#### CITY OF NEW YORK

# THE SPECIAL COMMISSIONER OF INVESTIGATION FOR THE NEW YORK CITY SCHOOL DISTRICT

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June 18, 2024

# <u>Testimony of Anastasia Coleman, Special Commissioner of Investigation</u> for the New York City School District

VIA EMAIL NCato@council.nyc.gov

The Honorable Gale A. Brewer, Chair Committee on Oversight and Investigations New York City Council

Chair Brewer, and the members of the Committee on Oversight and Investigations:

Thank you for your invitation to address the Committee. I appreciate the opportunity to introduce myself, to you and to the members of the Committee, and to share with you the substantial accomplishments and continued priorities of the office of the Special Commissioner of Investigation for the New York City School District ("SCI") in advance of meeting with you on June 18, 2024.

#### Introduction

By way of biography, my name is Anastasia Coleman, and I have served as the Special Commissioner for nearly six years. Previously, I was an Assistant District Attorney in Kings County, an Inspector General with the City's Department of Investigation, and the Title IX Coordinator and Director of the Office of Institutional Equity and Compliance at Fordham University. In my nearly 35-year professional career, I have worked both outside and within City government. As a former prosecutor and career investigator, with no political agenda or aspirations, my focus is and has been, to ensure that the City's children receive a safe and secure education without the interference of fraud, corruption, waste, or inappropriate or unwanted advances.

I am pleased to share that SCI, through the efforts of its small but hardworking and diligent staff, has been effective in achieving many of our goals, and adhering to our stated mission to serve the children enrolled in the New York City School District, and to help provide students and their families with a safe learning environment, free from corruption, fraud, and mismanagement.

## **Brief History of SCI**

SCI was created thirty-four years ago by then-Mayor Dinkins and the former New York City Board of Education ("BOE"), now known as the Department of Education ("DOE"). The historical origins of SCI underscore its critical mission, its need for independence, and its continued importance.

SCI was established as the independent watchdog of the City School District to disband and replace the BOE's internal Inspector General's ("BOE IG") office that was deemed corrupt and ineffective. At the time, the BOE IG was appointed by, and reported to, the Board – the governing body of New York City public schools – and was, thus, inherently conflicted when investigating matters of policy enacted by their employer.

A select mayoral blue-ribbon panel – the Joint Commission on Integrity in the Public Schools (known as the Gill Commission) – ultimately recommended a new office, independent of the BOE, to remove inherent conflicts, and with the same statutory authority, but also independent from, the City's Department of Investigation ("DOI"). The Gill Commission specifically considered, but ultimately rejected, incorporating SCI within DOI, concluding that their "concern is that, as exigencies evolve, [DOI] will inevitably move resources that should be dedicated to eradicating corruption in the school system to whatever the target of the hour may be."

Although this explanation may appear as ancient history, more recent events have demonstrated that the concerns of the Gill Commission are still relevant.

Per Mayoral Executive Order 11 of 1990, the City Charter, BOE Resolutions, and Chancellor's Regulations, DOE employees are required to report wrongdoing to SCI, and most take this obligation seriously. SCI also receives complaints from numerous other sources including parents, vendors, other City agencies, and elected officials, such as yourselves. The Special Commissioner also serves as the Inspector General for both the NYC Teachers Retirement System ("TRS") and the Board of Education Retirement System ("BERS"), and SCI acts as the investigative arm for the NYC Conflicts of Interest Board ("COIB") on matters involving the DOE, TRS, BERS, and their employees.

SCI's investigations can result in various criminal and administrative actions. We regularly work with trusted partners in law enforcement as well as other City agencies to ensure the best possible outcomes for the DOE, the City, and the tax payers.

# **SCI Under Special Commissioner Coleman**

I came to SCI in 2018, as only the third Special Commissioner, and, proudly, the first woman to hold the position. I am preceded by the founding Special Commissioner, Edward Stancik, and then by Richard Condon, who retired in 2017, after a long and distinguished career in City government.

2019 was my first full year as Special Commissioner. Since that time, I have continuously evaluated our investigations and processes, our standards and practices, our available resources, and

our needs. We have taken great steps forward and continue to improve our performance. But our work is never done. As a long-term goal, our office intends to expand its role identifying and investigating wrongdoing in the New York City schools, and making referrals and policy recommendations for the betterment of the system overall. To do so, however, we must add more highly trained investigators, attorneys, and administrative staff.

