

APPROVE SETTLEMENT AGREEMENT WITH REPUBLIC SERVICES, INC.

THE GENERAL COUNSEL REPORTS THE FOLLOWING SETTLEMENT:

DESCRIPTION: After Republic Services, Inc., acquired Board vendor Allied Waste Industries, Inc., it received information suggesting that an Allied employee had allowed three M/WBE subcontractors on Allied contracts with the Board to subcontract portions of their Long-Haul Waste Hauling work to two non-M/WBE companies. Republic retained a retired federal prosecutor to investigate the report, terminated the employee who allowed the subcontracting, and shared the results of its investigation with the United States Attorney; ceased using the three M/WBE Long Haul Waste Hauling Companies and replaced them with other M/WBE companies; created and instituted a comprehensive nationwide M/WBE compliance program; and set in place efforts to "over spend" ("Overspending Efforts") with the M/WBE firms on the existing Contracts with the Board in order to reduce the shortfall it calculated to exist. In addition, Republic has offered to pay the Board the sum of \$254,641.00 as a fine, in exchange for a release from liability and an agreement not to seek to debar Republic or Allied. Republic reached a similar agreement with the City recently.

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

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

FINANCIAL: Republic Services, Inc. will pay the Board \$254,641.00 in settlement of this claim.
Budget Classification Fiscal Year 2012.....11880-230-45135-254021-000000

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

GENERAL CONDITIONS:

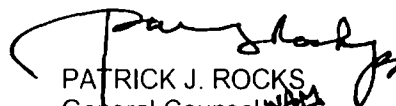
Inspector General - Each party to the agreement shall acknowledge, in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Chicago Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel necessary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

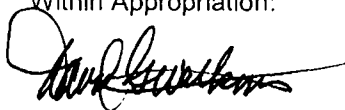
Ethics - The Board's Ethics Code adopted May 25, 2011 (11-0525-PO2), as amended from time to time, shall be incorporated into and made a part of the agreement.

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:



DAVID WATKINS
Chief Financial Officer