

## **SCHOOL DISTRICT CONVERSION**

School District Conversion is one type of school district reorganization. Other types of reorganizations are:

- ⇒ Consolidation
- ⇒ Cooperative High School
- ⇒ Deactivation
- ⇒ Detachment/Annexation
- ⇒ Dissolution/Annexation
- ⇒ Partial Elementary Unit

Details for the above can be found in the individual brochures labeled accordingly or a brief summary of each in the brochure [School District Reorganization At a Glance](#).

A school district conversion is a form of reorganization where two or more unit districts or one or more unit districts and one or more high school districts dissolve, form a single new high school district, and form new elementary districts based upon the boundaries of the dissolved unit districts.

New school boards are elected and new tax rates are developed for each new school district. The new school districts are eligible to receive incentive payments. Refer to the brochure [School District Reorganization At a Glance](#) for additional information regarding these incentive payments.

## **STEPS TO A SCHOOL DISTRICT CONVERSION:**

- ⇒ Petition
- ⇒ Local public hearing
- ⇒ Regional superintendent approval
- ⇒ State Superintendent approval
- ⇒ Referendum approval

## **PETITION:**

- ⇒ Who may petition
  - The boards of education of each affected school district, or
  - Registered voters if signed by at least 50 voters or 10% of the voters residing within each affected district, whichever is less
- ⇒ The petition is filed with the regional superintendent of the region where the greater percentage of equalized assessed valuation is situated
- ⇒ The petition shall request the submission of the proposition at a regular scheduled election
- ⇒ The petition shall describe the territory comprising the proposed districts
- ⇒ The petition shall set forth the maximum tax rates that each of the proposed districts shall be authorized to levy
  - Proposed districts not subject to the Property Tax Extension Limitation Law (PTELL) must include in the petition the maximum rates for educational, operations and maintenance, and pupil transportation purposes; in addition, the petition must include maximum rates for any purpose any of the proposed districts wish to levy above the statutory permissive rate
  - Proposed districts subject to PTELL must include in the petition the maximum rates for each purpose each of the new districts will be authorized to levy; the aggregate extension base; and, if desired, the debt service extension base
- ⇒ The petition shall set forth the manner in which the Deficit Fund Balance Incentive is to be allocated among the proposed new school districts

- ⇒ The petition shall designate a Committee of Ten, any seven of whom may make binding stipulations on behalf of all petitioners
- ⇒ The petition shall provide for a division of assets and liabilities to be allocated to the proposed new school districts
- ⇒ The petition must define the format for the election of the new high school board
- ⇒ The petition may request that a school board for each of the proposed new districts be elected at the same election as the conversion question
- ⇒ If a petition does not result in conversion, no subsequent petition can be filed for two years after the final determination on the first petition unless a substantially different petition is filed or a district included in the first petition is placed on the State Board of Education's academic or financial watch list

## **LOCAL PUBLIC HEARING:**

- ⇒ The regional superintendent shall publish a notice of the petition and hearing at least once each week for three successive weeks in a newspaper having general circulation in the area of the proposed districts
- ⇒ The regional superintendent shall cause a copy of the petition to be given to each affected district school board and the regional superintendent of any region in which territory described in the petition is situated
- ⇒ The hearing on the petition is to be held no more than 15 days after the last date on which notice was published
- ⇒ The petitioners shall pay the expense of publishing the notice and the expense of the transcript of the public hearing
- ⇒ Any resident or representative of a school district in which any territory described

in the petition is situated may appear in person or through an attorney to provide oral and/or written testimony

## **REGIONAL SUPERINTENDENT DECISION:**

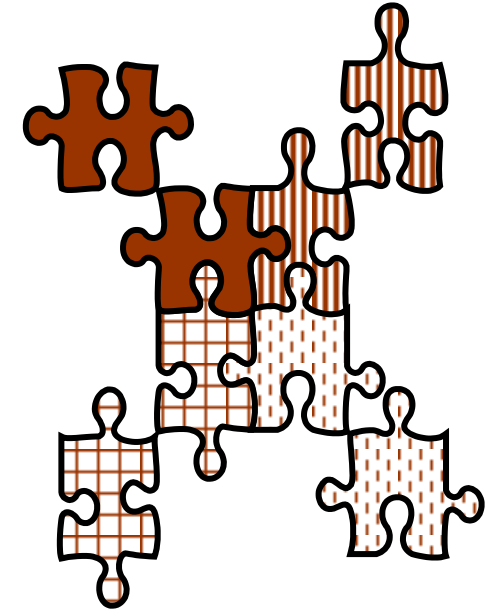
- ⇒ The regional superintendent shall consider:
  - The school needs and conditions of the affected districts and in the area adjacent thereto
  - The division of funds and assets that will result from the action described in the petition
  - The best interests of the schools of the area
  - The best interests and the educational welfare of the pupils therein
- ⇒ Within 14 days after the conclusion of the hearing, the regional superintendent shall make a decision either approving or denying the petition
- ⇒ Upon approving or denying the petition, the regional superintendent shall submit the petition and all evidence to the State Superintendent of Education

