiving break)
- December 22nd, December 26th through December 29th (December break)

- January 2nd (December break)
- January 16th (Martin Luther King, Jr. day)
- February 22nd through February 24th (February break)
- April 10th through April 13th (Pesach/Spring break)
- April 17th through April 19th (Pesach/Spring break)
- May 29th (Memorial Day)
- May 30th (Erev Shavuot)
- May 31st, June 1st (Shavuot)
- June 19th through June 21st (school closed for summer)
- June 26th through June 28th (school closed for summer)

In total, SCI substantiated that Schornstein fraudulently billed the DOE and was paid for 81 hours, amounting to \$3,400.38, for SETSS services she never provided to Student H.

Student I

Investigators interviewed a 14-year-old male student (“Student I”), in the presence of his mother, (“Mother I”). Student I, who attended Birch, stated Schornstein provided him with SETSS services during the 2016–2017 school year. Student I explained that his lessons began in September 2016, and they were scheduled as one-hour sessions on Tuesdays at his home. Mother I added that Schornstein never provided any SETSS services to Student I during weekend hours.

A review of the Authorization for Independent SETSS form for Student I revealed that he was entitled to a maximum of three hours of SETSS instruction per week between September 1, 2016 and June 30, 2017. The SETSS instruction was to take place at Student I’s home and was not to exceed a total of 108 hours during the school year.

An examination of the Vendor Portal documentation submitted by Schornstein for SETSS sessions she claimed to have provided to Student I revealed that from September 2016 through June 2017, she billed the DOE for 65 dates that totaled 129 hours. Included in those sessions were 27 dates, amounting to 78 hours, that Schornstein billed for tutoring sessions she claimed to have provided during the weekend – in contradiction to the statements of both Student I and Mother I. Further, most of the weekend sessions were billed as three-hour lessons. With respect to the Tuesday sessions, there were only 12 sessions documented, amounting to 16 hours.

In total, SCI substantiated that Schornstein fraudulently billed the DOE and was paid for 113 hours, amounting to \$4,743.74, for SETSS services she never provided to Student I.

Student J

A 10-year-old male student (“Student J”), who attended Cathedral, received SETSS services from Schornstein during the 2016–2017 school year. Student J’s mother, (“Mother J”) told investigators that Student J was entitled to receive six hours of instruction per week at his school, however, he never received

that number of hours of SETSS.¹⁴ According to Mother J, Schornstein repeatedly missed her scheduled one-hour sessions with Student J and in April 2017, she informed the DOE that she no longer wanted Shorenstein as Student J's SETSS provider. Mother J did not know when Schornstein stopped tutoring her son, and added that none of the tutoring sessions occurred at her home.

A review of the Authorization for Independent SETSS form for Student J revealed that he was entitled to a maximum of eight hours of SETSS instruction per week between September 1, 2016 and June 30, 2017. The SETSS instruction was to take place at Cathedral and was not to exceed a total of 288 hours during the school year.

An examination of the Vendor Portal documentation submitted by Schornstein for SETSS sessions she claimed to have provided to Student J revealed that from September 2016 through June 2017, she billed the DOE for 176 dates totaling 352 hours. All of the sessions were documented as two-hour sessions. Four of the sessions listed "home" as the location for the instruction – in contradiction to Mother J's assertion that no lessons occurred in her home. The remaining 172 sessions were documented as occurring at "school" and a review of these sessions revealed numerous fraudulent entries. Schornstein billed for two-hour sessions on each of the following dates amounting to 60 hours when Cathedral was closed and classes were not in session:

- September 6th (school had not started; first day was September 7th)
- October 10th (Columbus Day)
- November 5th (Saturday)
- November 23rd (Thanksgiving break)
- November 26th (Saturday)
- December 26th through December 29th (Christmas break)
- January 2nd through January 5th (Christmas break)
- January 16th (Martin Luther King, Jr. Day)
- February 20th through February 24th (winter break)
- March 27th (school closed)
- April 10th through April 13th (Pascha Break)
- April 17th (Pascha Break)
- May 29th (Memorial Day)
- June 19th (teacher closeout, no school for students)
- June 20th through June 22nd (school closed)
- June 26th through June 29th (school closed)

Additionally, records revealed that Schornstein billed the DOE for tutoring sessions from 6:00 a.m. to 8:00 a.m., on the following dates in January 2017, totaling 26 hours:

- January 9th through January 12th
- January 17th through January 19th

¹⁴ Mother J would not permit Student J to be interviewed by SCI investigators.

