



The City of New York
Department of Investigation

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**FOUR CHILD CARE OPERATORS CHARGED WITH SUBMITTING FALSE DOCUMENTS TO THE CITY
UNDERMINING INTEGRITY AND SAFETY AT THE SITES AND IN ONE CASE STEALING CITY FUNDS**

MARK G. PETERS, Commissioner of the New York City Department of Investigation (DOI), KENNETH P. THOMPSON, Kings County District Attorney, and DANIEL M. DONOVAN, JR., Richmond County District Attorney, jointly announced today that separate investigations have resulted in the arrest of four child care operators on charges of submitting an array of false documents to the City that misrepresented significant facts used to determine the integrity and safety of sites. The false representations included whether children received services, and whether teachers and other child care professionals had appropriate credentials, training, or vetting. In one of the investigations, the misrepresentations led to one operator fraudulently receiving nearly \$60,000 in City funds, according to the charges. DOI began these investigations after the Department of Health and Mental Hygiene (DOHMH) reported to DOI issues of concern related to these child care facilities. The offices of Kings County District Attorney Kenneth P. Thompson and Richmond County District Attorney Daniel M. Donovan, Jr., are prosecuting the cases.

None of the nine child care centers associated with the defendants are sites for Universal Pre-Kindergarten classes.

DOI found and confiscated numerous documents at some of these child care centers, which are required for operation and were fraudulent, including fake medical records, a fake DOI Fingerprint Unit letter, fake teacher certificates, and fake educational degrees. As a result of these investigations, the City closed four child care centers related to the defendants, specifically:

- Next to Home, 1123 Flatbush Avenue, Brooklyn, N.Y., closed due to a City Department of Building (DOB) vacate order issued in response to multiple DOB and DOHMH violations.
- Next to Home, 1159 Flatbush Avenue, Brooklyn, N.Y., closed because the program had been operating under an expired DOB Certificate of Occupancy.
- One of a Kind Child Care, 6318 Amboy Road, Staten Island, N.Y., closed by stipulation after DOHMH petitioned to revoke the permit.

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- Gnomiki Day Care, Inc., 2221 Ocean Avenue, Brooklyn, N.Y., closed due to the site's violation history.

For the remaining five child care facilities that are associated with the defendants:

- Next to Home, 353 Ocean Ave., Brooklyn, N.Y., closed after the owner stopped operations.
- Next to Home, 5566 Kings Hwy., Brooklyn, N.Y., was never leased and never provided services to children.
- ABC Little Star, 2345 85th St., Brooklyn, N.Y., was part of an administrative action taken by DOHMH. The site is still operating and DOHMH inspected this week, finding no violations.
- Gnomiki Day Care, Inc., Group Family Day Care, 2623 Ocean Avenue, Brooklyn, N.Y., a State-licensed facility, was inspected yesterday and a recommendation was made to close it.
- One of a Kind Child Care, a group family daycare operating at 6306 Amboy Road, Staten Island, N.Y., a State-licensed facility is operating but the defendant, SCHIAVO, will be excluded from the program.

DOI Commissioner Mark G. Peters said, "These defendants forged and falsified documents in order to cover-up safety risks and steal money intended for actual child care, as charged. Our investigations underscore the importance of continuing to vigorously police the integrity of the City's child care systems, an effort that is very much continuing. I want to thank our partners in this matter, the Brooklyn District Attorney Ken Thompson and the Staten Island District Attorney Dan Donovan."

Kings County District Attorney Kenneth P. Thompson said, "Each day parents throughout the City count on child care providers to protect the safety of their children. It is disgraceful that greedy operators would circumvent safety provisions for their own benefit. Our parents and children deserve better and that's why we worked so closely with the Department of Investigation on these cases."

Richmond County District Attorney Daniel M. Donovan, Jr. said: "Parents expected One of a Kind Child Care to have properly vetted, trained professionals watch over their toddlers in a safe environment. Instead, owner Gina Schiavo violated that trust by forging state-mandated child abuse clearance letters and lying about one supposed staffer's identity. I want to thank DOI Commissioner Mark Peters and his staff for diligently working with my office on this case, particularly Assistant District Attorney Mark Palladino. Cases like this emphasize the need for law enforcement to protect children from those who would jeopardize their safety."