In general, the structure of our office is not unusual for an investigative body. SCI currently has an allocated headcount of sixty-nine total. That includes investigators, attorneys, administrative staff, and executive staff. Unfortunately, for reasons I will discuss shortly, our current roster is well below that number.

At its core, SCI is an investigatory agency, and at the heart of any high-functioning investigatory agency are the investigators. SCI is currently staffed with thirty-three investigators who make up our Intake Unit, our Field Investigators, a Tech Investigator, and our Supervising Investigators.

The remainder of our staff consists of attorneys, all of whom are former New York City prosecutors, data analysts, administrative and I.T. staff, and executive staff.

Although we are budgeted for a total headcount of sixty-nine, we currently have fifty-one employees. In recent years our headcount has been as high as sixty (in FY20 and FY21), and as low as fifty (in FY23) – certainly a challenge when tasked with the oversight of an entity the size of the DOE and its two retirement systems. While there have been some positive notes in hiring – for example, we brought on 10 new hires in FY23 – there have been an equal or greater number of separations, particularly in the post COVID environment – twelve employees separated from SCI in that same fiscal year. For FY23, SCI had an over-all attrition rate of 23.5%.

SCI is not unique in our hiring challenges – agencies City-wide are facing similar difficulty. Where SCI is different is our unique responsibility to oversee a department as vast and crucial as the DOE. Our hiring goals, first detailed in the Gill Commission report, are to seek out seasoned investigators, with strong backgrounds in established investigative models, procedures, and investigative techniques. As such, we regularly seek 211 waivers for many of our current and prospective employees from DCAS. We have found that hiring retired law enforcement professionals meets our particular needs because these individuals arrive with the requisite training and experience to perform at a very high level from their first day on the job, a standard required to protect the integrity of the public school system and the safety of its schoolchildren.

During my tenure, however, we have expanded recruitment efforts, sought out unique areas for posting, and taken steps to grow our workforce with greater representation and diversity – including diversity in background and experience.

We have also added analysts, both legal and statistical, to assist investors with the day-to-day work on our investigations; we have increased the size of our Intake Unit; updated our website to make it more interactive and user friendly, and added an online reporting portal. We have pressed and succeeded in having the DOE include a direct link to SCI reporting on its website, and updated our outdated record retention system. SCI is also currently updating our evidence collection and retention system, and we are in the process of determining how best to upgrade a more than 25-year-old case management system. This update will be crucial in assisting our investigators in the management of their heavy caseloads.

But, there are goals not yet accomplished. For example, although SCI regularly sends supervising investigators and attorneys to speak at DOE staff conferences, and conducts outreach through the use of newly produced pamphlets and social media pages, it has been a longer-term goal to create a separate training unit within SCI. A stand-alone training unit would allow our investigators to focus entirely on their primary task of conducting casework, and would work solely on producing and delivering specific training to DOE employees and vendors on corruption prevention, reporting requirements, and other areas of concern to the school district. Currently, SCI relies heavily on the DOE to raise awareness of their employees' reporting obligations, and to regularly train them on their financial responsibilities.

## **Recent Statistic and Examples**

The DOE currently enrolls nearly one million students at approximately 1,800 facilities; it employs approximately 140,000 people (about half of whom are teachers), and maintains a budget of more than \$39 billion.

Last year, SCI received more complaints than in any single year in its history – crossing the 10,000 complaint threshold for the first time. SCI is on pace to end the current year with similar numbers. In calendar year 2023, SCI conducted 404 investigations – the most since before the pandemic, including 152 involving sexual or inappropriate conduct, and fifty-two that involved the inappropriate use of social media or electronic communications between DOE employees or vendors and students. SCI substantiated 224 total cases in 2023.