- January 23rd through January 26th
- January 30th, January 31st¹⁵

According to Peggy Delices, Administrative Assistant from Cathedral, students and outside providers/vendors were not allowed on school premises without a staff member present. Delices explained that students were not allowed into the school building until 8:00 a.m. and SETSS providers typically were present at the school during normal school hours. Delices added that security would not permit an outside person, parent, or student into the building prior to 8:00 a.m.

When presented with this documentation, Mother J repeated that no tutoring sessions occurred at her residence, that Student J never went to Cathedral on the weekends, and that no sessions began at 6:00 a.m. She further stated that, to her knowledge, Student J's sessions were only one hour.

In total, SCI substantiated that Schornstein fraudulently billed the DOE and was paid for a minimum of 94 hours, amounting to \$3,946.12, for SETSS services she never provided to Student J.¹⁶

Student K

A 12-year-old male student ("Student K"), who attended Cathedral, received SETSS services from Schornstein during the 2016-2017 school year. Student K's mother, ("Mother K") told investigators that Student K was entitled to receive one hour of instruction, five times a week although she did not know whether this occurred.¹⁷ Mother K continued that all of Student K's tutoring sessions took place at Cathedral during the weekdays. She added that no SETSS services were provided at her residence.

A review of the Authorization for Independent SETSS form for Student K revealed that he was entitled to a maximum of ten hours of SETSS instruction per week between September 1, 2016 and June 30, 2017. The SETSS instruction was to take place at Cathedral school and was not to exceed a total of 360 hours for the school year.

An examination of the Vendor Portal documentation submitted by Schornstein for SETSS sessions she claimed to have provided to Student K revealed that from September 2016 through June 2017, she billed the DOE for 221 dates totaling 439 hours. All but three of the sessions were documented as having lasted two hours. Five of the sessions totaling 12 hours listed "home" as the location for the instruction in contradiction to Mother K's assertion that no instruction took place at her residence. An examination of the remaining 216 sessions that listed "school" as the location of the tutoring sessions revealed numerous fraudulent entries. Schornstein billed for two-hour sessions on each of the following dates that amounted to 95 hours when Cathedral was closed and no classes were in session:

¹⁵ The other dates that Schornstein billed for sessions from 6:00 a.m. to 8:00 a.m. were in January when Cathedral was closed: January 2nd through January 5th, and January 16th. These dates were already referenced above.

¹⁶ This is a conservative number that gives Schornstein the benefit of the doubt. It is unknown whether she continued to tutor Student J past April 2017, or whether the sessions were two hours as Schornstein claimed. Mother J believed Student J's lessons lasted only one hour.

¹⁷ Mother K would not permit Student K to be interviewed by SCI investigators.

- September 6th (school had not started; first day was September 7th)
- September 24th (Saturday)
- September 25th (Sunday)
- October 10th (Columbus Day)
- November 23rd (Thanksgiving break)
- November 26th (Saturday)
- November 27th (Sunday)
- December 4th (Sunday – she billed for one hour)
- December 23rd (Christmas break)
- December 26th through December 30th (Christmas break)
- January 2nd through January 6th (Christmas break)
- January 16th (Martin Luther King, Jr. Day)
- February 4th (Saturday)
- February 20th through February 24th (Winter break)
- March 4th (Saturday)
- March 27th (school closed)
- April 10th through April 14th (Pascha Break)
- April 17th (Pascha Break)
- May 26th and May 29th (Memorial Day)
- June 19th (teacher closeout, no school for students)
- June 20th through June 23rd (school closed)
- June 26th through June 30th (school closed)

In addition to dates that Schornstein billed for during hours when Cathedral was closed, there were multiple entries for instruction she claimed to have provided to Student K prior to the school being open for the day. As previously noted, school security would not permit students or providers/vendors into the building prior to 8:00 a.m. so any entries for times prior to 8:00 a.m. could not be legitimate. Records revealed, however, that Schornstein billed for 114 two-hour SETSS sessions totaling 228 hours for early morning instruction for Student K.¹⁸ The Vendor Portal documentation revealed Schornstein billed for 57 days totaling 114 hours for lessons she claimed to have provided from 6:00 a.m. until 8:00 a.m. She billed for another 57 days totaling 114 hours for lessons she claimed occurred from 7:00 a.m. until 9:00 a.m.¹⁹

In total, SCI substantiated that Schornstein fraudulently billed the DOE and was paid for 278 hours, amounting to \$11,670.44, for SETSS services she never provided to Student K.²⁰

¹⁸ These numbers are in addition to the 95 hours that Schornstein billed the DOE for tutoring services she claimed to have provided to Student K when Cathedral was closed. Included in those 95 hours were many days when she claimed to have tutored Student K prior to 8:00 a.m.

