

City of New York
THE SPECIAL COMMISSIONER OF INVESTIGATION
FOR THE NEW YORK CITY SCHOOL DISTRICT
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VIA ELECTRONIC MAIL:

March 31, 2020

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

Re: Judy Ortega
Yasmin Garcia
SCI Case #: 2019-4043

Dear Chancellor Carranza:

An investigation conducted by this office has substantiated that Parent Coordinator Judy Ortega (“Ortega”), a New York City Department of Education (“DOE”) employee assigned to Middle School 324 (“M.S. 324”) in Manhattan, misused federal Title I funds.¹ In addition, this office has substantiated that M.S. 324 Payroll Secretary Yasmin Garcia (“Garcia”) was aware that Title I funds were being misused, and nevertheless processed the purchase order (“PO”).²

I. Investigation & Findings:

A. Initial Complaint:

The investigation began in May 2019, when the office of the Special Commissioner of Investigation for the New York City School District (“SCIP”) received a complaint from [REDACTED] who reported allegations against Ortega, specifically that Ortega was supposed to use Parent Engagement Title I funds for an educational trip to the Mystic, Connecticut Aquarium and Museum on May 10, 2019, but instead used the funds for a trip to the Foxwoods Resort and Casino (“Foxwoods”). Per [REDACTED] and SLT Co-President and Payroll Secretary Yasmin Garcia (“Garcia”) notified him of the trip, and [REDACTED] further stated that, when parents boarded the bus, Ortega told them to write an email to [REDACTED] to thank him for the trip to

¹ Ortega is still assigned to M.S. 324. There is no problem code associated with her personnel file.

² Garcia is no longer assigned to M.S. 324. See <https://www.ms324.org/about-m-s-324/teachers-and-staff>. There is no problem code associated with her personnel file.

the museum and that “whatever happens on the trip stays on the trip.”³ Ortega allegedly provided each parent with a \$15.00 casino voucher card. ██████████ ██████████ noted that the Title I funds used on the trip totaled \$1,850.

SCI investigators interviewed ██████████ in person, and he confirmed the information in the complaint and added that he was made aware of the trip to the casino by the mothers of two M.S. 324 students (“Mother A” and “Mother B”). ██████████ stated that he failed to mention in his initial report that according to Mother A, these casino trips had taken place for the past three years.

Federal Title I funds, allocated through the Every Student Achieves Act, or “ESSA,” “provide funds to local educational agencies (LEAs) – Public School Districts, Charter Schools, and Special Act Districts – for the purpose of providing all children significant opportunity to receive a fair, equitable, and high-quality education, and to close educational achievement gaps among groups of students.”⁴ Title I funds may be used to improve curriculum, engage and educate parents, and increase staff.

B. Investigation:

SCI investigators interviewed Mother A, who stated that during a parent association meeting in March 2019, the spring trip was announced and a flyer was posted that detailed the parents-only trip to the Mystic Aquarium and Museum in Mystic, Connecticut.⁵ Mother A told investigators that any parent who wanted to go on the trip was instructed to sign the flyer so that Ortega could obtain an accurate head count. Per Mother A, the trip was paid for with Title I funds and at “no cost” to the parents.

On the day of the trip, Mother A said she boarded a chartered bus with other M.S. 324 parents and arrived several hours later at Foxwoods, not the museum. When they debussed, they were met by a representative from the casino who provided each parent with a \$15 free-play card and a separate card to access the casino’s buffet. Mother A provided her casino card to SCI investigators. Mother A told investigators that she and Mother B walked approximately twenty minutes to the museum, which was located on the grounds of Foxwoods; however, when they arrived they were informed that there was a \$20 admission fee that was not included in their package. Per Mother A, no one wanted to use “their own money” for admission to the museum as they assumed it was free of charge. She and Mother B walked back to the casino where they waited until it was time to return to New York City. While waiting, she, Mother B, and another mother (“Mother C”), complained about not going to the museum, and someone – Mother A was not sure who – cautioned that if anyone said “anything” about the trip, Ortega might get in trouble. When all of the parents boarded the bus for the return trip, a woman whose name Mother A did not know announced over the bus's microphone that everyone should send an email to ██████████ to thank him for the trip to the “museum.” The person also said, “Don't forget; what happens in Connecticut, stays in Connecticut.”

