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**ARTICLES OF AGREEMENT
FOR THE NORTHERN SUBURBAN SPECIAL EDUCATION DISTRICT**

PREAMBLE

The Northern Suburban Special Education District (NSSSED) exists to provide all its member districts comprehensive supports for students with special education needs. NSSSED member districts share equally in the governance of this Joint Agreement. Fairness is a key concept honored by these Articles of Agreement, and member district perspectives and needs are consistently considered in the decisionmaking of the Leadership Council and Governing Board. Each member district has equitable opportunity to fully participate in and benefit from programming and services developed and provided by NSSSED under guidance of the Leadership Council and Governing Board and in accordance with all applicable Federal and State laws.

The Governing Board is the ultimate authority and governing unit of NSSSED. The Governing Board values the participation of the Superintendents that participate on the NSSSED Advisory Committee and has delegated nearly all authority to the Leadership Council. The Leadership Council is the combined membership of the Advisory Committee and Governing Board.

The NSSSED Articles of Agreement exist to provide clarity on the purpose, governance structure and decisionmaking authority of this special education joint agreement. These Articles help to provide the structure for guidance necessary to allow the NSSSED Administration to develop, refine, and sustain programs and services that flexibly meet the needs of member districts over time.

I. THE ASSOCIATION

A. Name

This organization shall be known as the Northern Suburban Special Education District, (hereinafter referred to as “NSSSED”). It shall be organized and operated in accordance with the laws of the State of Illinois.

B. Purpose

The purpose of NSSSED is to provide Member Districts (as defined in paragraph 1.D below) with the vehicle for cooperative implementation of the special education programs described in the *School Code*.

C. Programs, Services, and Housing

NSSSED shall operate programs on behalf of Member Districts and provide services to Member Districts to meet the educational needs of students with disabilities

identified under Article 14 of the *School Code* and Illinois State Board of Education regulations.

Services to the Member Districts may be provided, as approved by the Governing Board, directly by NSSSED, through membership and participation in a regional organization, or by contracting for services with Member or non-Member Districts.

When programs are provided for under these Articles of Agreement, it is the responsibility of the Leadership Council to assure that suitable housing, classrooms, and related educational facilities are made available through Member Districts or through the provision of facilities owned or leased directly by NSSSED.

D. Member Districts

1. Admittance of Member Districts

Illinois public school districts may be admitted to membership (“Member Districts”) upon conditions approved by a majority of the Leadership Council (as defined in Section II) of NSSSED. Additionally, approval by 2/3 vote of the Member Districts’ (as set forth on Exhibit A attached hereto) Boards of Education is required for admittance. The Member Districts of NSSSED are identified in attached Exhibit A and organized by NSSSED sub-regions. Amendment of Exhibit A to reflect any approved changes to NSSSED membership shall not be considered an amendment of these Articles of Agreement within the meaning of Section IX of these Articles of Agreement. Exhibit A may be amended by the Superintendent to conform to the actual membership of NSSSED as approved by the Leadership Council.

2. Rights and Responsibilities of Member Districts

Member Districts shall have the following rights and responsibilities as members of NSSSED.

- a. Member Districts shall be obligated to provide a reasonable amount of classroom space for NSSSED services as determined by the Leadership Council.
- b. Member Districts shall promptly timely and fully pay all bills for services submitted by NSSSED to them.
- c. Each Member District shall appoint or provide one Governing Board member as that procedure is set forth in paragraph II.A.3.
- d. Each Member District shall authorize and allow for the service of any District employee or board member who is selected for service on the Governing Board, Leadership Council, or Advisory Committee.
- e. Member Districts shall perform and provide such other services as determined by the Governing Board.
- f. Member Districts shall have the right to receive appropriate services, programs, and administrative support from NSSSED

consistent with these Articles of Agreement and as provided for by and within the budget approved by the Governing Board.

- g. Member Districts shall have one superintendent representing each of the three regions (Northern, Northfield Township and New Trier) of the NSSSED and further defined in Section II.C.1.a on both the Leadership Council and Advisory Committee.

II. ORGANIZATION AND FUNCTION

The NSSSED is organized into three distinct units of governance (see Exhibit B for summary of governance unit responsibility): Governing Board, Leadership Council, and the Advisory Committee.

A. Governing Board

The Governing Board is the overall governing body of NSSSED. The Governing Board shall ensure that the Superintendent (as hereinafter defined in Section IV) carries out NSSSED's policies and performs those functions assigned by the Illinois State Board of Education to the State-approved Director of Special Education.

1. Governing Board Authority The Governing Board:
 - a. Shall review and adopt the NSSSED Budget annually.
 - b. Issue bonds or notes as set forth in Section 10-22.31 of the School Code
 - c. Borrow money on the terms set forth in Section 10-22.31 of the School Code.
 - d. Shall employ, supervise, evaluate, and determine annual compensation of a Superintendent; define the scope and limit of the Superintendent's duties; and ensure that the Superintendent carries out policies and performs those functions assigned by the Illinois State Board of Education to the State-approved Director of Special Education.
2. Delegations With the exception of those matters specifically set forth in Section II.A.1, which shall not be delegated, the Governing Board delegates all its functions and authorities to the Leadership Council of NSSSED.
3. Members The Governing Board shall consist of one Board of Education member from each Member District, which shall be selected by each Member District Board of Education. Though not voting members of the Governing Board, the three superintendents selected for the Advisory Committee shall also attend Governing Board meetings and provide input on an advisory basis.
4. Alternates In case of an absence of a Governing Board member, an alternate or other designee from the Member District's Board of Education may act in place of the absent Governing Board member.

