

**ARTICLES OF JOINT AGREEMENT  
OF THE  
SOUTHWEST COOK COUNTY COOPERATIVE  
ASSOCIATION FOR SPECIAL EDUCATION**

**ARTICLE I - NAME**

This Association shall be known as the Southwest Cook County Cooperative Association for Special Education.

**ARTICLE II - PURPOSE**

In conformance with the *Illinois School Code* and in compliance with the County Plan as approved by the State Advisory Committee, the purpose of this Association shall be to bring together in Southwest Cook County, by joint agreement of school districts, special education programs through the establishment of classes, services, and facilities as needed by the member districts as now or hereafter may be described in the *Illinois School Code* at 105 ILCS 5/10-22.31, 5/10-22.31a, 5/10-22.31b and Article 14.

**ARTICLE III - MEMBERSHIP**

**Section A** - Membership in this Cooperative shall include the following school districts:

District 113	Lemont	District 159	Matteson
District 117	North Palos	District 160	Country Club Hills
District 118	Palos	District 210	Lemont High School
District 142	Forest Ridge	District 228	Bremen High School
District 145	Arbor Park	District 230	Consolidated High School
District 146	Tinley Park		

**Section B** - In accepting membership in this Cooperative, each district agrees to accept and carry out the following responsibilities:

1. Be assessed for administrative and operational service and program costs according to policies established by the Board of Directors.
2. Render prompt payment in accordance with these Articles of Joint Agreement and the

policies of the Board of Directors as billed by the Executive Director.

3. Provide classroom space for Cooperative programs as necessary on a rotation basis with other member districts. Each district should provide a classroom for Cooperative programs at a minimum of one classroom every three years. Multi-classroom space needs of Cooperative cluster programs (including, but not limited to, Deaf/Hard of Hearing high school, elementary and junior high; D.E.S.T.I.N.Y elementary) should be considered by member districts in any planning for future facility expansion. If space is necessary for a Cooperative program and none is available, the Board of Directors shall determine appropriate action.
4. Provide space for itinerant and related service providers as needed in accordance with district practice.
5. Publicly support the policies, procedures and actions of the Board of Directors and all Cooperative services and programs.

**Section C** - New Membership

Prospective new members shall submit written application to the Executive Director for the Directors recommendation to the Board of Directors for action. Approval must be by two-thirds of all member district boards of education. New members shall begin membership at the start of the first fiscal year following the approval of membership.

**Section D** - Withdrawal / Dissolution / Involuntary Withdrawal

1. Voluntary Withdrawal
  - a. In General. Procedures for the withdrawal of a member board of education from the Cooperative will be in accordance with the *Illinois School Code* (See Sections 5/10-22.31 and 5/7-6) and consistent with the requirements and rules adopted by the

Illinois State Board of Education.

b. Procedures.

- (1) Initiation of Withdrawal Process. A member board that seeks to withdraw from the Cooperative shall adopt a written resolution approving its withdrawal. Such written resolution shall state the proposed effective date of the withdrawal, the specific reason(s) for withdrawal, the benefits of withdrawal to the withdrawing board and its students, and the projected financial and educational impact of the proposed withdrawal upon the Cooperative and the remaining member districts and their students. Within thirty (30) days after adopting the written resolution, and no later than eighteen (18) months prior to the proposed effective date of withdrawal, a member board seeking withdrawal shall present such written resolution and a petition to withdraw to the Chairperson of the Board of Directors, the Executive Director, and the Superintendents of Schools for the remaining member districts by certified mail, return receipt requested, or personal delivery with receipt.
- (2) Member Boards Concur. If all member boards adopt written concurring resolutions agreeing to the proposed withdrawal, the withdrawing member board need not file a petition with the regional board, board(s) of school trustees or the boards of education for those districts that fall under the oversight of the abolished regional board, as may be applicable, seeking approval of the proposed withdrawal. Withdrawal will be effective on July 1 **of the school year as proposed by the withdrawing member district in**

**accordance with these Articles of Joint Agreement** If all of the member boards adopt concurring resolutions, the withdrawing member board shall provide written notice of the approved withdrawal to the Illinois State Board of Education.