³ This statement appears to be a reference to the Las Vegas advertising campaign, “What happens in Vegas, stays in Vegas.”

⁴ See <http://www.nysed.gov/essa/title-i-part-improving-basic-programs-operated-leas>.

⁵ The Mystic Aquarium is eight and a half miles away from Foxwoods.

SCI investigators later met with [REDACTED] and [REDACTED] [REDACTED] who said that on the day in question, [REDACTED] provided transportation for the M.S. 324 parents to Foxwoods, and that the contact person for the trip, and the person who booked it, was Ortega. [REDACTED] stated that Foxwoods had always been the destination of the trip, but that Ortega had asked him to write into the contract that the destination was the Mystic Museum.

[REDACTED] provided SCI investigators with a copy of the itinerary prepared by [REDACTED] [REDACTED] which clearly showed that the trip destination was Foxwoods. [REDACTED] also provided SCI with documents from a previous trip by M.S. 324 parents in May 2018, including a contract between Ortega and [REDACTED] for \$4,266 ostensibly for a trip to Abbotts Lobster Restaurant and the Mystic Museum. However, the driver itinerary showed that the actual destination was the restaurant and then Foxwoods.

SCI investigators spoke with Mother C, whose account was similar to Mother A: she heard about the trip from a school flier, Ortega was in charge of the trip, the flier said the trip was to the Mystic Museum but was really to Foxwoods, and that a similar trip, three years prior, was also to Foxwoods. On the day of the trip, Mother C said that when all parents disembarked from the bus, they were given a \$15 casino voucher – which she provided to SCI investigators. Mother C intended to walk to the museum but was told by other parents that she would have to use her own money to gain admission, so she did not go.

SCI investigators met with another trip attendee (“Mother D”), who also confirmed that the bus took the parents “straight to Foxwoods,” and that each parent was given a pre-paid rewards card to be used for gambling. Mother D said the trip was not to a museum, and confirmed that on the return trip, someone said, “What happens in Connecticut, stays in Connecticut.”

Payroll Secretary Garcia also told SCI investigators about the parent trip, specifically that 47 parents attended. Per Garcia, the trips were not “primarily” about visits to the casino, as the year before the group had also gone to a restaurant, and this year there was an option to go to the museum. Garcia said that “a few” parents went to the museum, but the walk was far and most declined. Crucially, Garcia confirmed that Title I money was used to pay for the trip, and that she processed the PO used to pay for the trip. Per Garcia, [REDACTED] [REDACTED] did not know that the trip's destination was Foxwoods. Garcia confirmed that a parent told the others that everyone should send an email to [REDACTED] thanking him for the trip to the museum, and that “what happens in Connecticut, stays in Connecticut.”

SCI investigators re-interviewed [REDACTED] who stated that all DOE schools are issued Title I funds, with a small portion – approximately one percent – allocated for parental use. However, money used for the benefit of parents was required to be educational in nature. [REDACTED] stated that at an SLT meeting in March 2019, the parent trip was discussed, and that Ortega spoke with some parents about the destination being the Mystic Museum and a buffet lunch at a nearby casino. [REDACTED] said that a flier was created after the meeting but that it made no mention of a casino. [REDACTED] conceded that he reviewed and authorized a PO in the amount of \$1,890 for the parent trip, but that he did not speak with any representatives of [REDACTED] nor did he review the trip documentation.