5. Meetings The Governing Board shall hold a minimum of six (6) meetings a year, one of which will be an Organizational Meeting (as defined in Section II.A.5.a.) and one of which will be a Budget Meeting (as defined in Section II.A.5.b). A calendar of meetings shall be adopted by the Governing Board at the Organizational Meeting.
 - a. Organizational Meeting The Governing Board shall meet each year not later than June and following school board elections to conduct an organizational meeting, at which time it:
 - i. shall elect or appoint members of the Advisory Committee as hereinafter provided;
 - ii. shall elect officers of the Governing Board following years in which member district school board elections are held;
 - a) A President and Vice President shall be elected for terms of two years. The President shall also serve as Chairperson of the Advisory Committee. The Vice President shall serve as a member of the Advisory Committee and as Chairperson of the Advisory Committee in the absence of the President.
 - b) A Secretary shall be elected by the Governing Board for a term of two years. The Secretary shall also serve as Secretary of the Advisory Committee. S/he shall ensure that complete minutes of all Governing Board meetings are taken and disseminated to the membership prior to the next meeting. In the absence of the Secretary, a *pro-tem* secretary may be selected by the Governing Board members present.
 - c) A Treasurer shall be appointed by the Governing Board as required.
 - iii. may conduct other business.
 - b. Budget Meeting The Governing Board shall hold meetings for the purpose of considering the annual budget, setting a date for the annual budget hearing, and adoption of the budget. Approval of the final budget shall be by majority vote of the Governing Board. At least 45 days before the scheduled vote of the Governing Board, the NSED administration shall provide the budget information to the administration of each Member District for review.
 - c. Other Meetings Other meetings shall be called as necessary and approved by the Governing Board.
6. Quorum and Voting Procedures
 - a. Quorum A quorum shall consist of a majority of the Governing Board.

- b. Majority Vote An affirmative vote of a majority of the Governing Board present at a duly called meeting at which a quorum has been established shall be required for passage of a proposition unless otherwise specifically stated herein.
 - c. Vote Each member of the Governing Board, or duly appointed alternate, shall have one vote.
7. Conflict of Interest To assure the objective administration of the Member Districts and programs of NSSSED, no person who is employed by NSSSED shall be eligible for membership on the Governing Board.

B. Leadership Council

At each scheduled Leadership Council meeting, the Governing Board (as defined in Section II.A.) and the Advisory Committee (as defined in Section II.C.) shall meet jointly, and the combined membership of those two entities shall function as the executive board contemplated by Section 10-22.31(b) of the *School Code*, 105 ILCS 5/10-22.31(b). That combined body is authorized to take all action delegated by the Governing Board to it in Section II.B of this Agreement, and each Leadership Council member shall have one vote. The vote of each of the Superintendents on the Leadership Council is intended to reflect the combined perspective of the Superintendents in the region they represent. The Leadership Council is not permitted to delegate any of its authority to the Advisory Committee, and the Advisory Committee has no independent authority other than as explicitly set forth in Section II.C of this Agreement.

The officers of the Governing Board shall serve in those same capacities on the Leadership Council, and all procedural rules for the Leadership Council meetings shall comply with the procedural rules set forth for the Governing Board.

1. Leadership Council Authority. The Leadership Council:

Policy

- a. Shall adopt, at a minimum, policies regarding staff organization and duties; staff salaries, contracts and benefits; staff regulations; relations with students and parents; Member District relationships; the operation of NSSSED programs within Member Districts; financial matters; and community relations.

Financial

- b. Shall authorize payment of accounts payable, approve payroll, and imprest checks. Such payments shall be certified to the treasurer, and the treasurer shall be entitled to rely fully thereon in making payments specified and is hereby directed to make such payments as so certified.

- c. Shall receive and approve monthly financial reports, including the treasurer's report, program balances, investment reports, and activity fund reports.
- d. Shall approve the purchase or lease of supplies and equipment.

Employment

- e. Shall be responsible for the employment and dismissal of all NSSED employees, except for the Superintendent.
- f. Shall oversee the administration of personnel matters consistent with the applicable policies and collective bargaining agreements.
- g. Shall approve the employment of personnel as authorized by and within the Governing Board budget or contracts with other agencies. However, any full time professional worker who is employed by NSSED and spends over fifty percent (50%) of his or her time in one Member District shall not be required to work a different teaching schedule than other professional workers in that Member District.

Contracts

- h. May receive, consider, and propose amendments to the Articles of Agreement.
- i. May contract for or secure services from Member Districts and outside agencies subject to parameters of NSSED's annual budget and Governing Board policy.
- j. May let contracts for new construction or remodeling projects or for purchase of buildings subject, however, to budget limitations established for the project, and to certify to the treasurer all payments to be made therefore, and the treasurer shall honor and rely fully upon such certification in making such payments.
- k. May lease buildings for NSSED programs, not to exceed one year.
- l. Shall approve applications for state or federal grants or aid (when such approval is required by the grantor) so long as the income and expenditures are made part of the appropriate annual budget approved by the Governing Board. Such action may be taken as part of an annual resolution covering all such grants.
- m. Shall approve the filing of all reports and claims (when such approval is required by the grantor) necessary to meet administrative requirements of federal and state governments. Such action may be taken as part of an annual resolution covering all such grants.
- n. Shall approve all multi-year contracts with labor unions or professional organizations, or amendments thereto.

- o. Shall approve any multi-year contracts with vendors, including transportation contracts.

Other Authority

- p. The Leadership Council shall have such other powers as permitted under law and shall perform such other functions as required by these Articles of Agreement, including the formation of ad hoc committees. However, any power that is not delegable shall remain in the purview of the Governing Board.

2. Quorum and Voting Procedures

- a. Quorum A quorum shall consist of a majority of the Leadership Council.
- b. Majority Vote An affirmative vote of a majority of the Leadership Council present at a duly called meeting at which a quorum has been established shall be required for passage of a proposition, unless otherwise specifically stated herein.
- c. Vote Each member of the Leadership Council, or duly appointed alternate, shall have one vote.

- 3. Meetings: The Leadership Council shall hold a minimum of six (6) meetings a year, one of which will be an Organizational Meeting (as defined in Section II.A.5.a.) and one of which will be a Budget Meeting (as defined in Section II.A.5.b). A calendar of meetings shall be adopted by the Governing Board at the Organizational Meeting.

