

**APPROVE SETTLEMENT RECOMMENDATION
COMMONWEALTH EDISON SERVICES**

THE GENERAL COUNSEL REPORTS THE FOLLOWING SETTLEMENT:

DESCRIPTION: The Board and Commonwealth Edison, have tentatively agreed to a settlement regarding Commonwealth Edison invoices for electrical services provided to the Board. At issue is the resolution of approximately \$1,100,000.00 in disputed service charges on Commonwealth Edison invoices. The payment of \$824,586.87 to Commonwealth Edison will resolve all issues on the Board's Commonwealth Edison accounts for electrical services provided to the Board with service dates up to and including June 2002.

LSC REVIEW: LSC approval is not applicable to this report.

FINANCIAL: Charge \$824,586.87 to Operations Department
Budget Classification Fiscal Year 0944-552-000-4453-5330

AUTHORIZATION: Authorize the General Counsel to execute the Settlement Agreement, and all ancillary documents related thereto.

GENERAL CONDITIONS:

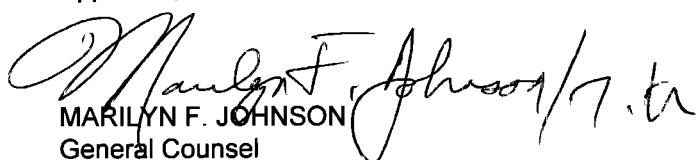
Inspector General - Each party to the agreement shall acknowledge that, in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Chicago Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel necessary to conduct those investigations.

Conflicts - The agreement is not legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board Members during the one year period following expiration or other termination of their terms of office.


Indebtedness - The Board's Indebtedness Policy adopted July 26, 1995 (95-0726-EX3), as amended from time to time, is hereby incorporated into and made part of this agreement.

Ethics - The Board's Ethics Code adopted September 27, 1995 (95-0926-RU3), as amended from time to time, is hereby incorporated into and made part of this agreement.

Approved,


MARILYN F. JOHNSON
General Counsel

Within Appropriation:


KENNETH C. GOTSCH
Chief Fiscal Officer