- (3) **Member Boards Do Not Concur.** If the member boards do not adopt written concurring resolutions agreeing to the proposed withdrawal within one (1) year following the adoption of its written resolution approving withdrawal, the member board seeking withdrawal must file its petition with the regional board of school trustees, the board(s) of school trustees or the boards of education for those districts that fall under the oversight of the abolished regional board, as may be applicable, seeking approval of the proposed withdrawal. Such petition shall be filed no later than fourteen (14) months following the member board's adoption of its written resolution approving withdrawal. Withdrawal shall be effective on July 1 after approval of the withdrawal becomes final, or as may be otherwise provided under the *Illinois School Code*. In the event that the member board seeking withdrawal fails to file its petition with the regional board of school trustees, board(s) of school trustees or the boards of education for those districts that fall under the oversight of the abolished regional board, as may be applicable, within fourteen (14) months following adoption of its written resolution approving withdrawal, the member board seeking withdrawal shall reinitiate the withdrawal process under subsection b.(1) above.

- c. Disposition of Assets and Liabilities.

Unless otherwise provided in Article IV. Section E.4 of these Articles of Joint Agreement, or agreed to in writing by the withdrawing member board, the Board of Directors, and a two-thirds (2/3) majority of the member boards which have not given notice of an intention to withdraw from the Cooperative, the rights, duties and responsibilities of the withdrawing member board district shall be determined as follows:

(1) Real Properties

- (a) Payment by the Cooperative to the withdrawing member board shall be made in accordance with subsection (1)(b) below for such board's interest in the Cooperative's real property upon the first to occur of the following:
  - (i) the property is no longer needed and is sold (upon terms and conditions determined by the Cooperative);
  - (ii) the Cooperative is dissolved; or
  - (iii) the improvements on the property are substantially destroyed.
  
- (b) The amount paid to the withdrawn member board by the Cooperative shall be based on the withdrawn member board's interest to be determined as follows:
  - (i) If the real property is sold or the Cooperative dissolved, after deducting the costs of sale, the net proceeds from the sale of the property will be used to retire or provide for the retirement and payment of the remaining principal and interest on any indebtedness issued to acquire, construct or maintain the property. Any net proceeds then remaining shall be further reduced by the Cooperative's costs of the annual improvements, major renovations and repairs made after the effective date of withdrawal. The withdrawn member board's share of any net proceeds then remaining, if any, will then be determined based on the withdrawn member board's total district enrollment as a percentage of the sum of all of the member districts' total enrollments (including the withdrawing district) as identified in the last fall public school housing reports for all member districts prior to the effective date of withdrawal.

- (ii) If the improvements on the property are substantially destroyed, the value of the property following substantial destruction shall be determined by the sum of its appraised value and any insurance proceeds received by the Cooperative due to the destruction of the improvements. Such sum shall be reduced by the Cooperative's costs of appraisal and the annual improvements, major renovations and repairs made after the effective date of withdrawal. The withdrawn member board's share of the sum so reduced, if any, will then be determined based on the withdrawn member board's total district enrollment as a percentage of the sum of all of the member districts' total enrollments (including the withdrawing district) as identified in the last fall public school housing reports for all member districts prior to the effective date of withdrawal.

(2) Liquid Assets and Liabilities

- (a) The withdrawing member board's distributive share of Cooperative assets and liabilities shall be determined, as best as possible, as of the effective date of withdrawal. **The Cooperative shall return to the withdrawing member board any unspent Federal IDEA Part B Funds generated by students in the withdrawing member district (i.e., "carryover").** As best as can be determined, and subject to subsection (2)(b) below, the **remaining** net balance due to or owed by the withdrawing member board, if any, shall be paid by Cooperative or the withdrawing member board to the other, as may be applicable, not later than five (5) years following the effective date of withdrawal.
- (b) Both prior to and after the effective date of withdrawal, the withdrawing member board shall continue to pay its distributive share of the Cooperative's financial obligations which are incurred prior to the effective date of withdrawal. This provision shall not be deemed to release the withdrawing member board from its financial obligation to the Cooperative for its distributive share of short or long term liabilities which accrue before the effective date of withdrawal and would otherwise be payable after the effective date of withdrawal. Unless otherwise provided by these Articles of Joint Agreement or by law, the withdrawing member board's share of Cooperative liabilities shall be determined based on the same method used by the Cooperative to determine the distributive share of the liability for the remaining member boards. In the event that one or more Cooperative liabilities cannot be determined by June 30th following the effective

date of withdrawal, they shall be determined as soon as practicable thereafter and billed by the Cooperative to the withdrawn member board for payment. The withdrawn member board shall make payment thereon to the Cooperative not later than forty-five (45) days following receipt of a Cooperative billing.

