

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): September 25, 2006

GENERAL EMPLOYMENT ENTERPRISES, INC.  
(Exact name of registrant as specified in its charter)

Illinois 1-05707 36-6097429  
(State or other jurisdiction of (Commission (I.R.S. Employer  
incorporation or organization) File Number) Identification Number)

One Tower Lane, Suite 2200, Oakbrook Terrace, Illinois 60181  
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (630) 954-0400

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01, Entry into a Material Definitive Agreement.

Bonus Plan

On September 25, 2006, the Compensation and Stock Option Committee of the Company's Board of Directors (the "Committee") approved an amendment of the Chief Executive Officer Bonus Plan, effective for fiscal years beginning on and after October 1, 2006. The amendment establishes a threshold amount of corporate income, to be determined annually by the Committee, so that annual bonuses calculated under the plan will be based on corporate income that exceeds the threshold amount. Previously, there was no threshold amount under the plan.

The effect of the amendment is that the CEO will not be eligible to receive a bonus until a minimum corporate objective of profitability has been achieved, resulting in the CEO bonus amount at any given level of corporate profitability being lower than it would have been under the original bonus plan.

Stock Option Awards

On September 25, 2006, pursuant to the Company's 1997 Stock Option Plan, the Committee awarded options to purchase common stock of the Company to the executive officers named below. They are non-statutory stock options that vest ratably over two years. The option exercise price was established as the closing market price on the American Stock Exchange on the date of grant, which was \$1.63 per share.

Herbert F. Imhoff, Jr., Chairman, CEO & President 40,000 shares  
Kent M. Yauch, Vice President, CFO & Treasurer 20,000 shares  
Marilyn L. White, Vice President 20,000 shares

The form of the stock option agreement for executive officers is filed as an exhibit to this report.

Item 9.01, Financial Statements and Exhibits.

The following exhibit is filed as part of this report:

No. Description of Exhibit

99.01 Form of the stock option agreement for executive officers.

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#### SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

GENERAL EMPLOYMENT ENTERPRISES, INC.  
(Registrant)

Date: September 29, 2006      By: /s/ Kent M. Yauch  
Kent M. Yauch  
Vice President, Chief Financial  
Officer and Treasurer

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GENERAL EMPLOYMENT ENTERPRISES, INC.  
Stock Option Agreement  
Under The  
General Employment Enterprises, Inc. 1997 Stock Option Plan

A Stock Option ("Option") is hereby granted by General Employment Enterprises, Inc., an Illinois corporation ("Company"), to the officer of the Company named below ("Optionee"), for and with respect to common stock of the Company, no par value ("Common Stock"), subject to the following terms and conditions:

1. Grant. Subject to the provision set forth herein and the terms and conditions of the General Employment Enterprises, Inc. 1997 Stock Option Plan ("Plan"), the terms of which are hereby incorporated by reference, and in consideration of the agreements of Optionee herein provided, the Company hereby grants to Optionee an option to purchase from the Company the number of shares of Common Stock, at the purchase price per share, and on the schedule, set forth below. At the time of exercise of the Option, payment of the entire purchase price shall be made pursuant to terms of the Plan.

Name of Optionee:

Type of Option:

Number of Shares  
Subject to Option:

Option Price per Share:

Date of Grant:

Exercise Schedule:

Number of Shares Subject to Option	Commencement Date	Expiration Date
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The grant of the Option is conditioned upon the acceptance by Optionee of the terms hereof as evidenced by his execution of this Agreement in the space provided therefor at the end hereof and the return of an executed copy to the Secretary of the Company no later than \_\_\_\_\_.

2. Prior Termination. Except as provided in Section 2(b) below, the Option shall not be exercisable prior to the Commencement Date set forth in Section 1 above. Notwithstanding the Expiration Date set forth in Section 1 above:

(a) if Optionee's employment with the Company (i) is terminated by the Company for any reason; or (ii) is voluntarily terminated by the Optionee for any reason other than; (I) termination on or after attaining age 55, (II) death or (III) disability, the Option shall expire on the ninetieth (90) day after such termination of employment.

