# Articles of Agreement

(Effective date: January 1, 2026)

## TRUENORTH EDUCATIONAL COOPERATIVE

#### Preamble

The TrueNorth Special Educational Cooperative 804 ("TrueNorth") provides all its member districts support for students with special education needs. TrueNorth 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 considered in the decision-making of the Governing Board and the Executive Committee. Each member district has equitable opportunity to fully participate in and benefit from programming and services developed and provided by TrueNorth under guidance of the Governing Board and the Executive Committee and in accordance with all applicable federal and state laws.

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

## I. General

#### A. Name

This organization shall be known as the TrueNorth Special Educational Cooperative 804, (hereinafter referred to as "TrueNorth"). It shall be organized and operated in accordance with the laws of Illinois. Prior to July 1, 2021, this organization was known as the Northern Suburban Special Education District ("NSSED").

## B. Purpose

The purpose of the cooperative formed as a result of this joint agreement shall be to provide special education programs and services to students enrolled in member districts and other students with disabilities as provided for in these Articles of Agreement.

# II. Membership

## A. Member Districts

The member districts of TrueNorth are identified in Exhibit A ("Member Districts"). Member Districts agree to be bound by the terms and conditions set forth in these Articles of Agreement.

## B. Admittance of New Members

Any public school district may be approved for membership upon conditions developed by the Executive Committee, including the payment of a new member admission fee, and approved by the Governing Board, The Executive Committee shall vote on whether to recommend that a new member be admitted. If recommended by a vote of the Executive Committee, final decision on approval of a new member rests with the Governing Board which must approve any new member by a two-thirds (%) vote of the Governing Board members.

Updates to Exhibit A to reflect new Member Districts shall not be considered an amendment to these Articles of Agreement within the meaning of Section IX. The Executive Director shall amend Exhibit A upon the admission of a new Member District.

## C. Responsibilities of Member Districts

Member Districts shall have the following rights and responsibilities:

- 1. To promptly, timely, and fully pay all bills for services provided by TrueNorth.
- 2. To designate one Governing Board member as that procedure is set forth in Section III.A.1.
- 3. To authorize and allow for the participation of the District Superintendent on the Executive Committee.
- 4. To receive appropriate services, programs, and administrative support from TrueNorth consistent with these Articles of Agreement and as provided for by and within the budget approved by the Governing Board.

#### III. Governance

## A. Governing Board

1. <u>Members</u>. The Governing Board shall be composed of one member of the Board of Education from each District Member. Each Member District's

Board of Education shall designate its member of the TrueNorth Governing Board. Method for selection of Governing Board members shall be at the discretion of each local Board of Education. Districts will designate Governing Board members for a two (2) year term to ensure continuity in governance. Governing Board members may attend a meeting remotely for the reasons set forth in the Illinois *Open Meetings Act*. In the case of an absence of a Governing Board member, a Member District can send a designated alternateive Board member from the Member District to act in the place of the absent Governing Board member, but the Governing Board discourages the regular use of alternates.

## 2. Meetings.

- a. <u>Organizational Meeting</u>. Annually, at its May meeting, the Governing Board shall seat new members and shall organize by electing a President, Vice-President, Secretary, and Treasurer. If a special meeting is called in April that includes organization as a purpose, then the Governing Board may hold its organizational meeting in April. At the organizational meeting, the Governing Board shall adopt a calendar of meeting dates for the upcoming year.
- b. Regular Meetings. The Governing Board shall meet a minimum of twice per year, one of which shall be a budget meeting.
- c. <u>Special Meetings</u>. The Governing Board may hold special meetings at the request of the President or any three members of the Governing Board. The Governing Board may also hold emergency meetings as needed.
- d. Quorum and Voting Procedures. A quorum shall consist of a majority of the Governing Board. Each member of the Governing Board shall have one vote. A measure shall pass upon a majority vote of the Governing Members voting except as otherwise provided by law or these Articles.
- 3. Officers. The Officers of the Governing Board shall be the President, Vice President, Secretary and Treasurer. The Officers shall be elected for a term of two years beginning at the May meeting in the year in which the election occurs (i.e. following the Organizational Meeting) and ending after the successor is seated in the second year. The Secretary shall ensure that complete minutes of all Governing Board meetings are taken and properly distributed to the other Governing Board members. The Secretary may

