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State Superintendent's
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**INTERGOVERNMENTAL COOPERATIVE AGREEMENT
BY AND BETWEEN THE
ILLINOIS STATE BOARD OF EDUCATION
AND THE
NORTH CHICAGO COMMUNITY UNIT SCHOOL DISTRICT #187**

THIS INTERGOVERNMENTAL COOPERATIVE AGREEMENT (this "Agreement") is entered into by and between the Illinois State Board of Education ("ISBE") and the Board of Education of North Chicago Community Unit School District #187 (the "District"), both being units of government organized and existing under the laws of the State of Illinois.

WITNESSETH:

WHEREAS, ISBE has identified certain areas where the District can improve its level of compliance with federal and state statutes, regulations and requirements (collectively, "regulatory requirements");

WHEREAS, ISBE and the District believe that a voluntary partnership between the parties to institute additional oversight for District planning and operations will improve the District's compliance with regulatory requirements and is in the best interests of the District and the students it serves;

WHEREAS, the Intergovernmental Cooperation Act, 5 ILCS 220/1 *et seq.*, and the Constitution of the State of Illinois permit the State of Illinois and school districts to cooperate together in the performance of their responsibilities by contracts and other agreements, and to exercise jointly any power or powers, privileges, or authority in any manner not prohibited by law; and

WHEREAS, ISBE and the District wish to enter into this Agreement, pursuant to which ISBE and the District shall establish a process for additional oversight of District planning and operations to aid its administration and achievement of its educational mission.

NOW, THEREFORE, in consideration of the foregoing matters and the promises herein contained, it is mutually agreed by and between the parties hereto as follows:

1. TERM

The term of this Agreement shall commence on the date of execution by both parties and shall continue until June 30, 2013. Thereafter, the term shall automatically be renewed for three additional one year periods (from July 1 to June 30, through June 30, 2016),

unless ISBE determines prior to the expiration of the term that, based upon a review of the District's compliance with regulatory requirements and the terms and provisions of this Agreement, further oversight pursuant to this Agreement is unnecessary for the District to operate in accordance with regulatory requirements and in a manner consistent with the best interests of the students of the District. The term may be extended beyond June 30, 2016 by mutual agreement of the parties.

2. ISBE LIAISON AND IMPROVEMENT PLANS

The State Superintendent will appoint a liaison to the District (the "Liaison"). The Liaison will have the following responsibilities:

- a) Oversee the implementation of all plans developed in accordance with Section 4 of this Agreement (collectively, "Improvement Plans");
- b) Review and approve in writing, all proposed personnel, contracting and budgetary decisions of the District prior to final action by the District Superintendent or District Board to ensure whether such actions are in the best interests of the District and consistent with the Improvement Plans, and to determine whether any such decisions should be subject to the process for contested matters described in Section 5. For purposes of this Agreement, (i) personnel decisions include hiring, placement, termination and nonrenewal decisions regarding both certified and non-certified employees, as well as the approval of payroll; (ii) contracting decisions include decisions to procure or enter into any contract, grant agreement or other arrangement involving the receipt of funds or the allocation of District resources, and to include any expenditure(s) that may be related to any necessary emergency repair work; and (iii) budgetary decisions include all District decisions related to approval of or revisions to the District budget, the accessing of financial resources, the issuance of evidences of indebtedness or the development and/or approval of District tax levies.
- c) Advise the District Superintendent and District board on general operational and administrative matters, and direct the District Superintendent and District Board on actions needed to remain in compliance with the Improvement Plans.
- d) From time to time, the State Superintendent may assign to the Liaison such other responsibilities as the State Superintendent deems necessary to fulfill the intent and accomplish the purposes of this Agreement.

3. ISBE PARTNERS

ISBE may enter into a contract with one or more entities ("ISBE Partner or ISBE Partners") to assist with ISBE's intervention in the District.