C. **Advisory Committee**

The Advisory Committee serves as an advisory body to the Governing Board, the Leadership Council, and the Superintendent.

- 1. Members The four Board members serving on the Advisory Committee shall be elected by the Governing Board biennially and shall consist of seven members as follows, unless an alternate composition is approved by a simple majority of the Governing Board:
 - a. One superintendent from each of the three groups of Member Districts (Northern, Northfield, New Trier) as set forth on Exhibit A, one of whom shall be from a high school district. If no superintendent from one or more of the three groups (Northern, Northfield, New Trier) is willing or able to serve on the Advisory Committee, the Governing Board, by majority vote, may approve a combination of three superintendents regardless of group. If no superintendent from a high school district is willing or able to serve on the Advisory Committee, the Governing Board, by majority vote, may approve a non-high school district superintendent instead. In any such circumstance the Governing Board shall continue to seek to regain the composition of the Advisory

Committee as soon as possible for approval. The three superintendents serving on the Advisory Committee will be recommended annually by the NSSED Superintendent and approved by the Governing Board.

- b. One high school board member at large.
 - c. One Governing Board member from each of the three regions.
 - d. Whenever possible, the Governing Board shall seek to avoid having two Advisory Committee members from the same district.
 - e. Vacancies on the Advisory Committee shall be filled by the Governing Board.
 - f. In the event the Governing Board approves a different composition of the Advisory Committee as referenced in Section II.C.1., the Governing Board shall seek to regain the preferred membership structure as soon as possible for approval at a subsequent Governing Board meeting.
2. Officers The President of the Governing Board also shall serve as Chairperson of the Advisory Committee. The Vice President of the Governing Board also shall serve as the Vice President of the Advisory Committee. The Secretary of the Governing Board also shall serve as Secretary of the Advisory Committee. The Secretary shall ensure that complete minutes of all meetings are taken. In the absence of the Secretary, a *pro-tem* secretary may be selected from the committee members present.
 3. Meetings The Advisory Committee shall meet at such times and places as it may determine.
 4. Quorum and Voting Procedure A quorum shall consist of a majority of the members of the Advisory Committee. Each member shall have one vote. An affirmative vote of a majority of the members present shall be required for passage of any proposition, unless otherwise specifically stated herein.
 5. Functions:
 - a. The Advisory Committee is the chief hearing body of NSSED in the event of employee discipline, including termination. The Advisory Committee shall recommend appropriate discipline for employees, but the responsibility for the dismissal of the superintendent lies solely with the Governing Board, and the responsibility for the dismissal of other employees lies solely with the Leadership Council.
 - b. The Advisory Committee serves as an ad hoc advisory group to the Governing Board, the Leadership Council, and the Superintendent. Meetings of the Advisory Committee may be called by the Governing Board, the Leadership Council, or the Superintendent, and may perform tasks as permitted by these Articles of Agreement.

D. Nominating Committee

A Nominating Committee shall be appointed by the Governing Board biennially preceding the annual organizational meeting to perform those duties set forth in Section II.D. below:

1. Function
 - a. Propose candidates for President, Vice President, and Secretary of the Governing Board and the remaining Board member seat on the Advisory Committee biennially following member district school board elections, in keeping with other provisions of the Articles of Agreement.
2. Members The Nominating Committee shall consist of the following:
 - a. At least four Governing Board members, two of whom are serving on the Advisory Committee.
 - b. The Nominating Committee shall strive to have regional representation and at least one member from a high school district.

III. FINANCES

A. Fiscal Year

The fiscal year of NSSD shall be from July 1 through June 30.

B. Administrative and Program Costs

1. Administrative Costs Each budget approved by the Governing Board shall delineate those Administrative Costs which are to be prorated among the Member Districts. The annual proration shall be determined by dividing the anticipated Administrative Costs by the pupil enrollments of the Member Districts on the fall date designated by the Illinois State Board of Education for determining enrollment.
2. Program Costs Each budget approved by the Governing Board shall delineate Program Costs. Such costs are costs attributable to the establishment and operation of NSSD special education programs for which tuition is charged and which are financially supported by such tuition.
3. Billing NSSD shall bill or pre-bill each Member District according to procedures adopted by the Superintendent or his/her designee. Billings for services provided by Member Districts to each other shall conform to the procedures adopted by the Superintendent or his/her designee.

C. Financing

NSSD may utilize any method of financing permitted by law and approved by the Governing Board.

D. Facility Project and Financing

In the event of a need to finance any capital projects, the Governing Board will develop a method of allocating project costs proportionately among all Member Districts.

The Governing Board is authorized to issue debt, on behalf of NSSSED, for the purposes of providing funding for capital projects pursuant to 105 ILCS 10-22.31(f).

IV. THE SUPERINTENDENT

A. Employment

The Superintendent shall be employed by the Governing Board to run the day-to-day operations of NSSSED and to ensure that the policies and programs of NSSSED are being implemented, all under the supervision of the Governing Board. The Superintendent shall be hired using a process approved by the Governing Board.

B. Duties

The scope and limits of the Superintendent's duties, responsibilities and authority with respect to the Member Districts shall be defined and supervised by the Governing Board. In carrying out the functions of the State-approved Director of Special Education for each Member District for programs and services not classified as Articles of Agreement responsibilities, the NSSSED Superintendent shall be responsible to the superintendent of that Member District and shall be assigned functions by that superintendent, recognizing that the Governing Board may limit the scope of the Superintendent's responsibilities within the respective districts but may not prescribe any responsibilities within those districts.

V. ACCOUNTING UPON WITHDRAWAL OR REMOVAL (For Termination Effective Prior to January 1, 2009)

A. Real Property

Withdrawn or removed districts shall be entitled to the withdrawn or removed Member District's Proportionate Share (as defined below) of the value of NSSSED's real property as valued at the time of the withdrawal or removal (the "Real Property Payment").