The following four individuals have been charged this week:

- OWEN LARMAN, 41, of Brooklyn, NY, was arrested on an indictment Tuesday, September 9, 2014, and charged with Grand Larceny in the Second Degree, a class C felony, Grand Larceny in the Third Degree, a class D felony, and 19 counts of Offering a False Instrument for Filing in the First Degree, a class E felony.

According to the indictment and DOI's investigation, LARMAN was the owner and operator of Next to Home Child Care, also known as Next Two Home, Next 2 Home, and Next Two Home Afterschool (Next to Home), a child care business that served infants, toddlers, and school-aged children at three locations in Brooklyn. Next to Home also obtained a registration to operate a fourth child care program at 5566 Kings Highway, Brooklyn, but DOI's investigation substantiated that this location did not provide any services. Between June 2012 and April 2013, LARMAN'S actions resulted in Next to Home submitting multiple requests for payment to the City Administration for Children's Services ("ACS") claiming that certain children received child care services at the Kings Highway Next to Home facility, when, in fact, they did not. As a result of those and other misrepresentations, ACS authorized payments totaling approximately \$59,644, which was deposited into a bank account controlled by LARMAN. Health and safety concerns at two Next to Home facilities operated by LARMAN, both on Flatbush Avenue in Brooklyn, led to their shut down.

LARMAN self-initiated the closure of a fourth child care facility on Ocean Ave. in Brooklyn.

- ELENA KAPLAN, 53, of Brooklyn, N.Y., was arrested early Thursday, September 11, 2014, and, along with the child care company she owns -- ABC Little Star, Inc. -- was charged with 19 counts of Criminal Possession of a Forged Instrument in the Second Degree, a class D felony; and six counts of Offering a False Instrument for Filing in the First Degree and 19 counts of Falsifying Business Records in the First Degree, both class E felonies.

According to the indictment and DOI's investigation, Kaplan is the owner of ABC Little Star Day Care, located at 2345 85th St. in Brooklyn. The investigation uncovered several fraudulent documents that were found in the child care files or were presented by the defendant to DOHMH inspectors between January 2011 and April 2014, including the following: (i) a Public School Teacher Certificate for KAPLAN that falsely allowed KAPLAN to hold herself out as the child care's Educational Director; (ii) 14 New York State Nurses Association Certificates of Completion for various current and former staff at the child care demonstrating that staff had received training in identifying child abuse when, in fact, they had not; (iii) two Master's Degrees for a teacher at the child care who had not received these degrees; and (iv) a DOI Fingerprint Unit letter showing that a teacher was subject to a criminal background screening, which she had not received. DOHMH sought to close this child care; however, KAPLAN agreed to divest from the facility and to no longer be involved in its operation, effective January 1, 2015. The site remains open.

- GINA SCHIAVO, 44, of Staten Island, N.Y., was charged early Wednesday, September 10, 2014, with four counts of Criminal Possession of a Forged Instrument in the Second Degree, a class D felony, and one count of Misrepresentation by a Child Day Care Provider, a class A misdemeanor.

According to the criminal complaint and DOI's investigation, as the owner of One of a Kind Child Care, 6318 Amboy Rd. in Staten Island, SCHIAVO on January 24, 2014 introduced an individual to a DOHMH inspector under another teacher's name and fraudulently provided documents with the name and qualifications of the teacher. When the inspector questioned the individual about her identity, SCHIAVO admitted the individual was using another person's name. That individual left the child care before investigators could determine her identity. In addition, SCHIAVO provided a DOHMH inspector with several fraudulent documents on January 27, 2014, including: (i) forged State Central Register clearance letters for two teachers indicating that they had no record of child abuse or maltreatment, specifically, one letter was on letterhead listing Eliot Spitzer as Governor, even though he was no longer in office, and another correspondence was on letterhead listing David Paterson as Governor even though he was no longer in office; and (ii) DOHMH Annual Staff Health forms for SCHIAVO and another employee indicating examinations were conducted when they were not. DOHMH closed the child care for this and other violations, including overcrowding.

- VIKTORIYA FEDEROVICH, 38, of Brooklyn, N.Y., was charged early Thursday, September 11, 2014, with three counts each of Criminal Possession of a Forged Instrument in the Second Degree, a class D felony; Offering a False Instrument for Filing in the First Degree and Falsifying Business Records in the First Degree, class E felonies.

