



Special Commissioner of Investigation
for the New York City School District

ANASTASIA COLEMAN
COMMISSIONER

**Annual Report of the Special Commissioner of Investigation for the New York City School
District for Calendar Year 2021**

The office of the Special Commissioner of Investigation for the New York City School District (“SCI”) is entrusted with autonomy in investigations concerning the New York City Department of Education (“DOE”), the largest school district in the nation. SCI has broad authority and discretion to conduct investigations to root out corruption, prevent waste and fraud, ensure safety, and eliminate the misuse of taxpayer resources. Although SCI was established as separate from the DOE and the New York City Department of Investigation (“DOI”), the office is empowered with authority similar to that of DOI, such as the ability to obtain testimony and records by subpoena. The SCI commissioner also serves as the inspector general for the New York City Teachers’ Retirement System (“TRS”) and the Board of Education Retirement System (“BERS”), evaluates and investigates all whistleblower claims involving DOE employees and vendors under the City Administrative Code, and serves as the investigative arm of the New York City Conflicts of Interest Board (“COIB”) regarding violations of Chapter 68 of the City Charter by DOE employees and others.

The COVID-19 pandemic has continued to present great challenges to New York City: its citizens, its businesses, and its institutions. In 2021, SCI was no stranger to these challenges. Similar to 2020, the circumstances forced changes to SCI’s processes and altered certain areas of focus from pre-pandemic times. While SCI continued to receive the same types of complaints as it did pre-pandemic, its work for much of 2021 – including interviews, document collection, records review, etc. – was completed in part by employees working remotely. Thankfully, by May 2021, SCI staff was able to return in-person to the office, on a part-time basis, and by the fall, staff returned full-time. Like 2020, SCI’s 2021 caseload involved many pandemic-related complaints, and remote teaching and learning required investigative adaptation. SCI, as the watchdog for DOE schools, adjusted – as have teachers, students, and administrators – to multiple months of remote learning. SCI attorneys and investigators conducted sworn interviews both in person and over online platforms; coordinated virtually with local, state, and federal prosecutors, as well as other law enforcement agencies, about ongoing cases; and scrutinized material regarding relevant pedagogues, administrators, and vendors. The pandemic has forced SCI to alter the manner in which it does business, but SCI’s business has continued unabated, notwithstanding the obstacles presented by COVID-19.

Budget and Structure:

The New York City Office of Management and Budget (“OMB”) Fiscal Year 2021 funding for SCI operations provided \$6.1 million, with an additional \$335,131 for operational expenses – a total of approximately \$6.4 million. This annual sum is identical to the 2020 appropriation after small annual increases in 2016, 2017, and 2018, from \$5.5 million (2016) to \$5.9 million (2018). SCI’s budget is a line item of the DOE’s overall annual budget, and comprises approximately .01871 percent of the \$38 billion allocated to the DOE.¹ SCI is mandated to investigate misconduct and fraud concerning the entire public school system that serves approximately 1.1 million students, employs approximately 130,000, and maintains approximately 1,800 schools and other facilities.² The DOE also contracts with myriad vendors for goods and services.

SCI is currently authorized for 69 employees, including investigators, attorneys, and administrative and support staff positions. Within the past three years, the office added 20 hires in various capacities. However, many of those gains were offset by retirements or resignations. Currently, SCI has 53 positions filled. Under normal conditions, SCI would anticipate reaching our 69-employee cap within the current year. Even a full complement of 69 employees would scantily be enough to perform truly comprehensive oversight of such a massive entity as the DOE. To fully realize the mission of this office, our workforce must ultimately expand beyond the current quota of 69 employees.

Calendar Year 2021 Statistics:

In Calendar Year (“CY”) 2021, SCI continued its commitment to oversee the DOE through investigations, administrative and disciplinary recommendations, criminal prosecution referrals, and policy and procedure recommendations. SCI received 6,164 complaints in 2021, a significant increase from the 4,674 received in 2020. These complaints alleged misconduct, waste, fraud, financial mismanagement, and criminal activity within the DOE, TRS, and BERS, by employees, vendors, contracted workers or volunteers. The complaints contained allegations of violations of administrative and criminal codes, Chapter 68 of the City Charter, and the DOE Chancellor’s Regulations.