## **STATE SUPERINTENDENT DECISION:**

- ⇒ The State Superintendent shall review the entire record of the local hearing and take into consideration:
  - The school needs and conditions of the affected districts and in the area adjacent thereto
  - The division of funds and assets that will result from the action described in the petition
  - The best interests of the schools of the area
  - The best interests and the educational welfare of the pupils residing therein

# School District Conversion

## At a Glance



- ⇒ The State Superintendent shall approve or deny the petition within 21 days after the receipt of the regional superintendent's decision
- ⇒ The decision of the State Superintendent is deemed an "administrative decision" as defined in the Administrative Review Law
  - Any resident who appears at the hearing or any petitioner or school board of any district in which territory described in the petition is situated may file a complaint for judicial review within 35 days after a copy of the decision sought to be reviewed was served by certified mail, return receipt requested, upon the party affected

### REFERENDUM APPROVAL:

- ⇒ The proposition must pass by a majority of those voting in each affected district

### FREQUENTLY ASKED QUESTIONS:

- Q. How are the assets and liabilities of the dissolved school districts divided among the new elementary districts and the new high school district?
  - A. Bonded Indebtedness (long-term debt) remains with the taxpayers within the boundary of the previous district that incurred the debt. The petition for the conversion must provide for the allocation of assets and liabilities among the proposed new school districts.
- Q. What are the different incentive payments available in a school district conversion?
  - A. The new school districts that result from a school district conversion may be eligible for the following incentive payments:
    - ✓ Evidence-Based Funding Difference

- ✓ Teacher Salary Difference (new high school district only)
  - ✓ Deficit Fund Balance
  - ✓ \$4,000 per Full-Time Certified Staff
- A summary of each of these incentive payments is in the brochure *School District Reorganization At a Glance*, or a detailed explanation can be found in Section 11E-135 of the School Code.

### Q. How are tenured teachers of the dissolved school districts divided among the new elementary districts and the new high school district?

- A. Teachers having tenure with the districts at the time of their dissolution shall be transferred as follows:
    - Teachers employed full time in grades 9 to 12 for the preceding five years will be transferred to the new high school district
    - Teachers employed full time in grades Kindergarten to 8 for the preceding five years will be transferred to the newly created successor elementary district
    - Full time teachers not falling into either of the above categories may request a transfer to the new high school district or the newly created elementary district that succeeds the unit district that employed the teacher
- In accordance with Section 24-11 of the School Code, the new elementary district board or the new high school board shall treat any transferred teacher in the same manner as if the teacher had been its employee during the time employed by one of the former districts.

### Q. Do non-certified staff members of the former districts have similar rights to be transferred as do tenured teachers?

- A. Yes. The new elementary or high school district board shall treat any transferred educational support personnel in the same manner as if that employee had been its employee during the time employed by one of the former districts.

### Q. After a conversion becomes effective, how will property taxes be paid?

- A. As a unit district, taxpayers paid property taxes to that entity. After the school district conversion becomes effective, taxpayers within a dissolved unit district will now pay property taxes to both the newly formed elementary district that succeeds the unit district where they live and the new high school district.

### Q. How is a school board elected for the new high school district?

- A. The school board for the new high school district may be elected at-large, with representation from each forming elementary district territory, or a combination of both. The format for the election of the new high school board must be defined in the petition.

This brochure is not to be used in place of the School Code, but as an informational tool. For specific information regarding school district conversions, refer to Article 11E of the School Code.

**For additional information and assistance, please contact the School Business Services Department of the Illinois State Board of Education at (217) 785-8779. Information is also available on the ISBE web page at: <https://www.isbe.net/Pages/School-District-Reorganization.aspx>**

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