For purposes of this Section, Proportionate Share shall be determined as the percentage derived from the total student enrollment of the withdrawn or removed Member District at the time of the withdrawal or removal divided by the collective total student enrollment of all Member Districts in NSSSED at the time of the withdrawal or removal.

At the time of withdrawal or removal, the Member District shall be informed in writing of the value of its Real Property Payment.

B. Fund Balances

Withdrawn or removed districts shall only be entitled to the withdrawn or removed Member District's Proportionate Share (calculated as under Paragraph A above) of the value of NSSSED's fund balances at the time of the withdrawal or removal (the "Fund Balance Payment"). Said fund balances shall be determined as of the most recent approved audit of NSSSED. At the time of withdrawal or removal, the Member District shall be informed in writing of the value of its Fund Balance Payment.

C. **Liabilities**

A withdrawn or removed Member District shall continue to be liable for its proportionate share of the principle and interest on any outstanding and unpaid bonds or notes issued by NSSSED while that school district was a Member District. Furthermore, all payments calculated under this Section V shall reflect the net value thereof after considering any liabilities that may be attributable to said withdrawn or terminated Member District.

D. **Assessing Value of Real Property**

For purposes of determining the value of the NSSSED real property at the time of a withdrawal or removal, the Governing Board shall select an Illinois licensed real estate appraiser to prepare a full appraisal of the fair market value of NSSSED's real property. The cost of the appraisal shall be borne by the withdrawn or removed Member District and copies thereof shall be distributed to the Governing Board and the withdrawn or removed Member District.

E. **Time of Payments**

Any Real Estate Payment or Fund Balance Payment to be made under these Articles of Agreement to the withdrawn or removed Member District shall be made upon the dissolution of NSSSED as set forth in Section XI of these Articles of Agreement. A withdrawn or removed Member District shall only be entitled to its Real Estate Payment or Fund Balance Payment upon the dissolution of NSSSED and shall not be entitled to any other consideration or remuneration. If a withdrawn Member District owes any moneys to NSSSED after determination of the fund balances and liabilities under this Section V., said moneys shall be paid on or before June 30 of the calendar year in which the withdrawal or termination becomes effective.

F. **Adjustment of Payments**

Upon the dissolution of NSSSED, the Real Estate Payment and the Fund Balance Payment shall be recalculated in accordance with paragraphs V.A and V.B as of the date of dissolution utilizing the Member District's proportionate share as of the date of withdrawal or removal and the value of NSSSED's real property and fund balances as of the date of dissolution. If the newly calculated Real Estate Payment and/or the Fund Balance Payment are less than the previously calculated payments, the lesser payment shall be paid to the previously withdrawn or removed Member District. If the newly calculated Real Estate Payment and/or Fund Balance Payment are more than the previously calculated payments, the previously determined payment shall be paid to the previously withdrawn or removed Member District.

G. **Successor Districts**

In the event a previously withdrawn or removed Member District dissolves, merges, or combines with another school district or otherwise ceases to exist at the time a payment is due and payable to said former withdrawn or removed Member District, the new entity that includes the former Member District shall be entitled to such payment unless otherwise provided by law.

VI. VOLUNTARY AND INVOLUNTARY TERMINATION OF MEMBERSHIP (For Termination Effective on or after January 1, 2009 and Prior to Dissolution)

A. **Voluntary Withdrawal by Member District**

1. Procedures. A Member District that wants to voluntarily withdraw from NSSSED must comply with the procedures set forth in Section 10-22.31 of the *School Code* (105 ILCS 5/10-22.31) as amended, or any successor legislation, and with any state rules and regulations governing the withdrawal process. The withdrawal takes effect as provided by the applicable statute and regulations. As provided in these statutory and regulatory requirements, a Member District may seek to withdraw from NSSSED either by filing a Petition for Withdrawal with the appropriate Regional Board(s) of School Trustees (or successor body as provided by law) or by filing a Petition to Withdraw with the other NSSSED Member Districts. NSSSED has identified several additional steps to be taken to ensure that a Member District that wants to withdraw has thoroughly analyzed its special education programs and services and will be able to provide written assurances demonstrating that the withdrawal will not adversely affect the providing of those programs and services. As explained below, these assurances must be clearly articulated in writing to the NSSSED Superintendent, the NSSSED Leadership Council, NSSSED Member Districts, and the Illinois State Board of Education as an essential part of the withdrawal process. There are two types of voluntary withdrawal, both of which are defined in the following sections: Consensual Withdrawal (Section A.4) and Non-consensual Withdrawal (Section A.5).

2. Evaluation and Required Steps to Be Taken Not Less Than 24 Months Prior to Desired Withdrawal Date and Completed Not Later than the December 31 Occurring 18 Months Prior to the Desired Withdrawal Date. The actions described below must be taken whether the withdrawal petition will be filed with the District's Regional Board of School Trustees (also called a Regional Office of Education (ROE)) or with a successor body if the ROE has been abolished, or with other NSSSED Member Districts. The Cook County ROE was abolished, but there is no successor. Thus, a Member District in Cook County must file its petition to withdraw with the School Boards of each of the Member Districts in Cook County.
 - i. Prior to taking any formal action, the District contemplating withdrawal must engage the parent community and staff of the District to share its tentative plans and, throughout the withdrawal process, must take into account any suggestions and concerns.
 - ii. The District considering withdrawal must provide a written notice of its intent to engage in a comprehensive evaluation of its special education programming as described below. The notice must be sent to the NSSSED Superintendent and the President of the NSSSED Leadership Council.
 - iii. The comprehensive evaluation of the potentially withdrawing District's special education programming will be conducted at the District's own expense and is referred to below as the "District's Program Evaluation."

The District's Program Evaluation must be undertaken with the assistance of a third-party consultant who is experienced in and knowledgeable about the special education field and with the assistance of NNSSED Administration. NNSSED must approve the consultant prior to the consultant's retention by the District. NNSSED will share programming considerations and identify relative strengths as well as areas of needed improvement. The District's Program Evaluation must analyze the District's capacity to serve its students requiring special education if the District's NNSSED membership terminates. The District's Program Evaluation must also take into account communication between elementary and high schools with respect to the transition of special education students to or from the withdrawing District and must assure cooperation among the schools with respect to such transitions. The District's Program Evaluation should also include a review of the District's estimated proportionate share of NNSSED's liabilities that would be payable upon withdrawal.