In 2023, the most frequently opened category of investigation involved employee misconduct – a general category that encompasses a range of malfeasance by DOE employees and vendors. In addition to cases involving inappropriate actions of a sexual or suggestive nature, employee misconduct includes cases involving: financial irregularities (109 cases), falsifying documents (ninetynine cases), and theft of services (fifty-two cases), to name just a few. SCI investigated twenty-four cases involving theft of DOE property, and seventy-one involving allegations of vendor irregularities – including false billing, lack of certification or DOE approval, or failure to provide services. In addition, SCI received twelve complaints specifically alleging violations of Chapter 68 of the City Charter and identified potential conflicts of interest in an additional twelve cases. Thirty-two cases involved either a failure to supervise a child or a failure to report a potential danger to a child. SCI also received seventeen complaints alleging a violation or violations of the City's Whistleblower laws.

In 2023, SCI referred fifty-nine substantiated cases to the New York State Education Department, and made 287 personnel recommendations based on substantiated findings. SCI recommended disciplinary action in fifty-six instances, a majority of which included recommendations up to and including termination of employment. SCI also made recommendations of 101 problem codes as possible bars to future employment or contracts, forty financial recovery actions, and ninety recommendations for appropriate disciplinary actions by DOE administrators.

Last year, SCI substantiated thirty-three cases that identified to the DOE precise amounts of loss, theft, or mismanagement of funds, totaling more than \$1.5 million dollars. SCI also identified thousands of dollars due to loss, theft, or mismanagement of other monies for which an exact amount could not be determined. In addition, SCI continued collection and monitoring of restitution or fines from previous cases, totaling more than \$6,000,000.

Since 2020, SCI has made 215 Policy and Procedure Recommendations ("PPR") to the DOE, all of which are publicly available on our website pursuant to Local Law 43 of 2020. Of those 215 recommendations, the DOE has accepted forty-nine, partially accepted another five, claimed that sixty were already their current practice, and rejected forty-seven. Forty-two PPRs remain pending at the time of this testimony. SCI also posts regularly updated information regarding the status of the PPRs and the DOE's explanations or reasonings for their decisions – most often posting their responses in their own words.

## SCI Budget, Challenges, and Needs

SCI did not face any cuts to our budget under the City's most recent Program to Eliminate the Gap. However, SCI operates on a slender budget of just over six million dollars per year, covering both PS and OTPS dollars. SCI's budget has remained exactly the same since FY22 - \$6,361,054. Of that, \$6,025,923 is designated PS dollars, and \$335,131 is our annual operating OTPS budget. Although there was a slight increase in PS dollars in our FY19 budget – approximately \$250,000 – SCI's OTPS budget has remained exactly the same during my entire tenure as Special Commissioner - \$335,131. Obviously, there is a great discrepancy between the operating budgets of the watchdog agency and the entity it is charged with overseeing.

But, this is not for want of trying. SCI's annual funding is a "pass-through" budget of the DOE. During my tenure as SCI Commissioner, we have made several "asks" to the Mayor's Office of Management and Budget ("OMB") Education Task Force for increases in both PS and OTPS funding. For example:

- In March 2019, SCI submitted a new needs request for an increase in PS dollars in the amount of \$176,000. This request was rejected. (In fact, the last PS dollar increase SCI received not due to a City-wide Mayoral order was FY17).
- On March 6, 2020, immediately before the pandemic struck, SCI made a new needs request for FY21 of \$2,565,000. This request was part of an ambitious several-year plan to increase SCI's headcount by twenty-four (twelve per year over two years), and an increase of \$535,000 in OTPS to support the increased staffing. This request was not rejected outright, but rather was put on hold indefinitely due to the Covid crisis.
- In March 2021, SCI submitted a request for a Capital improvement project a much needed upgrade to our record retention system in the amount of \$190,695. This amount was approved and funded through the School Construction Authority ("SCA").
- In March 2022, SCI submitted a new needs request of \$202,000 to OMB consisting of \$162,000 in PS dollars, and an additional \$40,000 in OTPS dollars. This request was specifically targeted to address post-pandemic attrition and retention. The request was denied by OMB.
- Currently, SCI has a new needs request of \$275,000 for OTPS pending with OMB. The present ask includes funding for necessary training for our investigators, including: annual peace officer training, firearms qualifications, and investigative interview technique training, to

name just a few. We have been told that we will receive an answer upon completion of the adoption process.