- work with the TrueNorth administration to complete these tasks. The Treasurer shall be appointed consistent with law.
- 4. <u>Committees.</u> The Governing Board may form ad hoc or standing committees as needed. The President of the Governing Board shall appoint members of the committees, which may include non-Board members.
- 5. <u>Conflict of Interest.</u> To ensure the objective administration of the Member Districts and programs of TrueNorth, no person who is employed by TrueNorth shall be eligible for membership on the Governing Board. Additionally, no Governing Board member shall act on any matter for which the member has a conflict as defined by law.
- 6. Authority. The Governing Board shall:
  - a. Be the final authority for the TrueNorth Education Cooperative and shall conduct the affairs of TrueNorth under the statutory authority granted in the Illinois School Code and these Articles.
  - b. Serve as Administrative Agent for the TrueNorth Education Cooperative, acting on behalf of member districts who shall grant such authority by resolution of each member district Board of Education.
  - c. Adopt the annual budget but may not levy taxes nor authorize incurring of indebtedness which exceeds the annual budget, unless authorized by law.
  - d. Set policies which govern TrueNorth.
  - e. Vote on proposed amendments to these Articles of Agreement.
  - f. Discontinue a particular type of service, positions or reduce the number of employees employed by TrueNorth.
  - g. Approve the employment and dismissal of all TrueNorth employees. The Governing Board shall employ both licensed personnel and educational support personnel.
  - h. Approve employment of the Executive Director upon recommendation of the Executive Committee.
  - i. Approve establishment of all TrueNorth Education programs and services, upon recommendation of the Executive Committee.
  - j. Consider all other matters placed on meeting agendas.
  - k. Appoint the Executive Committee to administer the joint agreement in accordance with the terms of these Articles and to conduct the business of the organization, including but not limited to responsibilities related to policy development, financial oversight, employment responsibilities, contract execution, and other duties as needed. It is the intent of these Articles that all responsibilities possible under law are carried out by the Executive Committee except as reserved to the Governing Board.

## B. Executive Committee

The Governing Board, through these Articles of Agreement and consistent with Section 10-22.31(b) of *the School Code*, appoints an executive board, known as the "TrueNorth Executive Committee" ("Executive Committee") to administer the joint agreement pursuant to the terms of these Articles. The Governing Board appoints the Superintendents of all Member Districts to the Executive Committee.

 Members. The Executive Committee shall be composed of all the Superintendents (including any Interim Superintendents) of the Member Districts. If an Executive Committee member cannot attend a meeting, the Superintendent may attend remotely if the absence meets one of the reasons outlined in the Illinois Open Meetings Act or the Superintendent's designee from the Member District may attend the Executive Meeting but shall not have the authority to vote on any matter before the Executive Committee.

# 2. Meetings.

- a. <u>Organizational Meeting</u>. The Executive Committee shall organize each year at its July meeting, and will elect a Chair, Vice Chair, and Secretary. The Executive Committee shall also set a calendar for meetings for the upcoming year.
- <u>Regular meetings</u>. The Executive Committee shall hold no less than six (6) meetings per year and may convene monthly meetings.
   One of these meetings shall include a budget meeting.
- c. <u>Special Meetings</u>. The Executive Committee may hold special meetings at the request of the Chair or any three members of the Executive Committee. The Executive Committee may also hold emergency meetings.
- d. Quorum and Voting Procedures. A quorum shall consist of a majority of the Executive Committee. Each Mmember District of the Executive Committee shall have one vote. A measure shall pass upon a majority vote of the Executive Committee voting except as otherwise provided by law or these Articles.
- Officers. The Officers of the Executive Committee shall be the Chair, Vice Chair, and Secretary. The Officers shall be appointed by a majority vote of the Executive Committee for a term of two years beginning at the July

meeting in the year in which the election occurs (i.e. at the Organizational Meeting) and ending upon the seating of the successor at the conclusion of the second year. The Secretary shall ensure that complete minutes of all Executive Committee meetings are taken and properly distributed to the other Executive Committee members. The Secretary may work with the TrueNorth administration to complete these tasks. Officers may serve for a maximum of two contiguous terms.

- 4. <u>Authority.</u> The Executive Committee shall carry out the operational responsibilities of TrueNorth as delegated by the Governing Board. These responsibilities shall include, but not be limited to:
  - a. Recommending a candidate for the Executive Director position to the Governing Board.
  - b. Overseeing the work of the Executive Director.
  - c. Engaging in negotiations and approval of collectively bargained agreements.
  - d. Approving accounts payable, payroll, purchase or lease of equipment and supplies, entering into contracts for goods and/or services, leasing buildings for use by TrueNorth programs, approving applications for grants and federal and state aid, approving filing of all financial reports, entering into contracts for transportation, engaging in all other financial activities necessary for the operation of TrueNorth.
  - e. Recommending the approval of programs and services to the Governing Board.
  - f. Recommending to the Governing Board the employment and dismissal of all TrueNorth employees.
  - g. Carrying out all other duties and responsibilities as set forth in these Articles.
- 5. <u>Committees.</u> The Executive Committee may form ad hoc or standing committees as needed. The Chair of the Executive Committee shall appoint members of the committees which may include non-<u>Executive</u> Committee members.
- 6. <u>Advisory Body</u>. The Executive Committee may form an advisory body as needed.