- iv. The potentially withdrawing District will be responsible for reimbursing NNSSED for the costs of NNSSED's assistance in the District's Program Evaluation. NNSSED staff members will keep track of their time spent on the District's Program Evaluation at their then-current rates of pay and NNSSED will invoice the potentially withdrawing District for the time spent.
- v. The potentially withdrawing District will provide a copy of the District's Program Evaluation to the NNSSED Superintendent and the President of the NNSSED Leadership Council. The potentially withdrawing District will be expected to engage in discussions with the NNSSED Superintendent and the NNSSED Leadership Council to identify areas of significant agreement and disagreement between the District and NNSSED with respect to the District's Program Evaluation and to consider possible resolution of the areas of disagreement. Upon the conclusion of such discussions, NNSSED will issue a written statement either supporting or opposing the District's potential withdrawal and explaining the reasons for its support or opposition.
- vi. Prior to taking any further action, the potentially withdrawing District must provide a written statement to the NNSSED Superintendent and the President of the NNSSED Leadership Council that communicates the District's decision either to remain a Member of NNSSED or to pursue withdrawal, providing reasons for that decision. If the District decides to continue the withdrawal process, NNSSED would collaborate with the district on how it could support the District in its transition to non-Member status. If the District decides to remain a member of NNSSED, the matter will be considered closed and no further action would be required.

3. Advance Notification Steps to Be Taken by the December 31 Occurring 18 Months Prior to Desired Withdrawal Date. Following completion of the District's Program Evaluation, the statement from NSSSED either supporting or opposing withdrawal, the discussion process referred to above, and a written statement from the District that it intends to pursue withdrawal, a Member District seeking to voluntarily withdraw from NSSSED must have its Board of Education adopt a resolution in support of voluntary withdrawal and must provide a copy of the resolution and a Petition for Withdrawal to the President of the NSSSED Leadership Council by January 1 of the year preceding the requested effective date of withdrawal. The Petition for Withdrawal must state the reasons for the proposed withdrawal, summarize the results of the District's Program Evaluation, and provide such other information in support of withdrawal as the District wishes to provide. The resolution and the Petition for Withdrawal must also state the proposed effective date of withdrawal, which must be at least 18 months from the date the resolution and the Petition are submitted to the President of the NSSSED Leadership Council. The petitioning District must simultaneously provide copies of the resolution and Petition for Withdrawal to the Regional Superintendent of the appropriate ROE (or a successor body, if any, as provided by law) and to the District Superintendent and President of the Board of Education of each Member District.

4. Consensual Withdrawal. Upon the receipt of a resolution and Petition for Withdrawal meeting the requirements of these Articles of Agreement at least 18 months prior to the proposed effective date of the withdrawal, each Member District Board of Education shall, within 60 calendar days following receipt, consider the Petition and take such action regarding the Petition as it considers appropriate. Any Board of Education may request additional information and documents from the District petitioning for withdrawal and the petitioning District shall comply with all reasonable requests for information and documents. Member Districts' Boards of Education shall consider the Petition and, if they vote to approve the Petition, shall do so by written resolution. All such resolutions shall be forwarded to the NSSSED Superintendent (who shall inform the Leadership Council), the President of the NSSSED Leadership Council, and to the District petitioning for withdrawal. The petitioning District's consensual withdrawal is not effective unless the Petition is approved by the Boards of Education of all Member Districts. If a Petition for Withdrawal is so approved, the petitioning District shall be withdrawn from NSSSED effective July 1 of the succeeding year. The petitioning District must notify the Illinois State Board of Education (ISBE) in writing of the impending withdrawal upon receiving the required approval by all Member District Boards of Education and must satisfy all requirements relating to the withdrawal as specified by the ISBE.

5. Non-Consensual Withdrawal. A Member District that has satisfied all of the requirements in Sections 2 and 3 above that does not want to follow the consensual process provided in Section 4 above or whose Petition under Section 4 was not approved by all Member Districts may adopt a resolution and prepare a Petition for Withdrawal meeting the requirements of Section 3 above and file copies of the resolution and Petition for Withdrawal with the appropriate ROEs (or successor body, if any, as provided by law). Copies of the resolution and Petition shall be simultaneously submitted to the NSSSED Superintendent, the President of the NSSSED Leadership Council, and to all Member District Superintendents. The NSSSED Superintendent or designee shall review the resolution and Petition and recommend to the Leadership Council the content and manner of the response to be made by NSSSED. The Leadership Council shall make final determinations regarding NSSSED's response to a Petition for Withdrawal filed with the ROEs. Further procedures will be held in accordance with the requirements of Section 10-22.31 of the *School Code* (105 ILCS 5/10-22.31) as amended, or any successor legislation and any applicable state rules and regulations.
6. Rescission of Petition to Withdraw. A Member District that has submitted a Petition for Withdrawal (whether under Section 4 or Section 5 above) may rescind its action at any time subject to approval by a two-thirds majority of all members of the NSSSED Leadership Council, except that the members of the Leadership Council from the District requesting rescission shall not vote on the question and shall not be counted in determining the two-thirds majority. If the decision to rescind is made and approved within the 12-month period prior to the scheduled withdrawal, the District will be subject to the additional costs associated with the anticipated withdrawal and rescission. Additionally, the District will pay twice the annual membership fees for the first year only following the rescission.
7. Reversion to Non-Member Status. Member Districts that voluntarily withdraw from NSSSED will, upon withdrawal, revert to non-Member status with the exception of maintaining the obligations and benefits outlined in Section VI.C. (Accounting Upon Withdrawal or Removal). These Districts may request continued participation in selected programs. Such participation must be approved by the Leadership Council in accordance with the terms and conditions mutually agreed upon between the District and NSSSED.