- (c) Notwithstanding subparagraph (2)(b) above, if a member board presents its written resolution and petition to the Chairperson of the Board of Directors, the Executive Director and the Superintendents of Schools of the other member districts in accordance with Article III. Section D.1.b.(1) at least sixty (60) days prior to the Cooperative issuing bonds or debt certificates, the Cooperative shall either:
  - (i) refrain from issuing bonds or debt certificates until the withdrawal of such member board based on such petition becomes effective; or
  - (ii) indemnify and hold the withdrawing member board harmless for any debt or liability incurred as a result of the issuance of the bonds or debt certificates after the member board's withdrawal becomes effective.

(3) Other Personal Property

As a condition of withdrawal, the withdrawing district shall be deemed to waive any and all interest in other Cooperative personal property including, but not be limited to, furniture, computers, equipment, books, instructional materials, supplies, and vehicles.

(4) Certificated Staff

For a period of ten (10) years following the effective date of withdrawal, the withdrawn member board shall:

- (a) Participate in the process to determine the district of assignment for all Cooperative certificated staff with contractual continued service who were employed by the Cooperative, or by a member or former member board and the Cooperative on a continuous basis, prior to September 23, 1987, and who are honorably dismissed due to a reduction in the number of Cooperative programs or positions; and

- (b) Accept the Cooperative staff members described in (a) above for employment as determined by the process to determine the district of assignment.

(5) Retirement Liabilities

For a period not to exceed five (5) years following the effective date of the withdrawn member board's withdrawal from the Cooperative, such board shall remain liable to the Cooperative for its distributive share of the cost to Cooperative of the following:

- (a) Any retirement by educational support personnel under an Early Retirement Incentive Program adopted by the Cooperative pursuant to 40 ILCS 5/7-14.1, or a retirement program established by an applicable collective bargaining agreement, employment contract or Cooperative policy in effect on the effective date of withdrawal; and
- (b) Any retirement by certificated employees under the Modified Early Retirement Without Discount provisions of 40 ILCS 5/16-133.2, the costs to the Cooperative for an employer contribution required by P.A. 94-004 or P.A. 94-1057, or a retirement program established by an applicable collective bargaining agreement, employment contract or Cooperative policy.

The withdrawn member board's liability under this provision shall be limited to Cooperative costs related to the retirement of any educational support personnel or certificated employees employed by the Cooperative prior to the effective date of withdrawal of the member board from the Cooperative. The withdrawn member board's liability under this provision shall be limited to retirements under a collective bargaining agreement, contract or Cooperative policy in effect prior to the effective date of withdrawal. The withdrawn member board's distributive share of the Cooperative's costs related to a retirement shall be determined based on the same method used by the

Cooperative to determine the financial obligation of the remaining member districts for the retirement. The withdrawn member board shall pay its distributive share of Cooperative costs related to any such retirements within thirty (30) days of billing by the Cooperative.

(6) Due Process Hearings

The withdrawing or withdrawn member board will defend and be solely responsible for the relief awarded as a result of any due process hearings and appeals therefrom, administrative or judicial, which are requested or taken to contest a change in placement of a withdrawing member board's student due to the withdrawal, including attorney's fees and costs of defense thereof.

(7) Other Claims

The withdrawing or withdrawn member board will remain responsible for its distributive share of any liability of the Cooperative which arises out of an occurrence preceding the effective date of withdrawal, including attorney's fees and costs of defense thereof. The withdrawing or withdrawn member board's distributive share of the Cooperative's liability shall be determined based on the same method used by the Cooperative to determine the financial obligation of the remaining member boards for the liability.