According to the criminal complaint and DOI's investigation, FEDEROVICH is the owner of Gnomiki Day Care, Inc., a group child care center at 2221 Ocean Avenue in Brooklyn. DOI's investigation found that the following documents presented to DOHMH in June 2014 were fraudulent, specifically two Certificates of Completion for Identification and Reporting of Child Abuse and Maltreatment for an assistant teacher and a volunteer and a 15-hour health and safety training certificate for an employee. The investigation found that the defendant falsely created the child abuse and maltreatment reporting forms for the assistant teacher and volunteer and changed the date of the health and safety training certificate. The City Health Code mandates that all employees and volunteers for group

child care facilities must complete a training course in child abuse and maltreatment identification, since they are mandatory reporters of child abuse. Also under the City Health Code, assistant teachers at these facilities are required to complete 15 hours of training every 24 months in various child care subjects, including health and safety.

Upon conviction, a class C felony is punishable by up to 15 years in prison, a class D felony is punishable by up to seven years in prison, a class E felony by up to four years in prison, and a class A misdemeanor is punishable by up to a year's incarceration.

KAPLAN, FEDOROVICH, LARMAN and SCHIAVO all ran Group Child Care Centers licensed and inspected by DOHMH, which regulates child care providers and, specifically, licenses and inspects Group Child Care Centers under Article 47 of the Health Code. Group Child Care facilities are required to obtain a permit from DOHMH to operate in the City and must renew that permit every two years. A DOHMH-permitted child care facility is required to maintain all documents relating to the health, safety, and educational qualifications of their employees at the child care facility and make these documents available to DOHMH for inspection. LARMAN also had a registration to operate a School Age Child Care Center and FEDOROVICH and SCHIAVO operate Group Family Day Cares, which are licensed by New York State. Under an agreement with the State, the City inspects State-licensed providers located in New York City.

Eligible families with children aged 6-weeks to 13-years old can be issued vouchers to purchase child care from providers in the City. ACS administers child care voucher payments for eligible families at their chosen child care provider. According to the investigation, ACS provided funds for children to obtain services at Next to Home School Aged Child Care purportedly operating at 5566 Kings Highway.

DOI Commissioner Peters thanked Kings County District Attorney Kenneth P. Thompson, Richmond County District Attorney Daniel M. Donovan, Jr., DOHMH Commissioner, Dr. Mary Travis Bassett, and ACS Commissioner Gladys Carrión, and their staffs, for their cooperation and assistance in these investigations.

These investigations were conducted by the following DOI staff members: DOI's Office of the Inspector General for DOHMH, including Special Investigators Trisha Gangadeen, Renée Welker, David Elam, Michael Morris, Zeola Fox, and Steve Montague; Chief Investigator Roxanne Harmon, Assistant Inspectors General William Holland and Byron Biggerstaff, Deputy Inspector General Mary Kozlow, and Counsel to the Inspector General Clinton Daggan, under the supervision of Inspector General Lisa Kutlin and Associate Commissioners Paul Cronin and Michael Carroll; in cooperation with DOI's Office of the Inspector General for ACS, including Confidential Investigator Martha Chatterjee, under the supervision of Inspectors General John Tseng and Shelley Solomon; with the assistance of DOI's Investigative Audit Unit, Special Investigator Renard McDowell, under the supervision of Senior Investigative Auditor Maggie Xu and Acting Chief Investigative Auditor Laila Jane Yu; with assistance from DOI's Digital Forensic Unit Special Investigator Dennis Hemmingway and the Unit's Director Erskine Fleming; DOI Deputy Inspector General for the Department of Buildings Kim Ryan, and DOI Director of Special Operations Michael Healy.

Assistant District Attorneys Jennifer Macauley and Emily Bradford, Deputy Chief of the Public Integrity Bureau, from the office of Kings County District Attorney Kenneth P. Thompson, are prosecuting the KAPLAN, FEDOROVICH and LARMAN cases under the supervision of Michel Spanakos, Bureau Chief, and the overall supervision of William E. Schaeffer, Chief of Investigations.

Assistant District Attorney Mark Palladino from the office of Richmond County District Attorney Daniel M. Donovan, Jr., is prosecuting the SCHIAVO case under the supervision of Assistant District Attorney Amy Legow, Chief of the Investigations Bureau.

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

DOI is one of the oldest law-enforcement agencies in the country. The agency investigates and refers for prosecution City employees and contractors engaged in corrupt or fraudulent activities or unethical conduct. Investigations may involve any agency, officer, elected official or employee of the City, as well as those who do business with or receive benefits from the City.

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