

APPROVE PAYMENT OF PROPOSED SETTLEMENT WITH GAIL KAY AND CHICAGO TEACHERS PENSION FUND

THE GENERAL COUNSEL REPORTS THE FOLLOWING PROPOSED SETTLEMENT:

DESCRIPTION: Pursuant to the settlement agreement tentatively reached in Case No. 2009 L 12590, *Gail Kay v. Chicago Board of Education, et. al.* involving Gail Kay's claims for back pay, attorneys' fees and costs, and the Chicago Teachers Pension Fund's ("Fund") claims for pension contributions and pension reimbursement, the parties have reached a settlement, subject to Board approval, disposing of all claims brought by Gail Kay and the Fund associated with the underlying proceedings. The General Counsel recommends approval of the settlement, which calls for the payment of three hundred twenty nine thousand dollars (\$329,000.00) to Gail Kay and her attorney, and one hundred forty six thousand dollars (\$146,000.00) to the Fund.

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

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

FINANCIAL: Charge \$135,417.30 as described above to Law Department
Budget Classification Fiscal Year 2012.....12470-115-54530-231122-000000

Charge \$339,582.70 as described above to Law Department
Budget Classification Fiscal Year 2012.....12470-115-51130-119004-000000
(Bucket #100079)

AUTHORIZATION: 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 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 member during the one year period following expiration or other termination of their terms of office.

Indebtedness – The Board's Indebtedness Policy adopted June 26, 1996 (96-0626-PO3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics – The Board's Ethics Code adopted May 25, 2011 (11-0525-PO2), as amended from time to time, shall be incorporated into and made a part of the agreement.

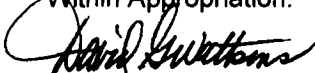
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved,



PATRICK J. ROCKS
General Counsel

Within Appropriation:



DAVID WATKINS
Chief Financial Officer