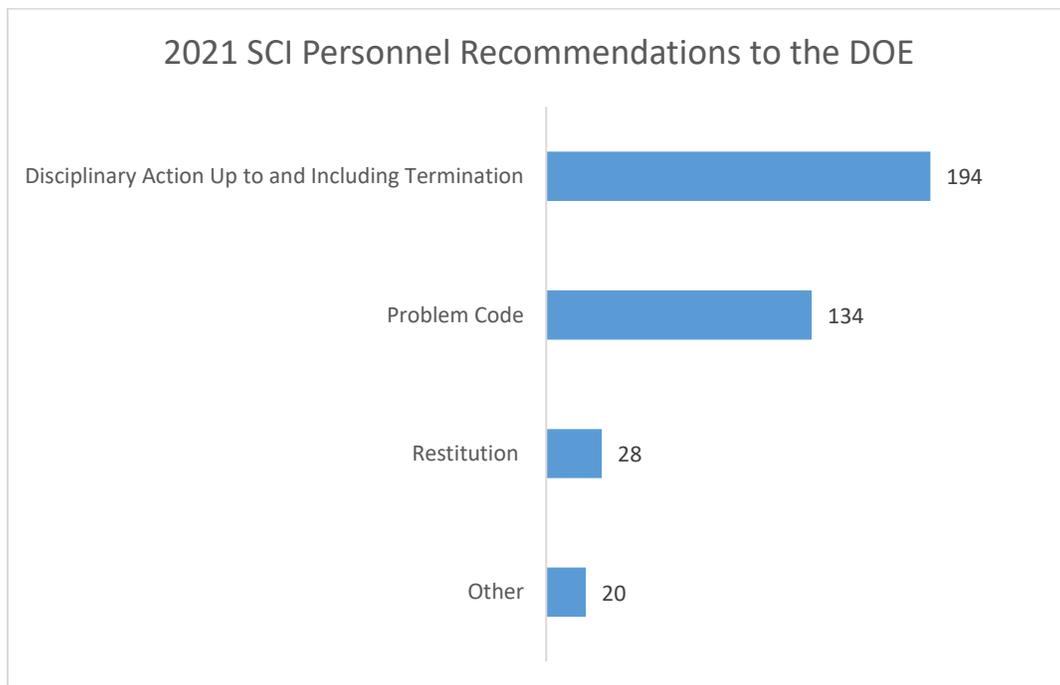
Specifically, in CY 2021, SCI:

- Investigated 350 cases that were opened in 2021, and carried a docket of 979 cases overall.
- Completed 279 investigations.
- Made 63 Policy and Procedure Recommendations in 34 cases.

¹ See <https://www.schools.nyc.gov/about-us/funding/funding-our-schools> (For the 2021-2022 school year, [the DOE’s] total budget is \$38 billion). See also <https://www.thecity.nyc.gov/education/2021/4/7/22372462/nyc-schools-to-get-billions-of-new-dollars-under-state-budget-deal> (“New York City schools are slated to get \$1.3 billion more than last year under the state’s budget expected to pass Wednesday, providing a massive financial boost as students and educators rebound from more than a year of disrupted learning.”) See further <https://council.nyc.gov/budget/wp-content/uploads/sites/54/2021/03/DOE-Expense-.pdf> (“The DOE’s Fiscal 2022 Preliminary Budget projects an \$814.1 million increase in State funds compared to the Fiscal 2021 Adopted Budget.”)

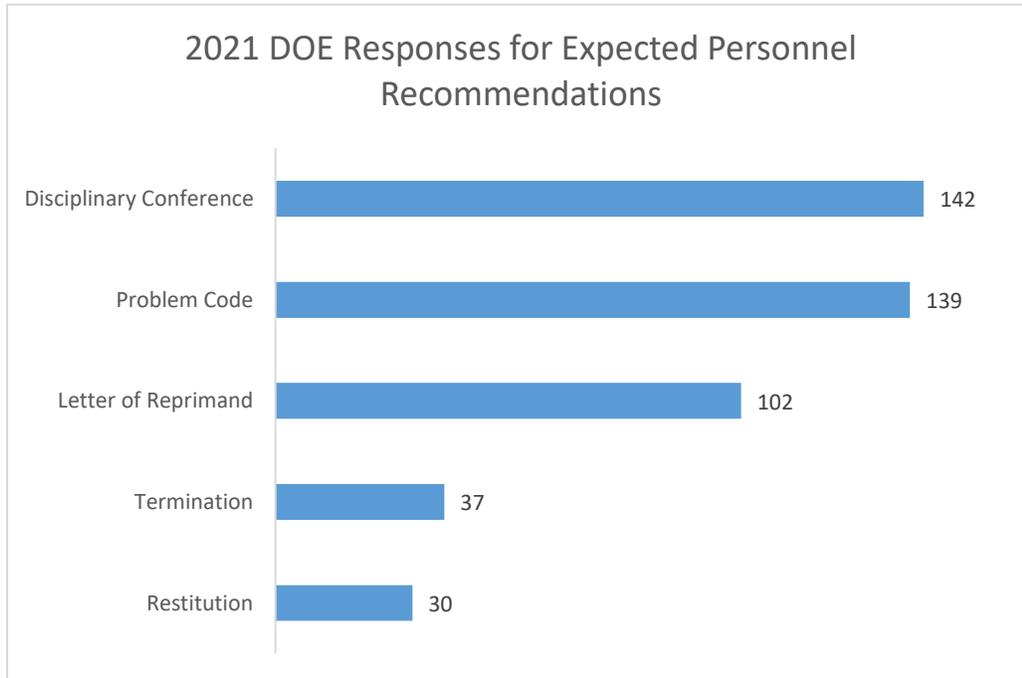
² See <https://www.schools.nyc.gov/about-us/reports/doe-data-at-a-glance> (“There are 1,094,138 students in the NYC school system” at 1,876 schools) and <https://nypost.com/2021/09/21/over-28k-school-staffers-still-unvaccinated-as-deadline-looms/> (“All 130,000 DOE employees — a group that includes food service and custodial staff”). The City Council estimated total enrollment recently at 1.13 million. See <https://council.nyc.gov/budget/wp-content/uploads/sites/54/2021/03/DOE-Expense-.pdf>.