(b) if Optionee's employment with the Company terminates on or after attaining age 55; or by reason of disability or death, the Option, if not already exercisable on the date of such termination of employment,

shall become exercisable and shall expire on the earlier of the first anniversary of the date of such termination of employment or the date the Option expires in accordance with Section 1 above. During such period the Option may be exercised by Optionee with respect to the same number of shares of Common Stock, in the same manner, and to the same extent, as if Optionee had continued employment during such period; provided that if such termination occurs by reason of death, the Option shall be exercisable, in whole or in part, by a legatee or legatees of the Option under Optionee's

will, or by his executors, personal representatives or distributees.

3. Transferability. The Option may be exercised only by Optionee during his lifetime, except as provided in Section 2, above, and may not be transferred other than by will or the applicable laws of descent or distribution. The Option shall not otherwise be transferred, assigned, pledged or hypothecated for any purpose whatsoever and is not subject, in whole or in part, to execution, attachment, or similar process. Any attempted assignment, transfer, pledge or hypothecation or other disposition of the Option, other than in accordance with the terms set forth herein, shall be void and of no effect.

4. Notice of Exercise. Written notice of an election to exercise any portion of the Option, specifying the portion thereof being exercised, in 1,000 share increments, (or in such smaller number representing all of the shares subject to the unexercised portion of the Option) and the exercise date, shall be given by Optionee, or his personal representative in the event of Optionee's death (i) by delivering such notice at the principal executive offices of the Company no later than the exercise date, or (ii) by mailing such notice, postage prepaid, addressed to the Secretary of the Company at the principal executive offices of the Company at least three business days prior to the exercise date.

5. Shareholder Status. Neither Optionee nor any other person entitled to exercise the Option under the terms hereof shall be, or have any of the rights or privileges of, a shareholder of the Company in respect of any of the shares of Common Stock issuable on exercise of the Option, unless and until the purchase price for such shares shall have been paid in full pursuant to the terms of the Plan.

6. Cancellation or Adjustment. In the event the Option shall be exercised in whole, this Agreement shall be surrendered to the Company for cancellation. In the event the Option shall be exercised in part, or a change in the number or designation of the Common Stock shall be made, this Agreement shall be delivered by Optionee to the Company for the purpose of making the appropriate notation thereon, or of otherwise reflecting, in such manner as the Company shall determine, the partial exercise or the change in the number or designation of the Common Stock. In the event of any Common Stock dividend, split up, recapitalization, merger, consolidation, combination, or exchange of shares of Common Stock, separation, reorganization or liquidation occurring after the date of this Agreement, the Committee will adjust the aggregate price to be paid or the aggregate number and class of shares of Common Stock to be received by Optionee pursuant to an Option.

7. Administration. The Option shall be exercised in accordance with such administrative regulations as the Committee established by the Plan to administer the Plan, shall from time to time adopt.

8. Governing Law. The Option and this Agreement shall be construed, administered and governed in all respects under and by the laws of the State of Illinois. The Company and the Optionee agree that the

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jurisdiction and venue for any disputes arising under, or any action brought to enforce (or otherwise relating to) this Agreement shall be exclusively in the courts in the State of Illinois, County of Du Page, including the Federal Courts located therein (should Federal jurisdiction exist), and the Company and the Employee hereby submit and consent to said jurisdiction and venue.

9. No Guaranty of Employment. Nothing herein confers or shall confer on Optionee any right to continue in the employment of the Company nor shall interfere with the Company's right to terminate the employment of Optionee at any time.

10. Notices to Optionee. Any notices by the Company to Optionee shall be deemed given when personally delivered to Optionee, or three business days after mailed to Optionee by first-class mail, postage prepaid, to Optionee's last address on the employee records of the Company.

11. The Plan. The terms of this Agreement shall be subject to the terms of the Plan. In the case of any conflict between the terms of this Agreement and the terms of the Plan, the terms of the Plan shall control.

12. Counterparts. The parties may execute this Agreement in one or more counterparts, all of which together shall constitute but one Agreement.

GENERAL EMPLOYMENT ENTERPRISES, INC.

By: \_\_\_\_\_  
Herbert F. Imhoff, Jr., Chief Executive Officer  
and Chairman of the Board

The undersigned hereby accepts the foregoing Option and the terms and conditions hereof.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Optionee