

**APPROVE SETTLEMENT RECOMMENDATION IN
LITIGATION WITH PHILLIP O'BANNON v. BOARD, et al.**

THE GENERAL COUNSEL REPORTS THE FOLLOWING SETTLEMENT:

DESCRIPTION: There are three active lawsuits pending which have been initiated by Phillip O'Bannon against the Board and various current and/or former Board employees: (1) *O'Bannon v. Board of Education*, No. 00C 7547 (N.D. Ill.); (2) *In re: Phillip O'Bannon (Dismissal Charges)*; and (3) *O'Bannon v. Board of Education*, No. 01 C. 7197 (N.D. Ill.) Presently, the Law Department is in the final stages of negotiating with O'Bannon a "global" settlement of all the lawsuits for a total payment of \$300,000.00 to O'Bannon for any last compensation and attorney fees.

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

FINANCIAL: Charge \$300,000.00 to Law Department
Budget Classification Fiscal Year 2003 0963-210-000-7072-5490

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

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 is not 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.

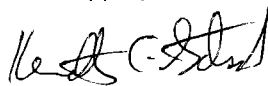
Indebtedness - The Board's Indebtedness Policy adopted July 26, 1995 (95-0726-EX3), as amended from time to time, is hereby incorporated into and made part of this agreement.

Ethics - The Board's Ethics Code adopted September 27, 1995 (95-0926-RU3), as amended from time to time, is hereby incorporated into and made part of this agreement.

Approved,


MARILYN F. JOHNSON
General Counsel

Within Appropriation:



KENNETH C. GOTSCH
Chief Fiscal Officer