- Substantiated that 193 individuals or entities violated criminal statutes, the DOE Chancellor’s Regulations, or other administrative regulations.
- Referred 26 substantiated cases to District Attorneys’ offices, 62 to the New York State Education Department (which licenses teachers, principals, and other pedagogues), and 23 to the COIB.
- Investigated 336 allegations involving inappropriate or sexual misconduct by DOE employees or vendors, 170 of which were opened in 2021. SCI substantiated allegations against individuals in 49 such cases.
- Made 332 personnel-related recommendations based on SCI’s substantiated findings.³ The subjects investigated included teachers, administrators, paraprofessionals and other DOE personnel, volunteers, and contracted service providers. SCI recommended disciplinary action in 128 instances, 49 of which included recommendations up to and including termination. SCI also made recommendations of 134 problem codes (as possible bars to future employment or contracts; these are often recommended when the subject has resigned or been dismissed before SCI has concluded its investigation), 28 financial recovery actions, 17 appropriate actions by DOE administrators, and 20 other actions (e.g., retraining in lieu of disciplinary action, review of policy, review of vendor contracts).



³ SCI may make multiple personnel recommendations regarding any individual subject. These may include problem codes, restitution payments, disciplinary action, or other recommendations.

- In 2021, the DOE reported to SCI that they had or would take the following disciplinary actions based on SCI’s 2021 recommendations:
 - 37 employment terminations;
 - 142 disciplinary conferences;
 - 102 official admonishment letters to employees’ personnel files;
 - 30 orders of financial restitution; and
 - 139 problem codes.
- As a result of SCI’s investigations, many employees underwent special training (or retraining) related to their misconduct.



- SCI completed 23 cases referred by the COIB or based on other complaints involving a potential conflict of interest.
- SCI completed reviews of four whistleblower claims, none of which were substantiated.⁴
- SCI substantiated 32 cases that identified to the DOE precise amounts of loss, theft, or mismanagement of funds, totaling \$151,758.58. SCI also identified hundreds of thousands of dollars due to loss, theft, or mismanagement of other monies for which an exact amount could not be determined.⁵ In addition, SCI was responsible for the continued collection and monitoring of restitution or fines.⁶
- SCI investigations led to an arrest of an assistant principal and a paraprofessional.

⁴ For further information regarding SCI’s processing of whistleblower cases in FY 2021, please visit <https://nycsci.org/wp-content/uploads/2018/Reports/10-18-21-WB-Report-FY2021-to-Garnett.pdf>.

⁵ SCI frequently referred back to DOE for its own audit and review cases that involved areas of indeterminate monetary value such as time and leave issues or per session irregularities.

⁶ Restitution noted here consists of court ordered repayment of monies over a period related to past SCI cases. Fines during this period were issued by either the DOE or COIB.