¹⁹ In calculating these entries, Schornstein was given credit for one hour of tutoring (from 8:00 a.m. until 9:00 a.m.) that amounted to 57 hours.

²⁰ This is a very conservative number that gives Schornstein the benefit of the doubt. It is unknown whether any sessions were two hours as she claimed. Documentation revealed, however, that Student K was authorized for one-hour sessions, five times a week.

Student L

An eight-year-old male student (“Student L”) who attended MDS was approved to receive SETSS services from Schornstein; however, his tutoring sessions never occurred. SCI investigators spoke with his mother (“Mother L”) who recounted that in September 2016, she had a conversation with Schornstein about SETSS sessions for Student L. According to Mother L, Schornstein was only available to provide services for three hours at MDS on Fridays. Mother L told investigators that the date and time that Schornstein offered did not fit into Student L’s schedule so Schornstein never tutored Student L.²¹ Mother L continued that she subsequently received a letter from the DOE that asked whether SETSS services were provided to Student L by Schornstein. Mother L sent the letter back to the DOE and stated that Student L never received any SETSS instruction from Schornstein.

A review of the Authorization for Independent SETSS form for Student L revealed that he was entitled to a maximum of three of SETSS instruction per week between September 1, 2016 and June 30, 2017. The SETSS instruction was to take place at MDS and was not to exceed a total of 108 hours for the school year.

An examination of the Vendor Portal documentation submitted by Schornstein for SETSS sessions she claimed to have provided to Student L revealed that from September 2016 through October 2016, she billed the DOE for 12 dates totaling 18 hours. All of the fraudulent sessions were documented as lasting 90 minutes with one taking place at “school,” 10 at “home,” and one at “business.”

In total, SCI substantiated that Schornstein fraudulently billed the DOE and was paid for 18 hours, amounting to \$755.64, for SETSS services she never provided to Student L.

Student M

A nine-year-old female student (“Student M”) who attended the Calhoun Lower School (“Calhoun”) in Manhattan was entitled to 10 hours of SETSS instruction per week by Schornstein. Although SCI investigators attempted to interview Student M’s mother (“Mother M”), she refused to cooperate, stating that Schornstein’s child was enrolled at Calhoun and it would be a very “awkward situation.”

A review of the Authorization for Independent SETSS form for Student M revealed that she could receive a maximum 10 hours of SETSS instruction per week between October 20, 2016 and June 28, 2017. The SETSS instruction was to take place at Student M’s home and was not to exceed a total of 360 hours during this time period.

An examination of the Vendor Portal documentation submitted by Schornstein for SETSS sessions she claimed to have provided to Student M revealed that from October 2016 through June 2017, she billed the DOE for 195 sessions totaling 367 hours. Included in these sessions were 130 dates totaling 260 hours documented as occurring at “school,” and 65 dates that amounted to 107 hours as occurring at “home.”

²¹ Mother L did not want Student L to speak with SCI investigators.

With respect to the “school” entries, Schornstein repeatedly billed for two-hour SETSS sessions, many of which were documented as having taken place from 6:00 a.m. until 8:00 a.m. or when Calhoun was closed. Although Mother M declined to speak with SCI investigators, the assigned investigator spoke with Calhoun Director Alison Rothschild who stated that Student M never received tutoring sessions at the school.

Further, a review of the 65 sessions documented as occurring at “home,” revealed additional implausible entries. Student M was a nine-year-old student whom Schornstein claimed to have tutored on school days and during the weekend with sessions beginning in the evening hours. The following sessions amounting to 86 hours were documented as commencing at either 8:00 p.m. or 9:00 p.m. and concluding at 10:00 p.m.:

- October 20th, October 21st
- October 24th through October 28th
- October 30th, October 31st
- Every day during the month of November, including Thanksgiving Day
- December 3rd
- December 5th through December 8th
- December 10th, December 12th, December 13th, December 15th
- December 17th
- December 19th through December 22nd
- December 24th
- December 26th through December 29th

In total, SCI substantiated that Schornstein fraudulently billed the DOE and was paid for a minimum of 260 hours, amounting to \$10,914.80, for SETSS services she never provided to Student M.