The mutually agreed upon terms and conditions of participation shall be set forth in a contract approved by the Leadership Council of NSSSED and the Board of Education of the withdrawn District.
8. Effective Date of Withdrawal. The effective date of a District's withdrawal will always be July 1. If the deadlines described in Sections 2 and 3 above were satisfied, the earliest withdrawal date would be the July 1 occurring 18

months after the submission and approval of the Petition for Withdrawal. The withdrawal process could be delayed by the withdrawing District's failure to meet one or more the deadlines described in Sections 2 and 3 above or by a delay in satisfying any requirements specified by the Illinois State Board of Education.

B. Involuntary Removal of Member District.

If any Member District violates or refuses to comply with the obligations stated in Section 1.D.2 or breaches any other provision of the Articles of Agreement or NSSSED policy, such Member District may be removed from membership in NSSSED as follows:

1. Notice. Upon approval of a majority of the Governing Board, a written notice shall be forwarded to the Board of Education of the Member District in question, specifying in detail the grounds justifying the removal of the Member District from NSSSED. The notice shall specify the period of time in which the District's deficiencies are to be corrected and, if appropriate, the corrective steps that must be taken.
2. Hearing. Should the Member District fail to take the remedial action required in the aforementioned notice to the satisfaction of the Governing Board, the Governing Board shall, upon reasonable written notice, call a special meeting, at which time the matter shall be brought before the Governing Board for hearing and action. At least fifteen days written notice of the time, date, and place of such hearing shall be given to the Member District in question by certified mail addressed to the District's Superintendent. The Member District in question shall be permitted to appear and to submit reasons why it should not be removed from membership.
3. Action. A two-thirds majority of all the Governing Board members shall be required to terminate the membership of a Member District in NSSSED. Such termination shall be effective no later than July 1 following the date of the Governing Board's action. Removal from membership shall not relieve the Member District of the obligations incurred during its membership in NSSSED.
4. Continued Participation. These Districts may request continued participation in selected programs. Such participation may be approved by the Governing Board.

The mutually agreed upon terms and conditions of participation shall be set forth in a contract approved by the Governing Board of NSSSED and the Board of Education of the withdrawn District.

- C. Accounting Upon Voluntary Withdrawal or Involuntary Removal of Membership.** The calculations referred to below will ordinarily begin by July 1 of the year of a District's withdrawal or removal and will be expected to be completed by October or November of that same year.

1. NSSSED Net Assets. If a Member District seeks to withdraw or is removed from NSSSED, the withdrawing or removed Member District shall not be entitled to any share of NSSSED's Net Assets as defined below upon such withdrawal or removal, but shall be entitled to the withdrawing or removed Member District's proportionate share of NSSSED Net Assets upon NSSSED's dissolution, if such dissolution occurs within 20 years of the Member District's withdrawal or removal. If the dissolution of NSSSED occurs 20 years or more after the date on which a District's withdrawal or removal became effective, then the withdrawn or removed District is not entitled to any share of NSSSED's Net Assets.

For the purposes of these Articles, "Net Assets" is defined as all NSSSED real property, personal property, and fund balances, less all expenses and NSSSED debt as of the effective date of withdrawal, removal, or dissolution, whichever date is applicable.

The withdrawing or removed Member District's proportionate share of NSSSED Net Assets shall be the amount determined as follows:

- (a) determine a fraction the numerator of which is the lesser of: (i) the total student enrollment of the withdrawing or removed Member District at the effective date of the withdrawal or removal or (ii) the total student enrollment of the withdrawing or removed Member District at the effective date of dissolution; and

the denominator of which is the sum of the collective total student enrollment of the remaining Member Districts at the effective date of dissolution plus, for each District that has previously withdrawn or been removed from NSSSED, the greater of each such District's student enrollment at the effective date of that District's withdrawal or removal or the student enrollment of that District at the effective date of dissolution;

- (b) multiply the fraction by the lesser of (i) the value of the NSSSED Net Assets at effective date of dissolution less any amount paid under Section V and VI to other withdrawn or removed Districts or (ii) the value of the NSSSED Net Assets at the effective date of withdrawal or removal less any amount paid under Section V and VI to other withdrawn or removed Districts.

2. Liabilities. A withdrawn or removed Member District shall continue to be liable for its proportionate share of the principal and interest on any outstanding and unpaid bonds or notes issued by NSSSED during that District's NSSSED Membership, as well as all other liabilities and commitments incurred by NSSSED during such Membership, including, but not limited to, attorney, accounting, and auditing fees and expenses incurred as a result of the Member District's withdrawal or involuntary removal. For the purposes of these Articles of Agreement, a "liability" is defined, under Generally Accepted Accounting Principles, as a present

obligation to sacrifice resources that the District has little or no discretion to avoid. A “commitment” is defined as an existing arrangement to enter into future transactions or events that are non-cancelable. Commitments bind the District to future payments for future goods or services provided, such as contracts for snow-plowing or lawn-care contracts. Withdrawing Districts shall only be responsible for new commitments (those commitments entered into by the Leadership Council after a District’s request for withdrawal has been approved) for the period of time that they remain Members of NSSSED. A District’s “proportionate share” for purposes of this Section 2 shall be calculated by dividing the total enrollment of the withdrawn or expelled Member District by the combined total enrollment of all Member Districts as of the effective date of the withdrawal or removal, whichever is applicable or, in the case of bonds or notes, as otherwise provided for in the resolution authorizing the issuance of the bonds or notes. Furthermore, all payments calculated under this Section VI shall reflect the net value thereof after considering any liabilities that may be attributable to said withdrawn or terminated Member District. The determination of total liabilities in the event of withdrawal or removal of a Member District shall be made by an auditor or accounting firm familiar with government accounting and selected by the NSSSED Governing Board.