In its discretion, SCI refers information to other City agencies for review and appropriate action, including internal DOE units, or may monitor another agency's actions, such as the New York City Police Department and the Administration for Children Services, before deciding to commence an SCI investigation or review. In CY 2021, SCI referred 4,342 complaints to other agencies. In addition, during or after its own investigations, SCI may also refer criminal findings to an appropriate prosecutor's office. In CY 2021, SCI referred 26 cases to prosecutors' offices.⁷

Mayoral Executive Order 11 of 1990 provides that the SCI commissioner "shall recommend such remedial action as he or she deems necessary, and monitor the implementation by the [DOE] of recommendations made by him or her."⁸ The purpose of SCI's Policy and Procedure Recommendations ("PPRs") is to assist the DOE to recognize and avoid areas of future fraud, corruption, mismanagement, and systemic deficiencies. SCI made numerous PPRs to the DOE in 2021, related to corruption hazards, mismanagement, and other ongoing or systemic deficiencies. In 34 referrals to the DOE, SCI made 64 individual PPRs. To date, the DOE has responded to 51 of the PPRs. It has accepted 38 of the PPRs, declined eight, and has taken five under advisement; 13 remain pending.⁹ All SCI PPRs are available on SCI's website, including the date issued, the exact recommendation, the acceptance status, the implementation status, the implementation date, and the DOE response.¹⁰

CY 2021 Highlights:

As stated, COVID-19 presented innumerable challenges for the DOE and SCI in 2021. As a regulatory agency charged with overseeing schools that faced enormous difficulties – including but not limited to remote learning and repeated closures – naturally, SCI's profile of investigations changed. For obvious reasons, just like in 2020, SCI received far fewer complaints than in years past regarding physical contact between teachers and students; drugs, weapons, and other contraband located or seized within schools; and other complaints whose genesis would occur during traditional, in-person education. In their stead, SCI increasingly investigated cases regarding online media and remote learning; theft of COVID-19 Personal Protective Equipment ("PPE"); and "double dipping" (in which a DOE employee worked at a second job while ostensibly also working for or being paid by the DOE). Among the SCI reports and events in the past year:

- **The arrest of Claudio Garcia**: SCI, in coordination with the NYPD, arrested Assistant Principal Claudio Garcia on December 1, 2021, when Garcia attempted to meet an individual he believed to be 14 years old and whom Garcia met on the dating application Grindr. Garcia was charged with attempted criminal sex act in the second degree and attempted disseminating indecent material to minors in first Degree.¹¹
- **The arrest of Standley McCray**: Although SCI issued [its report in 2020](#), as a result, former DOE paraprofessional Standley McCray was arrested on February 11, 2021, charged with assault in the third degree, menacing in the third degree, and harassment in the second degree as a result of squeezing a nine-year-old student by the neck.

⁷ Specifically, one case to the New York State Attorney General's Office; six to the New York County District Attorney ("DA")'s office; seven to the Kings County DA's office, five to the Bronx County DA's office; four to the Queens County DA's office; and three to the Richmond County's DA's office.

⁸ See <https://nycsci.org/wp-content/uploads/2018/History/Executive-Order113415.pdf>.

⁹ Notably, of the 34 accepted PPRs, 17 were accepted and self-described by DOE as "current practice" or aligning with such.

¹⁰ For a complete list of all CY 2021 PPRs made to the DOE, please visit the SCI website: www.nycsci.org.

¹¹ The criminal case is still pending. See CR-018247-21BX (2021).

- **Case No. 2019-0716**: SCI substantiated that a former DOE Chief Information Officer (“CIO”) deceived DOE officials concerning his employment history when he applied for the CIO position in June 2016, when he concealed that he had been fired by a recent employer, and omitted that he was briefly employed by a second company, Stonyhurst Consulting, LLC (“Stonyhurst”). On the resume he submitted with his application, and in job interviews at the DOE, he repeatedly stated that he was currently employed when in fact, he had been fired by this firm weeks prior to submitting his DOE application. Once Quinn was hired as CIO, contrary to DOE contracting regulations, he ardently pressed DOE subordinates to arrange a \$3 million no-bid contract with Stonyhurst.
- **Case No. 2020-3777**: SCI substantiated that a teacher acted inappropriately on camera during a Zoom remote class, including sucking on her husband’s nipple, in front of students.¹²
- **Case No. 2018-1459**: SCI substantiated that DOE Office of School Support Services food service workers and a senior lunch helper submitted timecards for unapproved overtime or without requisite supervisors’ signatures. The excess compensation paid to the three employees for this unapproved or unverified overtime totaled nearly \$30,000.
- **Case No. 2020-3592**: SCI substantiated that a parent falsified residency status to enroll her three children at a DOE school in Brooklyn, for the latter half of the 2017-18 school year through the 2020-21 school year, while she resided with her children in Freeport, New York, resulting in nearly \$57,000 in non-resident tuition owed to the DOE.
- **Case No. 2020-0538**: SCI substantiated that a DOE principal falsified her timesheet to claim 13.5 hours of per session pay (additional hourly compensation available to teachers and other salaried pedagogues for assignments before or after school, on the weekend or holidays, or during the summer) for work, over two days, when she was actually teaching an aerobics class at a New York Sports Club. As a result, she was paid \$667.84 to which she was not entitled.
- **Case No. 2020-0768**: SCI substantiated that a teacher assigned to Public School 227 in Brooklyn, operated a private tutoring website while employed by the DOE and used his DOE email on over 150 occasions to communicate with outside agencies, make complaints about non-DOE related matters that involved his children, and as part of his private tutoring business.
- **Case No. 2019-4043**: SCI substantiated that a parent coordinator misused nearly \$2,000 in federal Title I funds, intended to assist low-income families meet educational challenges, for a trip to Foxwoods Casino in Connecticut. The school’s payroll secretary – aware of the misuse – nevertheless processed purchase orders to pay for the trip.

