

**DEBARMENT OF DR. GEORGE E. SMITH; MPI, INC., d/b/a  
MANAGEMENT PLANNING INSTITUTE; DIVERSIFIED BEHAVIORAL  
SERVICES, INC.; THE INSTITUTE FOR POSITIVE CHILD AND FAMILY  
DEVELOPMENT, INC.; ED'S INVESTMENT MANAGEMENT –  
REAL ESTATE, INC., and DBCC ORGANIZATION**

**THE CHIEF ADMINISTRATIVE OFFICER REPORTS THE FOLLOWING RECOMMENDATION:**

That the Board of Education of the City of Chicago ("Board") fully and permanently debar DR. GEORGE E. SMITH; MPI, INC., d/b/a MANAGEMENT PLANNING INSTITUTE; DIVERSIFIED BEHAVIORAL SERVICES, INC.; THE INSTITUTE FOR POSITIVE CHILD AND FAMILY DEVELOPMENT, INC.; ED'S INVESTMENT MANAGEMENT – REAL ESTATE, INC., and DBCC ORGANIZATION (collectively, "Respondents") from doing any business with the Board.

On April 12, 2011, the Board's Chief Purchasing Officer filed and served on Respondents a Notice of Proposed Debarment ("Notice"), initiating interim constraints and a debarment proceeding against them, based upon Respondents' (1) failure to cooperate with an investigation of the Office of the Inspector General ("OIG"), in violation of 105 ILCS 5/34-13.1(d) and section 2(f) of the Board's Debarment Policy, (2) improper conduct relating to bills, invoices, claims and applications for grants submitted to numerous State entities and agencies, in violation of sections 2(i)(1) – (3), (6) & (7) of the Debarment Policy, and (3) debarment, suspension or interim constraints imposed by another governmental entity or agency, which support debarment under section 2(i)(16) of the Debarment Policy. Respondents received the Notice of Debarment by certified mail on April 17, 2012, and under section 4.5(d) of the Debarment Policy, Respondents were required to file a verified, written answer to the Notice on or before May 15, 2012. Section 4.5(d) of the Debarment Policy further provides that a failure to respond "to any allegation in the Notice shall be deemed an admission of that allegation," and that if "Respondent[s] fail to file a timely Answer to the Notice . . . all of the allegations . . . shall be deemed to be admitted."

None of the Respondents filed an answer to the Notice, and thus all allegations are deemed admitted. The alleged conduct of Respondents was so egregious that the Notice sought to fully and permanently debar them.

Based on the facts set forth in the Notice, the Chief Administrative Officer, Tim Cawley, recommends that the Board fully and permanently debar all Respondents from doing any business with the Board, effective immediately.

**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:

  
Tim Cawley  
Chief Administrative Officer

APPROVED AS TO LEGAL FORM: 

  
PATRICK J. ROCKS  
General Counsel

WITHIN APPROPRIATION:

  
DAVID WATKINS  
Chief Financial Officer