Student N

A six-year-old female student (“Student N”) who attended Birch had received SETSS services from Schornstein during the 2016-2017 school year, beginning in October 2016. Student N’s mother (“Mother N”) told investigators that Student N received five hours of SETSS per week at Schornstein’s residence because Birch did not permit outside providers in the school.²² According to Mother N, Schornstein provided SETSS services to Student N two days a week. The lessons usually occurred on Mondays and Fridays for two hours or two hours and 30 minutes, and they began at approximately 3:30 p.m. Mother N recounted that on possibly two occasions, Schornstein provided make-up sessions for her daughter on a Saturday or Sunday.

A review of the Authorization for Independent SETSS form for Student N revealed that she was authorized to receive a maximum 10 hours of SETSS instruction per week between September 28, 2016 and June 30, 2017. The SETSS instruction was to take place at Student N’s home and was not to exceed a total of 360 hours during this time period.

²² Mother N did not want SCI investigators to speak with Student N.

An examination of the Vendor Portal documentation submitted by Schornstein for SETSS sessions she claimed to have provided to Student N revealed that from October 2016 through June 2017, she billed the DOE for 110 sessions totaling 180 hours. Records reflected numerous occasions when Schornstein billed the DOE almost every day during the week for SETSS services she claimed she provided to Student N.²³ These sessions were listed as having taken place at “home.” With respect to the “home” sessions, there were 32 dates listed as having occurred during weekend hours – in contradiction to Mother N’s statement that there were possibly two occasions when this occurred. These 32 sessions totaled 71 hours.²⁴ Schornstein also billed the DOE for two Saturday sessions totaling 6 hours with the location of the lessons being at the “school.”

In total, SCI substantiated that Schornstein fraudulently billed the DOE and was paid for a minimum of 72 hours, amounting to \$ 3,022.56, for SETSS services she never provided to Student N.²⁵

Although SCI investigators made several attempts to speak with Schornstein, through her representative, Hilary Schornstein declined the opportunity to speak with investigators from this office.²⁶

In December 2018, this matter was referred to the New York County District Attorney (“DANY”) for review and appropriate prosecutorial action. The matter is currently pending with DANY.

III. Conclusions and Recommendations

SCI has substantiated that Schornstein stole thousands of dollars in public funds and defrauded the DOE for her own financial gain. The investigation uncovered that the amount Schornstein overbilled the DOE for Students A through N, for the 2016-2017 school year, totaled approximately \$80,000 for over 1900 hours of service she never provided.

As this case makes clear, it must be a priority to investigate and hold accountable individuals who abuse their position as Special Education service providers in order to enrich themselves while they deprive students of essential mandated services. The outcome otherwise will result in enormous and unnecessary financial costs to the DOE at the expense of the neediest students. Additionally, it is incumbent upon the DOE to pay closer attention to corruption hazards, and to provide strong oversight and adequate safeguards to prevent a recurrence of this type of criminal behavior.

Accordingly, it is the recommendation of this office that the DOE refrain from contracting or subcontracting with Hilary Schornstein, that a problem code be added to her file, and that she be made ineligible for work with the DOE, with its vendors, or in any of its facilities in the future.

²³ Schornstein billed the DOE for three hours of lessons for Student N on Thanksgiving Day. There were also several dates on which she claimed her lessons with six-year-old Student N concluded at 10:00 p.m.

²⁴ In light of Mother N’s testimony, Schornstein was credited with five hours for two weekend tutoring sessions, thereby reducing the amount of fraudulent hours to 66.

²⁵ This number is very conservative considering Mother N’s testimony that her daughter was tutored only twice a week, on Mondays and Fridays, by Schornstein.


²⁶ According to Schornstein’s representative, Schornstein refused to obtain an attorney until SCI’s investigation was completed and Schornstein was informed of the “exact complaint” against her.

It is the further recommendation of this office that the DOE Office of the Auditor General conduct a comprehensive audit of Schornstein's billing for SETSS services provided during the past several school years and the DOE should seek reimbursement of any funds improperly received by Schornstein.

We are forwarding a copy of this letter to the Office of Legal Services. We are also forwarding our findings to the New York State Education Department for whatever action it deems appropriate. Should you have any inquiries regarding the above, please contact Special Counsel Valerie A. Batista, the attorney assigned to the case. She can be reached at (212) 510-1417. Please notify Ms. Batista within 30 days of the receipt of this letter as to what, if any, action has been taken or is contemplated regarding Hilary Schornstein. Thank you for your attention to this matter.

Sincerely,

By:


ANASTASIA COLEMAN
Special Commissioner of Investigation
for the New York City School District

AC:VB:lr

c: Howard Friedman, Esq.
Karen Antoine, Esq.
Katherine Rodi, Esq.