¹² See <https://nypost.com/2021/05/15/video-shows-nyc-teacher-sucking-mans-nipple-during-zoom-class/>.

DOE Anti-Corruption Report:

In November 2021, Commissioner Coleman made SCI's annual request that then-DOE Chancellor Meisha Porter specify the DOE's most significant areas of corruption identified or addressed during the previous 12 months. SCI also requested that the DOE review the department's responses from the previous year's report, and reflect on the hazards identified and the progress or challenges faced in addressing those hazards.

The DOE responded to SCI's requests in January 2022, and described its practices and protocols concerning SCI's above-outlined request. The 2022 response specifically noted corruption hazards in the DOE's response to COVID-19, including: the procurement and delivery of PPE; the procurement and adoption of necessary new technology; challenges faced in transitioning the DOE workforce, in whole or in part, to remote work access, and steps the Department took to protect against workplace fraud; vendor-related challenges due to the pandemic, including fraudulent billing, elevated pricing, or diminished PPE; and safeguarding PPE or other pandemic-related supplies. The DOE noted in its response that two of its "most significant corruption hazards [were] in the following areas: (1) the procurement, distribution and safeguarding of air purifiers and (2) data security." Notably, SCI provided PPRs to the DOE regarding the safeguarding of data security in cases 2020-3399 and 2021-0839, dated September 21, 2021, after data breaches of the DOE's personal identifying information ("PII") were discovered.

Concerning the areas identified in its 2020 response to SCI's inquiries, the DOE provided updates in its 2022 letter to SCI. In summary, the DOE reported:

1. NYCBUS

As noted in the 2020 response, the City incorporated the New York City School Bus Umbrella Services, Inc. ("NYCSBUS") in September 2020. NYCBUS has since entered into a negotiated services agreement with the DOE as of January 2021, to provide school bus transportation service to eligible students. "The City and DOE negotiated an agreement with one existing vendor, Reliant Transportation, for acquisition of its school bus operating assets," and as of November 1, 2021, NYCSBUS was responsible for the operations previously performed by Reliant, and was operating 800 school bus routes daily, citywide.

2. Subcontracting Terms

Per its response, the DOE "reviews ACS's Quality Assurance Unit's findings, corrects identified case errors, and uses the data to improve the quality of case processing." ACS produces quarterly reports to document DOE's progress, which are submitted to New York State's Office of Children and Family Services in accordance with grant requirements, and DOE has developed protocols to respond to errors in the quality assurance process and "has adapted daily business processes to address any patterns found in the quality assurance."

Conclusion:

We are pleased to have provided this brief overview of the actions and initiatives taken by SCI to protect New York City students, educators, employees, and residents in 2021. These highlights are a fraction of the work SCI employees conduct daily, as they hold accountable those who abuse the public trust. We are fortunate at SCI to have compassionate and talented individuals committed to serving the public. In the coming year – with the continued rate of rapid citywide vaccination and a, hopeful continued abatement of the COVID-19 pandemic, so that the City and its residents can reemerge from the difficulties of the past few years – SCI will continue to develop its team of dedicated professionals who oversee, audit, and evaluate the DOE and DOE-vendor practices. These probes, along with SCI’s diligent investigation of received complaints, will help us continue to advance innovative ways to shield the DOE and public funds from misuse and corruption. We look forward to even more productive and rewarding years ahead.

March 9, 2022

Contact: NYCSCI Press Office
PressOffice@nycsci.org

Indictments and criminal complaints are accusations. Defendants are presumed innocent until proven guilty.

Every officer and employee of the DOE is obligated to report immediately to SCI any knowledge of wrongdoing in the school system. We urge parents, students, and other concerned members of the community to get involved and help our children. If you suspect corruption, crime, or fraud at your child’s school, please contact (212) 510-1500, or file a complaint [online](#).