2. Dissolution

If approved by two-thirds (2/3) of the members of the Board of Directors, the Board of Directors will submit the proposed dissolution of the Cooperative to the member boards of education for consideration. If two-thirds (2/3) of the member boards adopt written concurring resolutions agreeing to the proposed dissolution, the Cooperative shall be

dissolved. For dissolution to take effect, all such resolutions must be adopted by the member boards within a twelve-month period. Dissolution will be effective on July 1 following the approval of a written resolution by the requisite number of member boards, or on such other July 1 as the resolutions authorize. The Executive Director shall provide written notice of the prospective dissolution to the Illinois State Board of Education. In the event of dissolution, the Cooperative's assets will be liquidated and the net proceeds thereof, after satisfaction of liabilities, distributed to the boards of education that were members of the Cooperative on the date that the last member board necessary for the two-thirds (2/3) majority approved the written resolution for dissolution. **The Cooperative shall return to each then-current member board any unspent Federal IDEA Part B Funds generated by students in the school district (i.e., "carryover").** Unless otherwise provided in Article IV. Section E.4 of these Articles of Joint Agreement, the **remaining** distribution to each member board shall be based on its district enrollment as a percentage of the total current enrollment of all member districts as identified in the last fall public school housing report for each member district prior to the effective date of dissolution.

3. Involuntary Withdrawal

When a member board fails to comply with the terms or conditions of these Articles of Joint Agreement, or fails to meet the financial obligations established by these Articles of Joint Agreement or by the Cooperative Board of Directors, the Board of Directors, in its discretion, may expel such member board from the Cooperative. The Cooperative shall provide written notice of the proposed expulsion, and the reason(s) therefor, to a member board not less than thirty (30) days before the proposed expulsion is presented to the Board of Directors for approval. Within fifteen (15) days of its receipt of written notice of the proposed expulsion,

the member board may submit a written request to the Executive Director to address the Board of Directors prior to consideration of the proposed expulsion. Expulsion shall be effective on July 1 following approval of the expulsion by two-thirds of the members of the Board of Directors. A member board that is expelled from the Cooperative shall be deemed to irrevocably waive any interest in the assets of the Cooperative, including but not limited to real property, buildings, equipment and materials, and funds, **provided, however, that the Cooperative shall return to the withdrawing member board any unspent Federal IDEA Part B Funds generated by students in the withdrawing member district (i.e., “carryover”)**. As in the case of a member board that voluntarily withdraws, an expelled member board shall remain liable for its share of any Cooperative liabilities that arose or accrued before effective date of expulsion. (See Article III, Section D.1.c above) In addition, the expelled member board shall remain liable to the Cooperative for any amounts owed to the Cooperative for its failure to comply with the terms or conditions of these Articles of Joint Agreement, or failure to meet the financial obligations established by these Articles of Joint Agreement or by the Board of Directors.

#### **ARTICLE IV - ORGANIZATION**

The Cooperative shall be governed by a Board of Directors. The Board of Directors shall function as the decision making body regarding all matters except withdrawal of a member district of the acceptance of a new member district.

##### **Section A** - Board of Directors

1. The Board of Directors shall consist of each superintendent of schools of the cooperating districts.
2. It is the intent of the cooperating districts that the administrative duties and responsibilities of

the Board of Directors and its officers be shared by the superintendents of schools of all of the cooperating districts. In furtherance of such intent, the Board shall utilize a system which rotates nominees for the offices of chairman, vice chairmen and secretary such that each cooperating districts superintendent of schools serves as an officer at least once in each six (6) year period commencing July 1, 1999. Based on such rotational system, at its regular June meeting every two years, the Board of Directors shall elect a chairman, two vice chairmen and a secretary for a two-year term from the applicable group of superintendents shown below. Said officers will assume their duties on the July 1 immediately following their election and serve a two year term. In the event that the Board does not hold a June meeting, the officers shall be elected at the Boards next regular meeting and shall immediately assume their duties. In order to implement a system of rotating nominees for Board officers, member districts are hereby divided into three Groups, as follows:

Group One:                 Districts 118, 145, 159, and 210

Group Two:                 Districts 113, 146 and 230

Group Three:                Districts 117, 142, 160 and 228

3. Each cooperating district superintendent of schools shall be responsible for the fulfillment of all of the duties of the Board of Directors and any additional duties as a Board officer or committee member. Each cooperating district superintendent shall attend Board of Director meetings and the meetings of those committees to which the superintendent is appointed. A member district superintendent may designate, in writing, another district administrator who does not serve as the district's director of special education to attend Board of Director meetings and the meetings of those committees to which the superintendent is appointed.
4. The duties of the Board of Directors shall be:

