



# Department of Justice

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## **FORMER STATE SCHOOL SUPERINTENDENT LINDA SCHRENKO SENTENCED TO EIGHT YEARS IN FEDERAL PRISON**

Atlanta, GA - Former Georgia School Superintendent LINDA C. SCHRENKO, 55, of Grovetown, Georgia, was sentenced today by United States District Judge Clarence Cooper to eight years in federal prison and ordered to pay restitution of \$414,887.50 for conspiring to steal public funds and launder them into her failed gubernatorial campaign in 2002. SCHRENKO, who pleaded guilty on May 10, 2006, to fraud and money laundering charges a week and a half into her trial, also surrendered her personal vehicle to be applied to restitution, and paid a special assessment of \$200.

United States Attorney David E. Nahmias said about the case, "As Judge Cooper told Ms. Schrenko in court today, her sentence should send a strong message to those who would abuse the public trust to enrich themselves. Ms. Schrenko is facing eight years in federal prison for stealing public funds meant for the education of Georgia's children and using those funds for a political campaign and personal gain. But her sentence is shorter than it could have been, because she finally accepted responsibility, pleaded guilty, and agreed to cooperate to help ensure that her co-conspirators would also face justice. Those who violate the public's trust must expect one day to face serious consequences."

FBI Special Agent In Charge Greg Jones said of the case, "As citizens of Georgia, we expect our elected officials to be faithful stewards of taxpayer's money and of the public's trust. When that trust is betrayed, citizens can expect that the FBI will work diligently along with the United States Attorney's Office to seek justice and restore public confidence in government. We want to thank our colleagues at the United States Department of Education for their assistance in this investigation."

John P. Higgins, U.S. Department of Education Inspector General, said, "I am proud of the contribution of OIG Special Agents in holding former Superintendent Schrenko accountable for her fraudulent activity. The misappropriation of federal education dollars by Ms. Schrenko and her co-conspirators came at the expense of Georgia students, as well as the American taxpayer. That is unacceptable. My office will continue to aggressively pursue

those who seek to defraud federal education programs at the expense of our nation's students."

According to Nahmias, the plea agreements and evidence in the case: In the summer of 2002, SCHRENKO, who at the time was the State School Superintendent of Georgia, and her former Deputy Superintendent, MERLE TEMPLE, conspired with STEPHAN BOTES, the owner of a computer consulting company, to fraudulently obtain over a half million dollars of federal funds administered by the Georgia Department of Education. The evidence showed SCHRENKO personally ordered the Georgia Department of Education to issue checks in amounts just under \$50,000, totaling over \$500,000, to various companies owned and controlled by BOTES, purportedly to provide computer licenses and services to the Atlanta Area School for the Deaf, the Georgia School for the Deaf, and the Governor's Honors Program.

SCHRENKO personally ordered payments to BOTES' companies at a time when no services had been performed and no contracts for services existed. SCHRENKO directed the Department to issue 11 checks on one day, July 24, 2002, in amounts just under \$50,000, the maximum amount allowed by her signature alone. The monies ostensibly were to go for services to be provided to the Atlanta Area School For the Deaf, Georgia School For the Deaf, and the Governor's Honors Program. However, products and services were not provided, and approximately half of the fraudulent proceeds were secretly funneled into SCHRENKO'S campaign and to third parties to pay expenses for the campaign. The indictment charged that after SCHRENKO's unsuccessful campaign to run for governor, she used \$9,300 of the Education funds to pay for her own cosmetic surgery.

Co-defendant MERLE TEMPLE is scheduled to be sentenced at 9:30 a.m. on August 10, 2006, and co-defendant STEPHAN BOTES is scheduled to be sentenced at 9:30 a.m. on August 22, 2006, both before Judge Cooper.

The case was investigated by Special Agents of the U.S. Department of Education, Office of the Inspector General, and the FBI.

Assistant United States Attorneys Russell G. Vineyard and Daniel A. Caldwell are prosecuting the case.

For further information please contact David E. Nahmias, United States Attorney or Charysse L. Alexander, Executive Assistant United States Attorney, through Patrick Crosby, Public Affairs Officer, U.S. Attorney's Office, at (404) 581-6016. The Internet address for the HomePage for the U.S. Attorney's Office for the Northern District of Georgia is [www.usdoj.gov/usao/gan](http://www.usdoj.gov/usao/gan).