SCI investigators interviewed Ortega in the presence of her attorney. Ortega said that she personally booked the trip through [REDACTED] and stated that during the SLT meeting in March or April 2019, the decision was made to go to the Mystic Aquarium and Museum and then to lunch. Ortega reviewed the flier, which detailed the itinerary of a bus departure from New York at 10:00 am; an arrival at the Mystic Aquarium and Museum at 1:00 p.m.; a buffet lunch from 2:00 – 4:00 p.m.; a tour of the aquarium from 4:15 – 5:45 p.m.; departure from Mystic at 6:00 p.m., and a return to New York by 8:00 p.m.⁶ Ortega stated that 52 parents, [REDACTED] attended the trip, and that the destination was the Mashantucket Pequot Museum & Research Center located on the Foxwoods grounds. Ortega added that after the museum, the parents ate at the buffet restaurant located within Foxwoods. Ortega told investigators that the parents had approximately an hour of free time after the buffet before departing for home, and that she did not know how people spent their free time. SCI investigators informed Ortega that [REDACTED] confirmed that Foxwoods was the destination, but that Ortega requested [REDACTED] write “Mystic Museum” on the contract. When pressed as to why several parents stated that the trip was not to a museum, but rather directly to the casino, Ortega insisted that she and several parents went to the museum. Ortega adamantly denied that the trip’s actual destination was Foxwoods.

[REDACTED] provided SCI investigators with computer profiles of M.S. 324 staff and parents who were present at the casino that showed at least 11 individuals used their Foxwoods rewards card to gamble at the casino on May 10, 2019.

II. Conclusion and Recommendations:

Judy Ortega improperly allocated federal Title I funds for a trip to a Connecticut casino with no educational benefit. Further, Ortega submitted falsified documents – including a contract that would pass muster with those who had to approve POs and the like – to evade scrutiny, and requested from a DOE vendor that they falsify their paperwork. Worse yet, according to accounts of several participants, this was not the first such trip planned by Ortega. Compounding her fraudulent activity, Ortega lied to SCI investigators, even when presented with clear evidence to the contrary. All accounts, other than Ortega’s, were consistent and credible: she planned a trip to Foxwoods, with the Mystic Aquarium and Museum as, essentially, a cover. It is, therefore, the recommend of this office that Ortega be dismissed from her DOE position, and that a problem code be placed in her file barring her from future employment with the DOE or any of its vendors be made permanent.

In addition, Payroll Secretary Garcia told SCI investigators that Title I funds were used to pay for a trip to a casino, and she processed the PO anyway. Garcia claimed that the trip was not “primarily” about going to the casino because parents had the “option” of walking – miles – to the museum, where they could use their own money to pay for admission. We therefore recommend that Garcia, too, be dismissed form her DOE position, and that a problem code be placed in her file barring her from future employment with the DOE or any of its vendors be made permanent.

⁶ No explanation was given for why the outbound trip would take three hours and only two hours to return, or what parents would be doing from 1:00 – 2:00 p.m.

For at least three years, Ortega ran trips to a casino using federal allocated funds. The paperwork submitted, while fraudulent, should have been reviewed by an independent party beyond the [REDACTED]. Therefore, in addition to the disciplinary action recommended above, we suggest the following Policy and Procedure Recommendation (“PPR”):

- 1) The use of federal Title I funds – especially those earmarked for parental use – should receive scrutiny beyond the current level, including by an independent arbiter not based in the school where the funds will be used.
- 2) The Purchase Orders for use of Title I funds should include a sworn signed statement that the person submitting the document to the principal or person signing the Purchase Order acknowledges that the funds are used in accordance with Title I and that the money will be used for a specific purpose which complies with Title I use, as well as the verification language that the person swears that what is being submitted is the truth, under penalty of law.

It is also disappointing to note that there were clearly other DOE personnel who either participated in or had knowledge of the casino trips. It is incumbent upon the DOE to remind all employees of their affirmative obligation to report misconduct.

Please respond in writing within 30 days of receipt of this letter as to any action taken or contemplated regarding Ortega, Garcia, or the recommendations made herein.

We are sending a copy of this letter to the DOE Office of Legal Services. [REDACTED]

[REDACTED] Should you have any inquiries regarding the above, please contact Jonathan Jacobs, the assigned attorney for this matter, at (212) 510-1423.

Sincerely,

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

By: s/ Daniel I. Schlachet

Daniel I. Schlachet
First Deputy Commissioner

AC:DS:JJ

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