

February 22, 2006

PROPERTY TAX APPEAL REFUND - AUTHORIZE SETTLEMENT FOR PROPERTY TAX APPEALS BEFORE PTAB FOR THE 1999 AND 2000 TAX YEARS REGARDING THE PROPERTY LOCATED AT 10 SOUTH CANAL STREET JOINTLY OWNED BY AT&T AND AMERITECH

THE GENERAL COUNSEL REPORTS THE FOLLOWING DECISION:

Authorize settlement of appeals by AT&T and Ameritech regarding the property located at 10 South Canal for the 1999 and 2000 tax years. The Board's \$250,753.00 share of the overall refund will be affected by reductions in the Board's property tax revenues after PTAB and Cook County Board of Review approval of this settlement, most likely in calendar year 2006. This settlement does not involve a direct payout of Board funds. Illinois law requires interest of 5% or the consumer price index, whichever is lower, be paid on the refund from the date the appellants paid the taxes until the date of refund. The interest amount will also be deducted from incoming tax revenues and does not require a direct payout of Board funds.

DESCRIPTION: The General Counsel has determined that this settlement is in the Board's best interests.

LSC REVIEW: Local school council approval is not applicable to this report.

AFFIRMATIVE ACTION STATUS: Not applicable.

FINANCIAL: There is no charge to any Board account. The refund payment is to be deducted from the Board's tax revenues in calendar year 2006 or thereafter \$250,753.00, plus interest.

PERSONNEL IMPLICATIONS: None.

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.

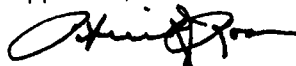
Conflicts - The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board Members during the one year period following expiration or other termination of their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

Ethics - The Board's Ethics Code adopted September 27, 1995, (95-0927-RU3), as amended from time to time, is hereby incorporated into and made a part of the agreement.

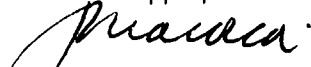
Contingent Liability - The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved,



PATRICK J. ROCKS
General Counsel

Within Appropriation:


JOHN MAIORCA
Chief Financial Officer