

**APPROVE SETTLEMENT RECOMMENDATION IN  
MCR, L.L.C. v. BOARD OF EDUCATION, CIRCUIT COURT NO. 01 L 4604**

**THE GENERAL COUNSEL REPORTS THE FOLLOWING SETTLEMENT:**

**DESCRIPTION:** Approve settlement in the contract-breach case of MCR, L.L.C. v. Board of Education, Cook County Circuit Court No. 01 L 4604, for the sum of \$1,500,000.00. The plaintiff will fully release the Board from all claims that were or could have been asserted in the suit, and will dismiss the case.

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

**AFFIRMATIVE ACTION STATUS:** Affirmative Action review is not applicable to this report.

**FINANCIAL:** Charge \$1,500,000.00 to Law Department  
Budget Classification Fiscal Year 2007 ..... 12470-115-54530-231122-000000

**AUTHORIZATION:** Authorize the Department of Law to execute the Settlement Agreement and all ancillary documents related thereto, and to issue settlement funds in accordance with the Settlement Agreement.

**GENERAL CONDITIONS:**

Inspector General - Each party to the agreement shall acknowledge, in accordance with 105 ILCS 5/24-13.1, 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.

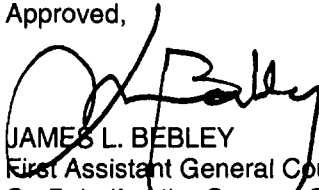
Conflicts - The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21/3 which restrict the employment of or the letting of contracts to, former Board Members during the one year period following expiration or other termination of their 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 June 23, 2004 (04-0623-PO4) as amended from time to time, is hereby incorporated in to 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,

  
JAMES L. BEBLEY  
First Assistant General Counsel  
On Behalf of the General Counsel *WMM*

Within Appropriation:

  
JOHN MAIORCA  
Chief Financial Officer