3. Assessing Value of Real Property. For purposes of determining the value of the NSSSED real property at the time of a withdrawal or a removal, the Governing Board shall select an Illinois licensed real estate appraiser to prepare a full appraisal of the fair market value of NSSSED’s real property. The cost of the appraisal shall be borne by the withdrawing or removed Member District and copies thereof shall be distributed to the Governing Board and the withdrawing or removed Member District.
4. Time of Payments.
 - (a) Payments to Member District. Payment of a Member District’s proportionate share of NSSSED Net Assets under these Articles of Agreement to the withdrawn or removed Member District shall only be made upon the dissolution of NSSSED as set forth in Section XI of these Articles of Agreement. A withdrawn or removed Member District shall be entitled to its proportionate share of NSSSED Net Assets upon the dissolution of NSSSED only if the dissolution occurs within 20 years following the effective date of withdrawal or removal, and shall not be entitled to any other consideration or remuneration.
 - (b) Payments From Member District. If a withdrawing or removed Member District owes any money to NSSSED other than its proportionate share of the principal and interest on any outstanding and unpaid bonds or notes issued by NSSSED, said indebtedness shall be paid on or before December 31 of the calendar year in which the withdrawal or removal becomes effective.
5. Successor Districts. If a previously withdrawn or removed Member District has dissolved, merged, or combined with another school district or

has otherwise ceased to exist at the time a payment is due and payable to said former withdrawn or removed Member District, the new entity which includes the former Member District shall be entitled to such payment unless otherwise provided by law.

VII. TRANSPORTATION

NSSSED shall be responsible for securing transportation services to NSSSED programs and such other programs as provided for in a student's IEP. The Leadership Council may provide such services through a contractual arrangement or through the operation of Member District vehicles. With respect to students receiving NSSSED services or NSSSED programs on a tuition basis, however, such transportation services shall be the sole responsibility of the school district in which the student resides. Finally, any Member District may elect to be responsible for the transportation of its own resident students.

VIII. NON-RESIDENT STUDENTS

The Superintendent is authorized to permit students from outside the NSSSED area to attend NSSSED's special education programs when s/he determines that there are sufficient facilities available to handle said outside students without detriment to resident students. Non-resident students shall be charged tuition as determined annually in the NSSSED budget.

IX. AMENDMENTS

A. Procedure

1. Amendments to these Articles of Agreement shall be submitted in writing to the Leadership Council at least sixty (60) days before the next Leadership Council meeting.
2. The Leadership Council shall establish a process for studying each amendment, resulting in a recommendation regarding the amendment at least 30 days prior to the Leadership Council meeting at which the vote will be taken upon the amendment.
3. By approval of the affirmative vote of 2/3 of the full Leadership Council members, the foregoing procedure on amendments may be waived, but in each such case at least 14 days must expire between a meeting at which the amendment is proposed and the meeting at which the amendment is adopted.

B. Vote

Amendments become effective if approved by a 2/3 majority of the full Leadership Council.

X. ARBITRATION

A. Applicability

1. Any action or dispute arising out of or related to any act taken by NSSSED under Section V or VI of these Articles of Agreement shall be subject to binding arbitration, which shall be the sole remedy for any challenge to such action. With respect to the other sections of these Articles of Agreement, NSSSED and all Member Districts shall have all legal and equitable remedies available to them under the law without restriction.

2. Notwithstanding anything in this Section to the contrary, Member Districts and NSSED acknowledge that it is usually most desirable for the parties to resolve problems through free and informal communications. Consequently, the parties may first attempt to resolve a dispute through negotiations. If such informal process fails to satisfy the dispute, either party may seek resolution of the dispute in accordance with Section X. B.

B. Procedures

1. If a dispute pertaining to the termination or withdrawal of a Member District cannot be resolved between the aggrieved parties, NSSED or a Member District may submit the dispute to binding arbitration. The arbitration shall be administered by the American Arbitration Association (“AAA”) under its Commercial Arbitration Rules, and judgment on the decision rendered by the arbitrator may be entered in any court having jurisdiction thereof. AAA shall be requested to submit a list of arbitrators from which the parties shall mutually select one (1) arbitrator. In the event there is a conflict between any AAA rule and any term or condition contained herein, the terms and conditions herein shall control.
2. Each party shall bear the full cost for its representation in the arbitration. The cost of the arbitrator, a stenographer and the AAA shall be equally divided between the parties.
3. If a party requests a transcript of the proceedings, that party shall bear full costs for the transcript.
4. It shall be the function of the arbitrator and the arbitrator shall be empowered, except as those powers are limited by law, to make a final decision for alleged violations of Section V or VI of these Articles of Agreement.
5. The arbitrator shall have no power to alter or add to the terms of these Articles of Agreement. The arbitrator’s decision must be based solely and only upon an interpretation of the meaning or application of the express relevant language of these Articles of Agreement.

XI. DISSOLUTION

NSSED may be dissolved upon the affirmative vote of 2/3 of the full Governing Board or as otherwise provided in the *School Code*. In the event NSSED dissolves, its Net Assets will be distributed as follows:

A. Real Property

Any NSSED buildings or real property will be offered for sale to NSSED’s successor, if any (“Successor”), or NSSED’s current Member District(s), at the average appraised value based on a minimum of two (2) appraisals by Illinois-licensed real estate appraisers. Additional terms and conditions pertaining to such sale shall be in accordance with those promulgated by the Governing Board.

If the Successor or one of the Member Districts does not purchase the building(s), the Governing Board will place the site(s) for sale in accordance with the *School Code*, or upon such terms and conditions as the Governing Board deems appropriate if the *School Code* fails to provide a method for sale.

The net proceeds of such sale will be distributed proportionately to the current Member Districts, with each Member District receiving an amount calculated using the following formula:

- (a) Determine a fraction, the numerator of which is the total student enrollment of the Member District at the effective date of dissolution, and the denominator of which is the sum of the collective total student enrollment of the remaining Member Districts at the effective date of dissolution;
- (b) Multiply the fraction by the value of the NSED Net Assets, less any deductions required under Subsection F, at the effective date of dissolution.

