



*United States Attorney  
Southern District of New York*

**FOR IMMEDIATE RELEASE  
FEBRUARY 27, 2009**

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**NYC DEPARTMENT OF EDUCATION EMPLOYEE FOUND  
GUILTY OF EXTORTION AND BRIBERY**

LEV L. DASSIN, the Acting United States Attorney for the Southern District of New York, announced that current New York City Department of Education ("DOE") employee MILTON SMITH was found guilty today of conspiracy to commit extortion, extortion, conspiracy to commit bribery, and bribery. The verdict followed a one-week jury trial before United States District Judge BARBARA S. JONES. According to the Indictment and the evidence at trial:

SMITH, 55, of Tobyhanna, Pennsylvania, worked as an inspector in the DOE Office of Pupil Transportation ("OPT"). OPT sets the specifications for bus routes; oversees the process by which private bus companies bid for and obtain certain bus routes; processes requests from bus companies to have certain routes classified as "extended" (and hence subject to larger contract payments) because they begin earlier or run later than standard DOE bus times, including mid-day and field trip routes; and conducts safety and mechanical inspections of school buses. SMITH was specifically assigned to the OPT division responsible for providing bus and other transportation services to special education students.

From approximately 2000 to 2004, SMITH solicited and accepted cash payments from various private bus company owners who held transportation contracts with DOE. In exchange, SMITH funneled field trip bus routes -- worth hundreds of thousands of dollars -- to certain bus companies in exchange, and, at times fabricated certain bus routes, neither needed by DOE nor performed by the bus companies, and assigned those trips to the bus companies who paid him.

SMITH was found guilty of all charges against him: one count of conspiring to use his official position at DOE to extort bus company owners; one count of using his official position at

DOE to extort bus company owners; one count of conspiring to receive bribes to influence his actions as an employee of an agency, the DOE, that received federal program funding; and one count of receiving bribes to influence his actions as an employee of an agency, the DOE, that receives federal program funding.

SMITH faces a maximum sentence of 55 years in prison. SMITH is scheduled to be sentenced by Judge JONES on June 29, 2009 in Manhattan federal court.

SMITH is the seventh current or former DOE supervisor or inspector to plead or be found guilty in this case. On April 8, 2008, JEFFREY DUNAT, 53, of Staten Island, New York, pleaded guilty to extortion and bribery charges. On April 23, 2008, DORON WINKLER, 58, of Pomona, New York, pleaded guilty to extortion and bribery charges. On April 25, 2008, GEOFFREY BERGER, 58, of the Bronx, New York, pleaded guilty to extortion and bribery charges. On February 6, 2009, NEIL CREMIN, 61, of Queens, New York, and IRA SOKOL, 70, of Brooklyn, New York, pleaded guilty to bribery charges. On February 17, 2009, GEORGE ORTIZ, 64, of the Bronx, pleaded guilty to extortion and bribery charges.

Mr. DASSIN praised the work of the Federal Bureau of Investigation, the U.S. Department of Labor's Office of Inspector General and Office of Labor-Management Standards, and the New York Police Department, as well as the Special Commissioner of Investigation for the New York City School District.

Assistant United States Attorneys ELIE HONIG and KENNETH POLITE are in charge of the prosecution.

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