4. IMPROVEMENT PLANS

- (a) The Liaison, as the designee of the State Superintendent and in concert with the ISBE, any ISBE Partners, and the Regional Office of Education for Lake County, will work with the District Board and the District Superintendent to timely develop and implement the following Improvement Plans:
- i) *Plan for Board member training and operational review:* Development of a board member training plan and general operating principles for board/staff roles and interactions.
 - ii) *Corrective Plan for Noncompliance:* Development and oversight of the implementation of a corrective plan addressing the District's noncompliance with any and all regulatory requirements.
 - iii) *Financial Plan:* Development and oversight of the implementation of a three-year plan for the financial operation of the District addressing, at minimum, the District's projected revenues and expenditures and a description of the means by which the District's budget will be brought into balance.
 - iv) *Instructional Improvement Plans:* Development and oversight of the implementation of new instructional improvement plans for the District as a whole, and for each individual school building. The instructional improvement plans must specify how the District will seek to maximize community and parental involvement in the instructional programs and overall improvement efforts.
 - v) *Staffing Needs Analysis and Plan:* (i) Performance of an analysis of critical staffing needs within the District to support the instructional improvement plans and corrective plan for noncompliance; and (ii) development of a strategy for attracting candidates and posting positions to meet the District's critical staffing needs, in a manner consistent with the financial plan.
 - vi) *Facilities Plan:* Development and oversight of the implementation of a plan for the maintenance, repair and improvement of all District facilities (including, but not limited to, buildings used for instructional and administrative functions, indoor and outdoor recreational facilities, landscaping, parking, and infrastructure related to traffic circulation) and the correction of any violations of the Health Life Safety Code for existing facilities.
- (b) Within ninety (90) days after the effective date of this Agreement, the Liaison will develop these Improvement Plans, which shall include a timeline for implementation. The Liaison shall establish a goal of completing all Improvement Plans prior to the commencement of the 2012-2013 school year or

as soon thereafter as deemed reasonably possible. The schedule for completion of the Improvement Plans must be approved by the State Superintendent.

- (c) Each Improvement Plan must be updated by the Liaison on a semi-annual basis. In addition, on or before June 30 of each year, the Liaison will submit an annual report to the State Superintendent describing (i) the implementation of the Improvement Plans; and (ii) planned activities and objectives of the Liaison for the upcoming fiscal year.

5. DISTRICT RESPONSIBILITIES

The District shall cooperate with ISBE, its employees, any ISBE Partners, and the Liaison with respect to development and implementation of the Improvement Plans and with other aspects of the administration of this Agreement. Throughout the term of this Agreement, the District shall consult and confer with the Liaison with respect to all review and approvals required of the Liaison under this Agreement. Further, the District acknowledges and agrees that its failure to comply with the terms and provisions of this Agreement and/or cooperate with ISBE, its employees, any ISBE Partners or the Liaison with respect to the administration thereof may result in the removal of the District's superintendent and/or board members in accordance with Section 2-3.25f of the School Code [105 ILCS 5/2-3.25f], Section 3-15.5 of the School Code [105 ILCS 5/3-15.5] and/or any other corrective action by ISBE authorized by the School Code or the No Child Left Behind Act of 2001.

Furthermore, the District acknowledges and agrees that:

- (a) The District, prior to the effective date of this Agreement, has commissioned a third-party assessment of leadership, curriculum and instruction, operations and financial status. Any issues identified in any report resulting from such assessment shall be incorporated into and addressed pursuant to the Improvement Plans.
- (b) In accordance with Section 2 of this Agreement, and regardless of the monetary amount at issue, neither the District nor the District's Superintendent shall approve any action relating to personnel, contracting or budgeting without the prior written approval of the Liaison.
- (c) The District shall not hire or otherwise enter into a contract with an individual to become superintendent of the District unless and until the District has received written authorization of the State Superintendent to hire or otherwise enter into a contract with such an individual.
- (d) The members of the District's Board shall in no way be involved in the recruitment, hiring or termination of any employees of the District, other than to vote to approve or reject a proposed hiring or termination brought to the District Board upon the recommendation of the District's superintendent. Notwithstanding the foregoing sentence, and subject to Section 6(c) above, the District's Board may be involved in the recruitment and hiring of the District's superintendent.

- (e) The members of the District's Board shall not possess or make any expenditure on any District credit cards.
- (f) No later than 30 days after the effective date of this Agreement, the District shall provide a written report to the Liaison detailing any pending litigation and the amount already expended defending such litigation. Such written report shall be updated every three months and provided to the Liaison.

