

December 19, 2007

**RATIFY TENTATIVE MEMORANDUM OF UNDERSTANDING BETWEEN THE BOARD OF EDUCATION OF THE CITY OF CHICAGO AND THE CHICAGO TEACHERS UNION, LOCAL 1, AFT, AFL-CIO WITH RESPECT TO THE IMPLEMENTATION OF THE TEACHER INCENTIVE FUND GRANT AND THE RECOGNIZING EXCELLENCE IN ACADEMIC LEADERSHIP ("REAL") PROGRAM**

**THE CHIEF EXECUTIVE OFFICER RECOMMENDS THE FOLLOWING:**

That the Board approve and ratify the tentative Memorandum of Understanding between the Board of Education of the City of Chicago and the Chicago Teachers Union, Local 1, AFT, AFL-CIO with Respect to the Implementation of the Teacher Incentive Fund Grant and the Recognizing Excellence in Academic Leadership program.

**DESCRIPTION:** On July 24, 2007, representatives of the Chief Executive Officer reached a tentative agreement with the Chicago Teachers Union, Local, AFT, AFL-CIO with respect to Implementation of the Teacher Incentive Fund Grant and the Recognizing Excellence in Academic Leadership ("REAL") Program. The Chief Executive Officer and his representatives have fully briefed the Board on the terms of the tentative agreement. The Chief Executive Officer recommends that the Board ratify that tentative agreement. A copy of the fully executed agreement will be placed on file in the Office of the Board.

**LSC REVIEW:** Not applicable.

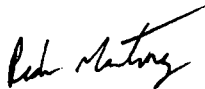
**FINANCIAL:** Since the School Code of Illinois prohibits the incurring of any liability unless an appropriation has been previously made, the expenditures are deemed to be contingent liabilities only, subject to appropriations in the FY08, FY09, FY10, FY11 and FY12 Budgets.

Respectfully submitted,



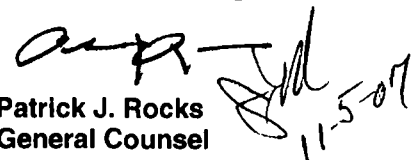
Arne Duncan  
Chief Executive Officer

Noted:



Pedro Martinez  
Chief Financial Officer

Approved as to Legal Form:



Patrick J. Rocks  
General Counsel