- a. to meet monthly on a date to be determined or upon call of the Chairman of the Board of Directors or two of the Boards members
- b. to establish future direction of the Cooperative
- c. to consider proposed amendments to the Articles of Joint Agreement as submitted by the Executive Director, consistent with Article IV ORGANIZATION, Section E - General Provisions.
- d. to establish the position of recording secretary
- e. to establish policies and operating procedures
- f. to administer budget and approve expenditures
- g. to approve the employment, discipline and dismissal of all personnel
- h. to review monthly reports of the Executive Director and staff and report the same to member districts including monthly minutes and financial reports
- i. to disseminate approved policy and procedures to member districts
- j. to approve the annual budget
- k. to employ an Executive Director, determine salary, set term of office and delegate such duties as may be necessary for the efficient operation of the Cooperative.
- l. to establish special committees for study and implementation of areas as needed
- m. to authorize salary and fringe benefits which shall not be based on those of the Administrative District
- n. to determine and assess an access fee in accordance with ARTICLE IV, ORGANIZATION, Section D-General Provisions, paragraphs 5 and 6.
- o. to establish programs and to allocate the costs thereof to member districts that utilize such programs

p. to acquire a facility necessary for the operation of transition programs, or property necessary to construct a facility, by December 31, 2012, and to finance the acquisition and/or construction, all subject to Article IV, Section E and the approval by two-thirds (2/3) of the Board of Directors all subject to ratification by the Administrative District.

5. Quorum and Voting Procedures

- a. a quorum of the Board of Directors shall consist of a majority of the cooperating district superintendents of schools
- b. each member shall have one vote

**Section B** - Administrative District

- 1. Administrative District Appointment. The Administrative District shall serve at least a four year term from July 1 to June 30. At any time, it shall take two-thirds (2/3) vote of the Board of Directors to change the appointment of the Administrative District. Whenever the Board of Directors changes the Administrative District, appointments will be made for four-year terms.
- 2. Duties. The Administrative District, through its Board of Education, shall have the following duties:
  - a. to serve as legal and fiscal agent
  - b. to adopt a budget as approved by the Board of Directors
  - c. to ratify salaries and expenses as approved by the Board of Directors
  - d. to ratify personnel as approved by the Board of Directors
  - e. render billing annually to the Cooperative for services in an amount not less than \$12,000, plus expenses

- f. to ratify other actions approved by the Board of Directors pursuant to these Articles of Joint Agreement.

**Section C** - Director

1. The Executive Director shall
  - a. hold proper certification for that position as required by the Illinois State Board of Education
  - b. serve as the chief executive officer of the Cooperative
  - c. function under the Policies of the Cooperative and perform such other duties as may be delegated by the Board of Directors, or as may be required by law or these Articles of Joint Agreement.

**Section D** - General Provisions

1. In order to promote the continuity and efficiency of Cooperative programs, all special education programs in the Cooperative and in individual districts will be coordinated through the Executive Director. The establishment and operation of all special education programs and services shall be under the coordination and educational direction of the Executive Director. Member districts which establish and operate special education programs and services shall collaborate with the Executive Director in furtherance of the Executive Director's coordination and direction of district programs and services. Claim forms for appropriate programs and personnel will be filed through the Executive Director of the Cooperative.
2. Policies and procedures of the Administrative District shall prevail where no Cooperative policies are in existence.
3. Any member district that has not paid the Cooperative amounts billed for Cooperative

operations, programs and/or services within sixty (60) days of billing shall establish a payment plan for the outstanding sums that are acceptable to the Board of Directors or its designee. The payment plan shall be reduced to writing and will be binding on the member district after the approval of the Board of Directors or its designee. Unless waived by the Board of Directors, in its sole discretion, upon written request of a member district for good cause shown, interest on any Cooperative billing that is unpaid by a member district shall accrue interest after sixty (60) days of billing. The determination of the Board of Directors regarding a member districts request to waive interest shall be considered final and not subject to appeal. In addition to the foregoing provisions, the Cooperative reserves the right to refuse to accept placement of any new student from a member district in arrears. In the event that a member district refuses to make payment to the Cooperative or fails to establish and follow a payment plan acceptable to the Board of Directors or its designee, any interest waived by the Board of Directors shall be deemed rescinded and interest shall be calculated as if it had not been waived, the placement of new students shall be refused, and the member district shall be submitted to a collection agency. The Board of Directors reserves the right to pursue such other remedies as the Board may authorize. In the event that the Board of Directors initiates litigation to collect amounts unpaid by the member district, the member district hereby agrees to pay, as part of any judgment against the district, accumulated interest, the costs of such litigation and the reasonable attorneys fees incurred by the Board of Directors in furtherance thereof.