As you can see, these budgetary requests are not extravagant, and do not contemplate unreasonable increases or luxury expenses. As an example, our monthly wireless carrier expenses, to name just one such account, has increased from \$300 per month to approximately \$1,500 per month - \$18,000 annually, while our OTPS remained unchanged. This may seem like a minor expenditure, however, when considering a total OTPS annual budget of \$335,000, a 500% increase in a vital vendor service is significant.

SCI, as a watchdog agency, has always been mindful of agency spending – both the DOE's and our own. However, SCI must also grow with the times and the challenges we face.

# **Closing**

In conclusion, I am pleased to have had the opportunity to introduce SCI to so many members of the Council, and to have given a little insight into the hard work and accomplishments of this really extraordinary office, I look forward to answering any further questions you, or the members of the Committee, may have.

Sincerely,

/s/ Anastasia Coleman Anastasia Coleman

Special Commissioner of Investigation for the New York City School District 80 Maiden Lane, 20<sup>th</sup> Floor New York, NY. 10038 (212) 510-1418 or (917) 902-4681



# TESTIMONY OF PUBLIC ADVOCATE JUMAANE D. WILLIAMS TO THE NYC COUNCIL COMMITTEE ON OVERSIGHT AND INVESTIGATIONS

Good morning,

My name is Jumaane D. Williams, and I am the Public Advocate for the City of New York. I thank Chair Brewer and the members of the Committee on Oversight and Investigations for holding this important hearing.

Established under Executive Order 11 of 1990, the Special Commissioner of Investigation (SCI) is tasked with investigating crime, corruption and misconduct within the Department of Education (DOE) or those conducting business with the public school system. Independent from the DOE, this office is small and largely invisible to the public eye, but the scope of its impact is great and this hearing couldn't come at a better time. A recent City Council report has found that even as complaints to the SCI have increased, hitting a record high of 10,260 complaints last year, an increase from 9,630 in 2019, fewer of those complaints are now leading to investigations. This is in part due to budget constraints and insufficient staffing - the number of investigators employed by SCI dropped 17% between 2020 to 2023.

However, budget constraints and insufficient staffing are only part of the problem. Local Law 43 of 2020 requires SCI to track and post publicly DOE's cooperation and compliance with recommendations resulting from investigations. But, in many cases, SCI is out of compliance in tracking and reporting cases by years. In conversations with constituents who've come to our office, we've come to understand how cases are often referred back to the schools or to the Office of Special Investigations (OSI), which manages complaints over issues like corporal punishment. That cases are not being given their due diligence and instead being referred back to

<sup>2</sup> Ibid.

https://www.nytimes.com/2024/06/18/nyregion/sexual-misconduct-complaints-nyc-schools-investigations.html?oref=csny\_firstread\_nl



schools is troubling, particularly when such recent investigations include: "employees submitting fake coronavirus vaccination cards; a former Queens high school teacher accused of having inappropriate relationships with students; and an educator who requested sick leave while incarcerated in federal prison". Furthermore, families have cited a lack of updates, unaware that investigations pertaining to them have been "resolved" or found "unsubstantiated". In 2023, only 30% of 146 cases regarding inappropriate or sexual misconduct by DOE employees and vendors were found "substantiated."

In light of this report, I would like to know the following:

- 1. What does the process look like for these investigations? At which point does SCI determine which cases ought to be referred back to OSI?
- 2. How many cases is SCI out of compliance with in terms of posted updates?
- 3. What factors have contributed to SCI' non-compliance?
- 4. What is the average turnaround time for investigations?
- 5. Which stakeholders does SCI collaborate with specifically to conduct investigations?

Once again, I thank Chair Brewer for taking the initiative in inviting SCI to testify and for holding this hearing. I look forward to more regular forums like this with SCI in the future. Thank you.

<sup>&</sup>lt;sup>3</sup> Ibid.

<sup>&</sup>lt;sup>4</sup> Ibid.



#### Committee on Oversight and Investigations

# Oversight Hearing Special Commissioner of Investigation for the New York City School District

### Testimony of Ben Tocker for YAFFED

Presented on June 18, 2024

Honorable Chair Brewer, committee members, and my fellow New Yorkers, my name is Benjamin Tocker and I am here representing YAFFED. We are an advocacy organization concerned about the quality of education at Hasidic yeshivas. In New York City there are tens of thousands of students attending yeshivas that fail to provide an education that is consistent with New York State law. Every nonpublic school in New York State is required under education law section 3204 to provide an education that is substantially equivalent to that which is provided by the local school district. Unfortunately, in the Hasidic community, there are scores of yeshivas that have ignored state law and have created a culture of educational neglect.