6. CONTESTED MATTERS

- (a) Review of District's Proposed Actions and Liaison Recommendations. In the event the Liaison determines any personnel, contracting, or budgetary decision (proposed or otherwise) is inconsistent with the Improvement Plans or not in the best interests of the District, the Liaison will make a recommendation to the District Superintendent and District Board that the Liaison deems is consistent with the foregoing standards. If the District refuses to comply with the Liaison's recommendation, the matter will be referred to the State Superintendent for a final determination.
- (b) State Superintendent Review. The Liaison will make a recommendation to the State Superintendent for action on any contested matter. The State Superintendent will either: (i) take action on the contested matter; (ii) request additional information; or (iii) direct the District to further consider the Liaison's recommendation or other alternatives.
- (c) Implementation of Critical Decisions. The Liaison may determine that a proposed action or lack thereof by the District on a personnel, contracting or budgetary decision is critical to the achievement of the objectives of the Improvement Plans, compliance with regulatory requirements, or otherwise is in the best interests of the District. In such event, the Liaison shall seek the cooperation of the District to implement such action in accordance with District procedures and this Agreement. In the event the District is unable or unwilling to take action within a timeframe that allows the achievement of the objectives of the Improvement Plans, compliance with regulatory requirements, or any other action deemed by the Liaison to be in the best interests of the District, the Liaison may refer the matter directly to the State Superintendent for action on behalf of the District.
- (d) Final Actions. All final actions taken by the State Superintendent in accordance with this Section shall be binding upon the District to the same extent as if such action was approved by the District Board.

7. TERMINATION BY ISBE

At any time during the term, ISBE may elect to terminate this Agreement upon sixty (60) days prior written notice to the District in the event ISBE determines, in its sole discretion, the Agreement is not serving the best interests of the students of the District.

8. GENERAL PROVISIONS

- a) This Agreement shall be governed by, subject to and construed under the laws of the State of Illinois without regard to its conflicts of law provisions.
- b) No waiver of any breach of this Agreement shall be held as a waiver of any other or subsequent breach.
- c) This Agreement may be signed in counterparts, which shall together constitute the original Agreement. Signatures received by facsimile by either of the parties shall have the same effect as original signatures.
- d) This Agreement, including the rights, benefits and duties hereunder, shall not be assignable by either party without the prior written consent of the other party.
- e) This Agreement constitutes the entire Agreement between the parties with respect to the subject matter hereof, and supersedes any other negotiations, agreements and understandings, whether written or oral.
- f) ISBE and the District represent and warrant to each other that this Agreement has been duly authorized, executed and delivered by and on their behalf, and constitutes the legal, valid and binding agreement between ISBE and the District.
- g) The District shall maintain and make available to ISBE or its designee all records and other information collected, gathered, obtained or otherwise received by the District pertaining to this Agreement and the administration of the District. Books and records required to be maintained under this Section shall be available for review or audit by representatives of ISBE, including the Liaison, and other governmental entities with monitoring authority upon reasonable notice and during normal business hours. The District shall cooperate fully with any such review or audit. The District will provide notice to the Liaison of all District board meetings, and allow the Liaison to attend all closed sessions of the District Board.
- h) This Agreement may be amended only by a written instrument signed by all parties hereto.
- i) This Agreement shall supersede any and all provisions of any District-adopted policy or regulation that may be in conflict with the terms and provisions of this Agreement.

- j) The parties agree to execute such documents and take such action as shall be reasonably requested by the other party to confirm or clarify the intent of the provisions of this Agreement and to effectuate the agreements herein contained.
- k) In the event that any provision of this Agreement or the application thereof to any person or in any circumstances shall be determined to be invalid, unlawful, or unenforceable to any extent, the remainder of this Agreement, and the application of such provision to persons or circumstances other than those as to which it is determined to be invalid, unlawful or unenforceable, shall not be affected thereby, and each remaining provision of this Agreement shall continue to be valid and may be enforced to the fullest extent permitted by law.
- l) Any notice, demand or request from one party to the other party shall be deemed to have been sufficiently given or served for all purposes if, and as of the date, it is delivered by hand, overnight courier, facsimile (with confirmation) or within three (3) business days of being sent by registered or certified mail, postage prepaid, to the party at the following addresses:

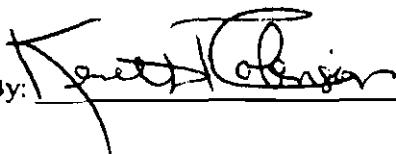
If to the District: [NAME]
 Superintendent
 [ADDRESS]

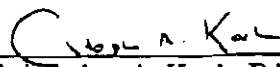
If to ISBE: General Counsel
 Illinois State Board of Education
 100 North First Street
 Springfield, IL 62777

IN WITNESS WHEREOF, the parties have made and entered into this Agreement as of the dates written below.

[BOARD]

ILLINOIS STATE BOARD OF
EDUCATION

By: 

By: 
Christopher A. Koch, Ed.D.
State Superintendent of Education

Date: 11-30-2010

Date: 11/23/10

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