

**APPROVE CONSENT DECREE AND SETTLEMENT AGREEMENT
OF DEBARMENT ACTION OF FLOORTEX COMMERCIAL FLOORING, INC.
AND ANCHORMAN FLOORS, INC.**

THE GENERAL COUNSEL REPORTS THE FOLLOWING DECISION:

That the Chicago Board of Education approve the Consent Decree and Settlement Agreement with Floortex Commercial Flooring, Inc. ("Floortex"), Howard Davis, owner and president of Floortex, Anchorman Flooring, Inc. ("Anchorman") and Kimberly Davis, Vice-President of Anchorman, which provides that: (i) Floortex and Howard Davis are voluntarily excluded from conducting business with the Board for a period of three (3) years commencing April 30, 2001 and ending April 30, 2004, (ii) Anchorman and Kimberly Davis are voluntarily excluded from conducting business with the Board for a period of thirty (30) days commencing April 30, 2001 and ending May 30, 2001, (iii) Howard Davis is prohibited from being a principal having ownership, control or management authority in Anchorman for a period of three (3) years commencing April 30, 2001 and ending April 30, 2004 and (iv) Howard Davis, to the extent that he may be employed by firms hired by the Board, is prohibited from engaging in any threatening or physically abusive behavior toward other individuals on Board projects.

In the Notice of Debarment, the Board alleged the following against Floortex: (i) civil judgments had been entered against Floortex for failing to pay a subcontractor on a Board project and failing to pay contributions to the Carpenter's Union pension fund Floortex (ii) Floortex failed to disclose a subcontractor on its contractor's affidavits for several board projects, and (iii) Floortex performed unsatisfactorily and defaulted on installation of tile at Lovett School. In the Notice of Debarment, the Board alleged the following against Anchorman: (i) Anchorman failed to pay a subcontractor hired by Anchorman and produced waivers and back charge statements which erroneously stated the amount paid and due to the subcontractor (ii) as a representative of Anchorman, Howard Davis engaged in abusive behavior toward representatives of other contractors present on Board projects, and (iii) Anchorman filed a Notice of Claim to obtain payment from the Board after it had filed a final waiver of lien with the Board.

DESCRIPTION: Section 2.2(a)(4), 2.2(b)(1), 2.2(d), 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.

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

AFFIRMATIVE

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

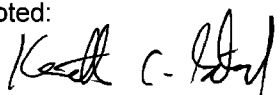
FINANCIAL: None.

GENERAL CONDITIONS: None.

Approved,


MARILYN F. JOHNSON
General Counsel

Noted:


KENNETH C. GOTSCH
Chief Fiscal Officer