

June 28, 2023

**PERMANENT DEBARMENT OF STEVEN CORDELL AND STARFISH TRANSPORTATION, INC.****THE INTERIM CHIEF OPERATING OFFICER REPORTS THE FOLLOWING RECOMMENDATION:**

That the Board of Education of the City of Chicago (Board) permanently debar Steven Cordell and Starfish Transportation, Inc. (Respondents) from doing business with the Board.

The Board's Chief Procurement Officer mailed a Notice of Proposed Debarment to Respondents on September 20, 2022, initiating debarment proceedings against Respondents based on Section 2(k) of the Board's Debarment Policy. Respondent Steven Cordell was indicted in April 2007 for a continuing financial crimes enterprise, in which he used fraudulent misrepresentations to obtain checks for approximately \$2.4 million paid by the Board to its transportation vendor, Atlantic Express, Inc. These amounts were taken by Cordell from a CPS bank account at JP Morgan Chase Bank. While on bond, Cordell was indicted again in October 2008, for another continuing financial crimes enterprise, an elaborate check-kiting scheme in which he fraudulently deposited checks from business accounts at National City Bank to accounts at Bank of America, knowing that no funds were available in the former account, and then withdrew over \$220,000 from Bank of America before the bank discovered the lack of funds in the other accounts. Cordell was convicted and went to prison for his financial crimes. Cordell is the owner, president, agent, and sole officer of Starfish Transportation, Inc.

Respondents, through counsel, submitted a written response to the Notice as required by Section 4(d) of the Board's Debarment Policy. In their response, Respondents admit that Cordell was convicted and served time in prison for his financial crimes. The Interim Chief Operating Officer (COO) has reviewed the Notice of Debarment, Respondents' response to the Notice of Debarment, the CPO's reply to the Notice of Debarment and the CPO's recommendation of debarment.

Based on the Interim COO's review of the record (as defined in Section 4.5(10) of the Debarment Policy, the Interim COO recommends that the Board permanently debar Respondents from doing business with the Board effective immediately. All existing contracts between the Board and Respondents are terminated. Respondents are barred from doing business with CPS or working on CPS property. Respondents are barred from participating as a subcontractor, vendor, or supplier under any Board contract. Respondents are barred from being hired or employed by CPS. Finally, Respondents are ineligible for the award of any new Board business.

The Board adopts and approves the recommendation of the Interim Chief Operating Officer.

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

**AFFIRMATIVE**

23-0628-OP3

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

**FINANCIAL:** None.

**GENERAL**

**CONDITIONS:** None.

APPROVED:

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*Charles Mayfield*

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CHARLES MAYFIELD

Interim Chief Operating Officer

APPROVED AS TO LEGAL FORM:

DocuSigned by:

*Ruchi Verma*

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General Counsel

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