B. Equipment and Materials

The education equipment and materials assigned to student programs will be transferred to the Successor with the stipulation that it is the Successor's intent to operate these programs for at least two (2) years. If no Successor exists, the equipment and material will be sold separately.

Any equipment and materials not transferred to a Successor will be placed for sale in accordance with the *School Code*, or upon such terms and conditions as the Governing Board deems appropriate if the *School Code* fails to provide a method for sale.

The net proceeds of such sale will be distributed proportionately to the Recipient Districts, using the formula set forth at Subsection A.

C. Personnel Reimbursements

State and federal personnel reimbursement generated by NSED during the school year prior to dissolution, when forwarded by ISBE to the Regional Office of Education, will flow to the Successor, if any. If no Successor exists, such reimbursements shall flow proportionately to the current Member Districts employing at least one individual in the position for which reimbursement was provided to NSED, using the formula set forth at Subsection A, but excluding from the calculation any enrollments of former Member Districts.

D. Grant Carryover Funds

NSED grant carryover funds will be allocated to current Member Districts as determined by a majority of the Governing Board.

E. Remaining Fund Balances and/or Deficits

Any remaining fund balances or deficits will be distributed or charged proportionately to NSSED's current Member Districts, using the formula set forth at Subsection A, but excluding from the calculation any enrollments of former Member Districts.

F. **Payments to Previously Withdrawn or Removed School Districts**

All payments required to be made to previously withdrawn or removed school districts pursuant to Articles V & VI shall be deducted in determining Net Assets available for distribution to member school districts under this Article.

EXHIBIT A
MEMBER DISTRICTS

Northern Region

- 65 Lake Bluff
- 67 Lake Forest
- 106 Bannockburn (Deerfield)
- 109 Deerfield
- 112 North Shore School (Highland Park)
- 113 Deerfield/Highland Park High Schools
- 115 Lake Forest High School

Northfield Township Region

- 27 Northbrook
- 28 Northbrook
- 30 Northbrook/Glenview
- 31 West Northfield
- 34 Glenview
- 225 Glenbrook High School

New Trier Region

- 29 Sunset Ridge (Northfield)
- 35 Glencoe
- 36 Winnetka
- 37 Avoca (Withdrawn 2008)
- 38 Kenilworth
- 39 Wilmette (Withdrawn 2005)
- 203 New Trier High School

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EXHIBIT B

NSSSED GOVERNANCE UNIT RESPONSIBILITIES SUMMARY

Governing Board	Leadership Council	Advisory Committee
<p>One Board member from each member district</p>	<p>All Governing Board Members and the 3 Superintendents that also serve on the Advisory Committee</p>	<p>4 Governing Board members (President, Vice President, Secretary and 1 member-at-large) and 3 Superintendents from member districts</p>
<p>Shall review and adopt the NSSSED Budget annually.</p> <p>Issue bonds or notes as set forth in Section 10-22.31 of the School Code</p> <p>Borrow money on the terms set forth in Section 10-22.31 of the School Code.</p> <p>Shall employ, supervise, evaluate, and determine annual compensation of a Superintendent; define the scope and limit of the Superintendent's duties; and ensure that the Superintendent carries out policies and performs those functions assigned by the Illinois State Board of Education to the State Approved Director of Special Education.</p>	<p>Shall adopt, at a minimum, policies regarding staff organization and duties; staff salaries, contracts and benefits; staff regulations; relations with students and parents; Member District relationships; the operation of NSSSED programs within Member Districts; financial matters; and community relations.</p> <p>Shall authorize payment of accounts payable, approve payroll, and imprest checks. Such payments shall be certified to the treasurer and the treasurer shall be entitled to rely fully thereon in making payments specified and is hereby directed to make such payments as so certified.</p> <p>Shall receive and approve monthly financial reports, including the treasurer's report, program balances, investment reports and activity fund reports.</p> <p>Shall approve the purchase or lease of supplies and equipment, subject to the constraints of Section II.B.1.d.</p> <p>Shall be responsible for the employment and dismissal of</p>	<p>The Advisory Committee is the chief hearing body of the Governing Board in the event of employee discipline, including termination. The Advisory Committee shall recommend appropriate discipline for employees, but the responsibility for the dismissal of employees lies solely with the Governing Board.</p> <p>The Advisory Committee serves as an ad hoc advisory group to the Superintendent and Leadership Council. Meetings of the Advisory Committee may be called by either the Superintendent or the Board and may perform tasks as permitted by these Articles of Agreement.</p>

	<p>all NSSSED employees, except the Superintendent.</p> <p>Shall oversee the administration of personnel matters consistent with the Governing Board policies and collective bargaining agreements.</p> <p>Shall approve the employment of personnel as authorized by and within the Governing Board budget or contracts with other agencies.</p> <p>However, any full time professional worker who is employed by NSSSED and spends over fifty percent (50%) of his or her time in one Member District shall not be required to work a different teaching schedule than other professional workers in that Member District.</p> <p>May receive, consider, and propose amendments to the Articles of Agreement.</p> <p>May contract for or secure services from Member Districts and outside agencies subject to parameters of NSSSED's annual budget and Governing Board policy.</p> <p>May let contracts for new construction or remodeling projects or for purchase of buildings subject, however, to budget limitations established for the project, and to certify to the treasurer all payments to be made therefore, and the treasurer shall honor and rely fully upon such certification in making such payments.</p>	
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	<p>May lease buildings for NSSED programs, not to exceed one year.</p> <p>Shall approve applications for state or federal grants or aid (when such approval is required by the grantor) so long as the income and expenditures are made part of the appropriate annual budget approved by the Governing Board. Such action may be taken as part of an annual resolution covering all such grants.</p> <p>Shall approve the filing of all reports and claims (when such approval is required by the grantor) necessary to meet administrative requirements of federal and state governments. Such action may be taken as part of an annual resolution covering all such grants.</p> <p>May approve all multi-year contracts with labor unions or professional organizations, or amendments thereto.</p>	
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