4. All financial accounting by the Township Treasurer of Cooperative funds shall be kept separate from Administrative District funds.
5. Services Participation

a. All districts are expected to provide services locally whenever possible. If a district cannot provide services locally and therefore must seek assistance outside the local district, said district must contact the Cooperative and consider Cooperative services prior to seeking non-Cooperative services. The services are as follows:

1. Assistive Technology
2. Case Study Evaluation
3. Occupational Therapy Screenings, Evaluations and Services
4. Physical Therapy Screenings, Evaluations and Services
5. Behavioral Consultation
6. Orientation and Mobility Evaluations and Services
7. Hearing Impaired Itinerant Evaluations and Services
8. Vision Impaired Itinerant Evaluations and Services
9. Audiological Evaluations and Services
10. Vocational Evaluations and Services
11. Job Development and Job Coach
12. Adaptive P.E. Evaluations and Services
13. Challenge Course
14. Staff Development
15. Technical Assistance
16. Medical and Specialized Evaluations
17. Other Services as needed

Any member district electing to alter its participation in Cooperative services must notify the Executive Director in writing no later than February 1 of the school year

preceding the change. The proposed change will be presented to the Board of Directors no later than its annual March meeting, which must grant approval by a two-thirds vote.

- b. Access Fee. In the event that a member district does not participate in Cooperative services as they indicated on their February 1 participation notification form, such member district shall pay to the Cooperative an access fee which shall be determined by the Board of Directors in its sole discretion. The Board of Directors shall determine such fee so as to defray all cost increases incurred by the Cooperative and the participating member districts as a result of the change of participation by such member district in services. In the event that the non-participating member district fails to pay the assessed access fee, the Board of Directors is authorized to initiate such judicial or other proceedings as it may determine necessary to affect compliance. Such actions may include seeking the specific performance of the nonparticipating member district and/or an award of monetary damages in the amount of the access fee, which shall be considered liquidated damages for purposes of any such action. In addition to the foregoing, the Cooperative shall be entitled to full reimbursement from the nonparticipating member district of all attorney's fees and costs incurred to affect compliance with this provision.

6. Program Participation

- a. All districts are expected to provide programs locally whenever possible. If a district cannot provide programs locally and therefore must seek assistance outside the local district, said district must contact the Cooperative and consider Cooperative programs prior to seeking non-Cooperative programs.

1. Deaf/Hard of Hearing
2. Communication Development
3. Adapted Behavior/Communication Development
4. Braun Alternative Education
5. Braun Therapeutic
6. D.E.S.T.I.N.Y. (Multi needs)
7. Project Challenge
8. Transitional Employment Programs
9. Transition
10. Other programs as needed

Any member district electing to alter its participation in Cooperative programs must notify the Executive Director in writing no later than February 1 of the school year preceding the change. The proposed change will be presented to the Board of Directors, no later than its March meeting, which must grant approval by a two-thirds vote.

- b. Access Fee. In the event that a member district does not participate in Cooperative programs as they indicated on their February 1 participation notification form, such member district shall pay to the Cooperative an access fee which shall be determined by the Board of Directors in its sole discretion. The Board of Directors shall determine such fee so as to defray all cost increases incurred by the Cooperative and the participating member districts as a result of the change of participation by such member district in programs. In the event that the non-participating member district fails to pay the assessed access fee, the Board of Directors is authorized to initiate

such judicial or other proceedings as it may determine necessary to affect compliance. Such actions may include seeking the specific performance of the nonparticipating member district and/or an award of monetary damages in the amount of the access fee, which shall be considered, liquidated damages for purposes of any such action. In addition to the foregoing, the Cooperative shall be entitled to full reimbursement from the nonparticipating member district of all attorney's fees and costs incurred to affect compliance with this provision.

7. Any full-time professional worker employed by the Cooperative who spends more than fifty percent (50%) of his/her time in one member school district shall not be required to work a different teaching schedule than the other professional workers in that member district.

