

**APPROVE CONSENT DECREE AND SETTLEMENT AGREEMENT
OF DEBARMENT ACTION OF HUGO'S CLEANING SERVICE, INC.**

THE GENERAL COUNSEL REPORTS THE FOLLOWING DECISION:

That the Chicago Board of Education approve the Consent Decree and Settlement Agreement with Hugo's Cleaning Service, Inc., which provides that Hugo's Cleaning Service, Inc. be debarred from conducting business with the Board for a period of three (3) years commencing November 5, 2001 and ending November 5, 2004. In its Notice of Debarment against Hugo's Cleaning Services, Inc., the Board alleged that Hugo's Cleaning Services, Inc. failed to conduct criminal background checks on prospective employees that later would be assigned to Chicago Public Schools job sites. The Board further alleged that Hugo's Cleaning Services, Inc. actually hired workers with criminal convictions for drug offenses, burglary, armed robbery, unlawful restraint and armed violence, some of whom worked in close proximity to Chicago Public Schools students. This debarment does not include Earl Furhmann, Vice President of Hugo's Cleaning Services, Inc.

DESCRIPTION: Section 1.1, 1.3, 2.2(b)(1), 2.2(b)(3), 2.2(d)(2), and 2.2(e) of the Board's Debarment Policy and Procedures (the "Policy") provide for debarment of businesses and their "affiliates," participants," and "principals" (as defined in the Policy) from participation in the Board's procurement transactions and activities for failure to perform in accordance with the terms of Board rules, policies, agreements or transactions, violation of contract provisions and requirements, violations of Board Rules and Policies, for the commission of any other act indicating a lack of business integrity or honesty. Specifically, Section 2.2(b)(3) of the Debarment Policy provides for debarment based on "violation of a statutory or regulatory provision or requirement applicable to a public or private agreement or transaction."

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

AFFIRMATIVE

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

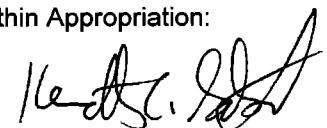
FINANCIAL: None.

GENERAL CONDITIONS: None.

Approved,


MARILYN F. JOHNSON
General Counsel

Within Appropriation:


KENNETH C. GOTSCH
Chief Fiscal Officer