



Memorandum

Date October 10, 2006

To Bruce Weaver

From Kip Mendrygal
Paul Coggins
Madeleine Johnson

Re Employee Referral: **George Sparks, Manager of Facilities Support Services**

Client Dallas Independent School District

On October 6, 2006, Kip Mendrygal and Pete Nielsen interviewed Mr. George Sparks pursuant to this law firm's investigation into DISD's Procurement Card ("Pcard") Program. Mr. Sparks agreed to appear for the interview voluntarily, and signed a acknowledgement of same. (See Exhibit "A" attached hereto.) The information below is a summary of information gathered in witness interviews, and through our analysis of the Pcard transactions by DISD employees between January 1, 2003 and the present.

Background/DISD Employment History

Mr. Sparks started with DISD in September 2001 as the Executive Manager of Project Management. In early 2003, Sparks was promoted to Associate Superintendent of the Support Project Management Group. In September 2005, Sparks was placed on administrative leave pending the completion of an investigation surrounding Sparks' relationship with a DISD vendor (the "Ruben Bohuchot" investigation). In November 2005, Sparks returned to work, but was demoted and assigned to manage the Facilities Support Office. In June 2006, Sparks was again placed on administrative leave for reasons unknown.

Pcard-Related Facts and Circumstances

Mr. Sparks did not apply for or receive a Pcard. Mr. Sparks never received any formal Pcard training but, as a collateral duty, did participate in editing a revised version of the Pcard manual.

Mr. Sparks believes that his only direct report who maintained a Pcard was Gloria Orapello. Ms. Orapello was Mr. Sparks' administrative assistant from approximately 2003 through September 2005. Mr. Sparks knew that Ms. Orapello

had a Pcard that was used to make purchases for several of the departments under his supervision, but he did not examine any of Ms. Orapello's Pcard receipts or the monthly statements. Mr. Sparks said that, at one time, he received periodic email notifications listing the Pcard purchases made by Ms. Orapello on her Pcard, but that he did not review them, and that he subsequently stopped receiving them. Mr. Sparks did review the total purchase/expenditures made by Ms. Orapello on her Pcard as a function of his budget management process.

In connection with our investigation into Mr. Sparks, we interviewed Ms. Orapello. Ms. Orapello has admitted to making an unknown number of personal purchases using her Pcard. Mr. Sparks stated that he never gave Ms. Orapello permission to make purchases of personal items with the Pcard, and did not know that she was making personal or unauthorized Pcard purchases. Likewise, Ms. Orapello confirmed that Mr. Sparks probably did not know about the unauthorized purchases. Ms. Orapello further stated that, at her request, Ms. Brokaw was able to access the DISD Oracle system and override Mr. Sparks' receipt of periodic emails regarding Ms. Orapello's Pcard purchases.