**Section E** - Acquisition, Construction, Maintenance and Financing of a Facility for Transition Programs

1. Acquisition/Construction/Maintenance.

As necessary, the Executive Director shall recommend the acquisition and/or construction of a facility to house the Cooperative transition programs to the Board of Directors. Such recommendations shall include methods for funding acquisition and/or construction costs, and the long-term maintenance costs for the facility. The facility, or property necessary to construct the facility, shall be acquired by December 31, 2012, and shall be subject to approval by two-thirds (2/3) of the Board of Directors. The facility shall be the property of the Cooperative for the use of Cooperative transition programs.

2. Financing.

As provided by the *Illinois School Code* or as otherwise permitted by law, the Board of Directors may, by resolution approved by two-thirds (2/3) of the Board of Directors, borrow

money and, in evidence of the obligation to repay the borrowing, issue debt certificates for the purpose of acquiring, constructing, altering, repairing, enlarging and equipping any building or portions thereof, together with any land or interest therein, necessary to provide a special education facility and services for Cooperative transition programs. The interest accruing annually on the debt certificates, plus any principal due, shall be billed in their entirety to the member high school districts and allocated on a fee-for-service basis (*i.e.*, as part of the per student tuition charge for transition programs).

Subject to approval by two-thirds (2/3) of the Board of Directors, which majority shall include the approval of at least two (2) members of the Board of Directors representing high school districts, the Board may operate other Cooperative programs at the facility. If so approved, and based on usage of the facility, the Board shall designate a portion of the interest and principal on the debt certificates to the cost of such programs. The designated interest and principal shall be billed to the member districts whose children attend the programs and allocated on a fee-for-service basis (*i.e.*, as part of the per student tuition charge for the programs).

In no event, shall any allocation method alter the Cooperative's payment obligation relative to the certificate holders. The annual budget adopted by the Board of Directors shall include and provide for the payment of the principal necessary to retire the debt certificates and for the payment of the interest accruing thereon.

None of the foregoing provisions shall be deemed to prevent or prohibit the Board of Directors from issuing new debt certificates at a more favorable rate and retiring a prior issuance of debt certificates.

3. Sale of Facility.

In the event that the Board of Directors determines that the facility is no longer necessary for Cooperative transition programs, the Board of Directors may, by resolution approved by two-thirds (2/3) of the Board of Directors and as otherwise permitted by law, determine to sell the facility. In such event, the Board of Directors shall utilize the proceeds from the sale to retire or provide for the retirement and payment of the remaining principal and interest on any debt certificates issued to acquire, construct or maintain the facility. Any net proceeds remaining after the sale of the facility and retirement or provision for the retirement of the principal and interest on such debt certificates shall be distributed to the member high school district boards of education based on each high school district's usage of the facility as reflected by the aggregate of the transition program tuition billed to and paid by each high school district for transition programs operated at the facility prior to sale. In the event that the proceeds from the sale of the facility are inadequate to retire or provide for the retirement and payment of the remaining principal and interest for such debt certificates, liability for the remaining principal and interest payments for such debt certificates will be assessed annually against the member high school districts based on each member high school district's total district enrollment as a percentage of the sum of all of the current member high school districts' total enrollments as identified in the last fall public school housing reports for all member high school districts.

4. Withdrawal of member high school district from the Cooperative.

Following withdrawal by a member high school district from the Cooperative, the withdrawing high school district board of education shall remain liable for its share of any remaining principal and interest accruing on debt certificates that have been issued by the Board of Directors under this Section by the effective date of withdrawal. The withdrawing

high school district board of education's share of the value of the facility, and liability for any remaining principal and interest on the debt certificates, will be determined based on the withdrawing high school district's total district enrollment as a percentage of the sum of all of the current member high school districts' total enrollments (including the withdrawing district) as identified in the last fall public school housing reports for all member high school districts prior to the effective date of withdrawal.

**Section F** - Amendments

1. Proposed amendments to the joint agreement shall be submitted to the Board of Directors at least thirty (30) days prior to any Board of Directors meeting.
2. The Board of Directors shall study each proposed amendment and may, if approved by two-thirds (2/3) of the members of the Board of Directors, submit any proposed amendment with recommendation(s) to the member district boards of education.
3. Amendments approved by two-thirds (2/3) of the Board of Directors shall become effective once ratified by two-thirds (2/3) of the member district boards of education.