This situation has been allowed to exist for decades. This is a generational problem in the Hasidic community now. The quality of education at Hasidic yeshivas runs the spectrum of virtually a nonexistent secular studies program to secular studies programs that are substantially equivalent. That this has been allowed to exist is a function of collusion between elected officials, education regulators, and the yeshiva operators. Thankfully, the state education department produced clarifying rules that provide a clear framework for enforcement by the local school district. As a result of this action, and court orders resulting from legal cases brought by YAFFED, the New York City Department of Education performed quality reviews of two dozen yeshivas that resulted, last June, in eighteen yeshivas been deemed to be failing their students. Slowly, the system has begun to respond to this problem. Slowly, action appears to be in process.

However, this process requires oversight. Delays drew out the initial investigation for over seven years. In 2019, the New York City Department of Investigation declared that then Mayor Bill DeBlasio had 'horse-traded' the issue in order to gain political favor with Hasidic community leaders. Throughout all this time, these yeshivas have been generously funded with public dollars in the form of mandated services aid, transportation aid, text book money, special education funding, and food programs. Each of these government funding programs requires applicants to attest that they are in compliance with all local and state laws. Yet we know that these yeshivas are not. It is an undisputed fact that eighteen yeshivas are not compliant.

We urge the Special Commissioner to launch a full investigation into funding that has been provided to yeshivas that provide only a religious education. We urge the Special Commissioner to provide ongoing oversight to the office of nonpublic schools at the Department of Education. This office is charged with ensuring the compliance of nonpublic schools. This issue has been far too politicized over the years to allow these processes to continue unwatched. Compliance must be verified. Politics must be removed from the assurance of compliance.

Thank you.

From: Christi Angel

**Sent:** Tuesday, June 18, 2024 12:29 PM

**To:** Testimony

**Subject:** [EXTERNAL] Christi Angels's Testimony for Committee on Oversight & Investigations

6/18

### Good morning,

My name is Christi Angel and I am the parent of a NYCPS student within District 75 and a parent advocate. I currently reside in Queens.

Thank you, chair Brewer and members of the committee for convening this meeting.

This topic directly has affected me based on parent engagement. Parent engagement is considered to be an issue, but when a parent is active they are considered and treated like a nuisance. I have an example of how this has affected me.

During Covid a unilateral decision was made by the principal to ban my court ordered provider based on an "assumed" zoom bomb. This was after my in-depth advocacy and questions on my son's IEP being out of compliance and a fraudulent SANDI.

An investigation was supposedly initiated but no case number was given for 2 years. I was advised it bounced from OSI to SBI to SCI (or any other acronym available)this was done without questioning my son's worker who was stripped without due process. The effects set my son into a regression that we still deal with to this day. He was set back 5 years.

Behaviors we had curbed, came back full force. When I attempted to send him back to school I was advised they would call 911 because they could not manage him. We were forced to start over at a new school. which felt like the game plan the entire time.

His worker was banned from the school building, and from working online with my son within 2 days of the alleged incident. His reputation was damaged.

Parents have no recourse or protections when they are targeted. They have no real proof of investigations, especially when they are bounced back to the school- even if it's a conflict of interest. The checks and balances are not fair and leave parents subject to the powers that be and cover ups.

I still see this happening to this day with no recourse. Parents have reached out for help and I have nothing to tell them. The system feels rigged. Parents voices need to be highly considered and accountability measures put in place for how parents voices are included that extend beyond the blurb in the IEP.

Investigations should not be ethically given to the schools with direct conflict of interest. Some preliminary level of groundwork should be done prior to dictating where a case goes for investigation and who does it. Protections need to be in place for parents. I also would ask the committee to check the data to see just how many cases are referred back to schools and the outcomes.

Thank you for your time and consideration.

