

DEPARTMENT OF LAKE EFFECT SALES & SERVICE, LLC

THE CHIEF ADMINISTRATIVE OFFICER REPORTS THE FOLLOWING RECOMMENDATION:

That the Board of Education of the City of Chicago ("Board") fully and permanently debar Lake Effect Sales & Service, LLC ("Lake Effect") from doing any business with the Board.

On June 19, 2009, the Board's Chief Purchasing Officer filed and served a Notice of Proposed Debarment ("Notice"), initiating a debarment proceeding against Lake Effect. The Notice asserted, among other things, that Lake Effect used its name and vendor number to create leases and submit invoices in order to lease items to the Board outside the bidding process and outside the scope of principals'

authority. The Notice also alleged that Lake Effect allowed Proven Business Systems, LLC ("Proven") to use its name and vendor number to submit quotes and invoices for transactions in which Proven was the