

**APPROVE THE WITHDRAWAL OF FUNDS FROM OWNERS' ESCROW ACCOUNT
AT CHICAGO TITLE & TRUST**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve the withdrawal of \$750,000.00 from the Chicago Board of Education Owners' Escrow Account ("Owners' Escrow Account") at Chicago Title & Trust (account #1401-023200301-002). Authorize the General Counsel to execute a Letter of Direction to Chicago Title & Trust to accomplish said withdrawal and to deposit said funds into Capital Fund 472. The authority granted herein shall automatically rescind in the event the funds are not withdrawn within 90 days of the date of this Board Report. Information pertinent to this matter is stated below.

BACKGROUND: Pursuant to the authority granted in Board Report 96-1023-PO2, the Board established a policy to provide assistance payments to relocate property owners and tenants where relocation assistance payments are not available from federal funds or otherwise. Pursuant to the authority given to the Attorney in Paragraph 8 of said Policy, two escrow accounts were established at Chicago Title & Trust as follows: 1) Owners' Escrow Account to pay costs and fees associated with purchasing real estate, including owners' moving and relocation expenses, survey, title fees, real estate taxes and other land acquisition costs; and 2) Tenants' Escrow Account to pay tenants' moving and relocation expenses. Pursuant to the Board's direction and for the Board's benefit, both of these escrow accounts are invested by Chicago Title & Trust in money market accounts at Cole Taylor Bank.

CURRENT STATUS OF FUNDS: As of August 31, 2006, the Tenants' Escrow Account had a balance of \$19,602.01 and the Owners' Escrow Account had a balance of \$948,400.41. The balance in the Tenants' Escrow Account is necessary to pay for future relocation costs and shall remain as is. The balance in the Owners' Escrow Account, however, is substantially more than is necessary for future costs and fees associated with purchasing real estate. Therefore, \$750,000 of this balance shall be withdrawn from the Owners' Escrow Account.

AUTHORIZATION: Authorize the General Counsel to withdraw \$750,000 from the Owners' Escrow Account pursuant to a Letter of Direction to Chicago Title & Trust. Authorize the General Counsel to execute any other documents required to withdraw said funds.

AFFIRMATIVE ACTION: Exempt.

LSC REVIEW: Local School Council approval is not applicable to this report.

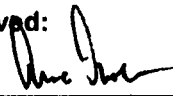
FINANCIAL: Credit to Capital Fund 472.

Approved for Consideration:



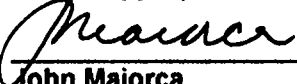
David Vitale
Chief Operating Officer

Approved:



Arne Duncan
Chief Executive Officer

Within Appropriation:



John Maiorca
Chief Financial Officer

Approved as to legal form:



Patrick J. Rocks
General Counsel