Warmest regards, Christi Angel Debbie Meyer (meyer.debra@columbia.edu, dmeyer@iona.edu, 646-765-5482) Consultant, Dyslexia Alliance for Black Children Adjunct Instructor, Scholar in Residence, Iona University

Good morning. I'm Debbie Meyer and you might know me as a literacy and dyslexia advocate. You might know me as the parent of a child that was not taught to read in public school who had to sue the NYCDOE as it was then called to make sure my kid was taught to read at a specialized dyslexia school.

Today I want to talk about the Carter funding that allowed my son to learn to read. This Supreme Court Decision, Florence County v. Shannon Carter has been the only hope many families have had to make sure their children receive a Free and Appropriate Education. But, because of disparate and poor data entry and record keeping, the money spent to outsource education has not informed our NYCPS in any real way.

Several years ago, some reporters used the Freedom of Information Act to look at NYCDOE spending on Carter cases. The Excel Document they received was so undecipherable to them, I was asked to look at it to see if I could discern any information from it. I first noticed there was no classification of disability listed for each payment so that we couldn't sort by "dyslexia" or even an IDEA classification. Then I thought, I'll sort by the dyslexia schools. Well, I had to clean up the data because the data entry was so poorly done –Winwad School, Windward School, The Windward School, alphabetized under T. Windward under W. This was the same with all the other independent dyslexia schools.

Then I noticed what was missing. This list was only the independent Carter Case list where parents fronted money and were reimbursed for the tuition. Some other list must have the schools that the NYCDOE paid directly must be on some other list. The tutors the NYCDOE paid to work directly with students must have been on some other list. You couldn't see how much outsourcing dyslexia instruction was costing the NYCPS in one file.

I did notice however, in cleaning and cleaning the list I had, that the Special Education Yeshivas represented nearly 25% of the Carter cases that year, even though the Hasidic population is less than 1% of our population.

Similarly, the NYCPS keeps a database of the independent education providors, including Special Education Teacher Support Services (or SETSS) providers that parents or school leaders can use to select a tutor for their dyslexic student. However, this database does not indicate whether the SETSS providers have any training in the science of reading and would be appropriate for the student. Instead, parents spend days contacting all the providers in the borough (the closed geography allowed) and interviewing them about their qualifications to work with a dyslexic child.

While dyslexia is the most common learning disability and the NYCPS has already made great strides in changing literacy instruction so dyslexic students can be identified and supported, this is not enough. We have to keep the pressure on and we need the tools to do so, and we need to learn lessons from this and apply it to other educational issues.

Thank you.

# THE COUNCIL THE CITY OF NEW YORK

Appearance Card
I intend to appear and speak on Int. No Res. No
in favor in opposition
Date: 6/18/2029
(PLEASE PRINT)
Name: Debbie Meyer
Address: 217, West 1364 Sveet 10030
I represent: DYSIEKIA ALIANCE BY BUCK CINCK
Address: 217 W 136 STEET, 10030
THE COUNCIL
THE CITY OF NEW YORK
Appearance Card
I intend to appear and speak on Int. No Res. No  in favor in opposition
Date: June 1812024
(PLEASE PRINT)
Name: Shavan Brown
Address: 130-10 140 Street Surfe
I represent: Rose of Sharon Enterprises
Address: Jamaica Ny 11436
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THE COUNCIL
THE CITY OF NEW YORK
Appearance Card
I intend to appear and speak on Int. No Res. No
in favor in opposition
Date: 6/18/2024
(PLEASE PRINT)
Name: Benjamin Tocker
Address:
I represent: YAFFEO
Address: P.J. BJX 63398 BOOKIYA NY 11216
Please complete this card and return to the Sergeant-at-Arms

# THE COUNCIL THE CITY OF NEW YORK

Appearance Card
I intend to appear and speak on Int. No Res. No
in favor in opposition
Date:
(PLEASE PRINT)
Name: DANIEL SCHLACHET
Address: 292 14th St. Brooklyn, NY. 11215
I represent: The office of the Special Commissioner of Inv.
Address: for the NYC School District
Please complete this card and return to the Sergeant-at-Arms
THE CUTY OF NEW YORK
THE CITY OF NEW YORK
Appearance Card
I intend to appear and speak on Int. No Res. No in favor in opposition
Date:
Name: Anastasia Coleman
Address: SCI - 80 Maiden Lane NYC NY
I represent: SCI
Address:
Please complete this card and return to the Sergeant-at-Arms