

May 23, 2001

**AUTHORIZE RETENTION OF THE LAW FIRM
KUTAK ROCK**

THE GENERAL COUNSEL REPORTS THE FOLLOWING DECISION:

Retention of the law firm Kutak Rock.

DESCRIPTION: The General Counsel has engaged the services of the law firm Kutak Rock to conduct an internal audit of bond proceeds expenditures made from the 1996, 1997 and 1997A bond issuances. The firm will work with the departments of Law, Finance, Operations, and Budget in performing the audit. Authorization is requested in the amount of \$100,000. As invoices are received, they will be reviewed by the General Counsel and, if satisfactory, processed for payment.

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

AFFIRMATIVE ACTION STATUS: None.

FINANCIAL:

Charge \$30,000.00 to Bond Funds Proceeds 1996:	
Budget Classification	0014-440-000-1011-5410
Charge \$30,000.00 to Bond Funds Proceeds 1997:	
Budget Classification	0014-445-000-1011-5410
Charge \$40,000.00 to Bond Funds Proceeds 1997A:	
Budget Classification	0014-455-000-1011-5410

GENERAL CONDITIONS:

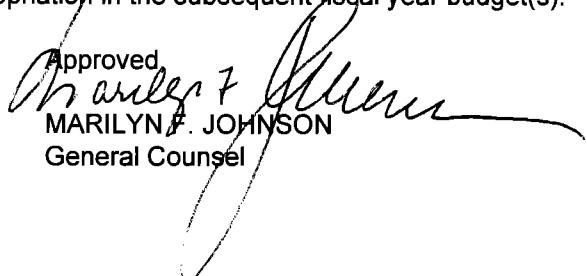
Inspector General - Each party to the agreement shall acknowledge that, in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Chicago Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel necessary to conduct those investigations.


Conflicts - The agreement shall not be 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 a part of the agreement.

Ethics - The Board's Ethics Code adopted September 27, 1995, (95-0927-RU3), as amended from time to time, is hereby incorporated into 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

 MARILYN F. JOHNSON
 General Counsel

Within Appropriation:

 KENNETH C. GOTSCH
 Chief Fiscal Officer