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By Electronic Mail

Panel for Educational Policy 52 Chambers Street New York, New York 10007

Re: Contract Agenda Item 3 for the Panel's August 17, 2011 Meeting

Dear Panel Members:

I am writing to urge the members of the Panel for Educational Policy ("Panel") to vote in support of the proposed contract renewal with Telesector Resources Group ("TRG"), an affiliate of Verizon New York Inc., which is Item 3 on the agenda of your August 17, 2011 contract meeting. In connection with that contract renewal, TRG and its affiliates will continue to provide high-quality voice, data and network connectivity services to over 1600 schools and all central education administrative office sites in New York City. TRG has provided access to similar services for several years, and Verizon possesses the state-of-the-art network and technical expertise to deliver these services cost-effectively and consistent with the needs of the New York City Department of Education ("DOE"), the students, parents, and educators that will all benefit from the availability of these services.

It has come to my attention that, in connection with the strike that is currently underway, the CWA and some of its supporters have commenced a "campaign" aimed at convincing the Panel to vote against the TRG contract. *See* Attachment (CWA Flyer). In support of this campaign, they make two arguments, neither of which has any merit. First, they argue that it is wrong to award this contract to a Verizon affiliate, because they contend that a "Special Investigator for the [New York City] School District" found that Verizon "facilitated a \$3.6 million fraud" on New York City schools. This is patently false.

Panel for Education Policy August 16, 2011 Page 2 of 2

As you are no doubt aware, the referenced report, which was issued by the Special Commissioner of Investigation for the New York City School District ("Report"), relates to Project Connect, a project to provide telecommunication services to New York City schools. As the Report explains, DOE retained Ross Lanham as its consultant to manage the vendors performing Project Connect, including Verizon. DOE designated Lanham as Verizon's "single point of contact" with DOE on that project and, as the Report notes, DOE gave tremendous power to Lanham to act on DOE's behalf. (Report at 27.) The Report concludes that Lanham caused Verizon's subcontractors to hire certain consultants and that Lanham received kickbacks from subcontractors for these consultants. Lanham has been charged in a federal criminal indictment.

Nowhere in the Report does it allege that Verizon knew of Lanham's scheme or that Verizon knowingly took any action to further the scheme. Further, none of Lanham's requests raised a red flag to the Verizon employees who worked on Project Connect. Rather, all of Lanham's directions, made as DOE's authorized representative and single point of contact, appeared designed to further the legitimate work of Project Connect.

Unbeknownst to either the DOE or Verizon, Lanham apparently furthered his own selfish interests through a criminal scheme. Although Verizon followed Lanham's instructions, as it was obligated to do under the parties' agreements, there is no evidence in the Report or elsewhere that Verizon even suspected that any of those instructions were improper. In short, there is no basis – in the Report or otherwise – for concluding that any Verizon affiliate engaged in fraud against the DOE or that the TRG contract should not be approved.

The CWA also argues that the Panel should not approve the contract because of the ongoing strike. Verizon has been and will continue to negotiate in good faith with the CWA, as well as the IBEW, in an effort to achieve a fair contract that will continue to provide best-in-class jobs and be consistent with the competitive challenges Verizon will face in the coming years. The current situation is no doubt challenging for all parties involved. Meanwhile, Verizon also remains focused on meeting the needs of its customers and will continue to do so. I would respectfully request that the Panel reject the CWA's efforts to improperly inject these issues into its deliberations and that it, instead, approve the TRG contract based on its demonstrated ability to deliver the covered services.

Sincerely,

James J. Gerace

Stop Verizon from Being Awarded a \$120 Million Contract with New York City!

Tell the Department of Education: As 45,000 Strike, Don't Reward Verizon for Hurting Workers, Taxpayers, and Our Children!

On Wednesday, the Department of Education's Panel for Education Policy, which is run by Mayor Bloomberg, will vote on a \$120 million, 2-year contract with Verizon.

Verizon is trying to destroy middle-class jobs. Those family-supporting jobs give our kids a decent shot at learning and growing.

It's wrong to give Verizon, which was found by the Special Investigator for the NYC School District to have facilitated a \$3.6 million fraud perpetrated on our schools, a big new contract while workers strike.¹

Join your sisters and brothers from CWA, other unions, community organizations, parents, elected officials, and our kids as we rally for the American dream.



We need good schools and good jobs, not sweetheart \$120 million deals that reward corporations like Verizon, which is trying to destroy middle-class jobs.

Picket & Protest Wed., Aug. 17 5 p.m. Murry Bergtraum **High School** 411 Pearl St. 4/5/6 or N/R to City Hall / **Brooklyn Bridge** Sponsored by Class Size Matters, Grassroots Education Movement, Teachers Unite, New York Collective of Radical Educators, Communications Workers of America (list in formation)

1 http://gothamschools.org/2011/04/29/report-on-thieving-doe-consultant-damning-for-ibm-and-verizon



Communications Workers of America - www.cwa-union.org/verizon International Brotherhood of Electrical Workers -www.ibew.org

