

APPROVE TENTATIVE SETTLEMENT AGREEMENT IN DISPUTE WITH CHICAGO TEACHERS UNION OVER IMPLEMENTATION OF ARTICLE 36-3.2 OF THE 1999-2003 COLLECTIVE BARGAINING AGREEMENT BETWEEN THE BOARD AND THE UNION

THE GENERAL COUNSEL REPORTS THE FOLLOWING SETTLEMENT:

DESCRIPTION: Law Department attorneys have reached a Tentative Settlement Agreement with the Chicago Teachers Union, subject to approval by the Board of Education of the City of Chicago, to pay certain classes of full-time teachers and full-time educational support personnel in the Chicago Teachers Union bargaining unit, as non-pensionable bonuses, the aggregate sum of Eighteen Million Dollars (\$18,000,000.00) for the fiscal years 2001, 2002 and 2003, which sum shall be pro-rated among the individual bargaining unit members in accordance with the Tentative Settlement Agreement. The Tentative Settlement Agreement, which has been filed with the Secretary of the Board of Education of the City of Chicago, sets forth the criteria for eligibility and the manner in which the non-pensionable bonuses will be distributed. The Tentative Settlement Agreement resolves the Board of Education of the City of Chicago's obligations under Article 36-3.2 of the 1999-2003 Collective Bargaining Agreement to "negotiate [with the Chicago Teachers Union] an alternative benefit equivalent in cost to the extension of the 7% pension pick-up to certain after school and summer school programs." The Tentative Settlement Agreement fully and finally resolves all issues in dispute between the Board of Education and the Chicago Teachers Union raised by the Chicago Teachers Union in grievance number 03-01-021. A copy of the fully executed Settlement Agreement will be filed with the Board Secretary after Board approval and execution by all parties.

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

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

FINANCIAL: Charge \$1,800,000.00 to Financial Services Department:
Budget Classification Fiscal Year 2006210-0963-000-7072-5490
Charge \$16,200,000.00 to Financial Services Department:
Budget Classification Prior Fiscal Years210-0963-000-1991-5110

AUTHORIZATION: Approve Tentative Settlement Agreement and 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, 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.

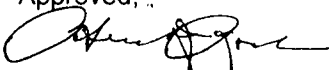
Conflicts - The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21/3 which restrict the employment of or the letting of contracts to, former Board Members during the one year period following expiration or other termination of their 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, ..


PATRICK J. ROCKS
General Counsel

Within Appropriation:


JOHN MAIORCA
Chief Financial Officer