

**APPROVE CONSENT DECREE AND SETTLEMENT AGREEMENT  
OF DEBARMENT ACTION OF EDUCATIONAL RESOURCE AND ARTHUR J. MARTIN**

**THE GENERAL COUNSEL REPORTS THE FOLLOWING DECISION:**

That the Chicago Board of Education approve the Consent Decree and Settlement Agreement with Educational Resource and Arthur J. Martin, which provides that Educational Resource and Arthur J. Martin be voluntarily excluded from conducting business with the Board for a period of three (3) years commencing March 23, 2001 and ending March 23, 2004. In its Notice of Debarment against Educational Resource and Arthur J. Martin, the Board alleged that Arthur J. Martin, on behalf of Educational Resource, knowingly negotiated warrants issued by the Board that were intended for another vendor. By negotiating the warrants, Mr. Martin committed theft and misrepresentation each time he endorsed and negotiated a warrant that he knew was intended for another vendor.

**DESCRIPTION:** Section 1.1, 1.3, 2.2(b)(1), 2.2(b)(3), 2.2(d)(2), and 2.2(e) of the Board's Debarment Policy and Procedures (the "Policy") provides for debarment of businesses and their "affiliates," participants," and "principals" (as defined in the Policy) from participation in the Board's procurement transactions and activities for failure to perform in accordance with the terms of Board rules, policies, agreements or transactions, violation of contract provisions and requirements, violations of Board Rules and Policies, for the commission of any other act indicating a lack of business integrity or honesty. Specifically, Section 2.2(b)(3) of the Debarment Policy provides for debarment based on "violation of a statutory or regulatory provision or requirement applicable to a public or private agreement or transaction." Section 2.2(e) provides for debarment based on the commission of any act indicating a lack of business integrity or honesty, including false certifications or statements.

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

**AFFIRMATIVE**

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

**FINANCIAL:** None.

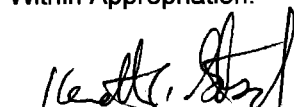
**GENERAL CONDITIONS:** None.

Approved,



MARILYN F. JOHNSON  
General Counsel

Within Appropriation:



KENNETH C. GOTSCH  
Chief Fiscal Officer