#### IV. Administration

A. <u>Executive Director</u>. The chief administrative officer shall be the Executive Director of TrueNorth, hereinafter called the Executive Director. The Executive Director shall be employed by the Governing Board upon the recommendation of the Executive Committee.

- B. <u>Supervision</u>. The Executive Director shall report to the Executive Committee and shall work under the supervision of the Executive Committee.
- C. <u>Duties</u>. The Executive Committee shall define the duties, responsibilities, and authority of the Executive Director and such duties, responsibilities and authority shall be contained with a job description approved by the Governing Board. These duties, responsibilities, and authority shall include, among others, the following:
  - 1. To run the day-to-day operations of TrueNorth.
  - 2. To serve as the Director of Special Education for each Member District as defined by law.
    - a) If consistent with state law, a Member District shall have the right to determine if the role of "State-Approved Director of Special Education" will be fulfilled by a qualified employee of the Member District. In such an instance, the Executive Director of TrueNorth shall properly notify the Illinois State Board of Education of the approval and assignment of this role to the individual designated by the Member District's Superintendent.
  - 3. To implement the policies of the Governing Board.
  - To be present at all meetings of the Governing Board and the Executive Committee unless excused by the Governing Board or the Executive Committee.
  - To coordinate and direct all TrueNorth special education programs and services under the coordination and educational direction of the Executive Committee.
  - 6. To supervise administrative staff and other personnel.
  - 7. To develop and oversee the budget.
- D. <u>Evaluation</u>. The Executive Committee shall have primary responsibility for the evaluation of the Executive Director, with input from the Governing Board as deemed appropriate.

# V. Programs and Services

- A. TrueNorth 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 the Illinois *School Code* and Illinois State Board of Education regulations.
- B. Services to the Member Districts may be provided directly by TrueNorth, through membership and participation in a regional organization, or by contracting for services with Member or non-Member Districts.

- C. When programs are provided for under these Articles of Agreement, it is the responsibility of the Executive Committee and the Governing Board to assure that suitable classrooms and related educational facilities are made available through Member Districts or through the provision of facilities owned or leased directly by TrueNorth.
- D. Member Districts shall have priority access to TrueNorth programs and services. The Executive Director is authorized to permit students from Non-Member Districts when there is sufficient space available for such students without displacing a student from a Member District. Capacity for programs shall be determined by the TrueNorth Executive Director each year after staffing and planning for Member Districts is completed. Any space for students in Non-Districts included in Member shall be а final staffing plan.
- E. <u>Housing</u>. Housing (classroom and office space, as appropriate) for TrueNorth staff will be provided by TrueNorth. Member Districts shall provide housing (classroom and office space, as appropriate) for TrueNorth staff working within each respective District. The Executive Committee may approve incentives for Member Districts providing space for TrueNorth programs.
- F. <u>Staff</u>. Any full-time professional worker who is employed by a joint agreement program and spends over 50% of time in one school district shall not be required to work a different teaching schedule than the other professional worker in that district

# VI. Transportation

- A. <u>Provision of Services.</u> The Executive Committee may determine if it is in the best interest of the Member Districts to offer transportation services, including transportation to TrueNorth Programs. The Executive Committee has the authority to authorize a collaborative bid for transportation services and the coordination of transportation services.
- B. <u>Charges for Services.</u> Transportation services will be charged to the Member Districts who utilize them.

#### VII. Finance

The Executive Committee and Governing Board shall be fiscally accountable to Member Districts for all revenues and expenditures of TrueNorth and shall adopt procedures designed to support such accountability.

A. <u>Fiscal Year</u>. The fiscal year of TrueNorth shall be July 1st through June 30th of each year.

- B. <u>Annual Budget</u>. Adoption of the annual budget for TrueNorth shall require passage by the Governing Board. Budget adoption by the Governing Board shall require a simple majority vote of members present.
  - 1. A tentative budget shall be prepared by the Executive Director and presented to the Executive Committee at its April meeting. The preliminary budget shall be reviewed by the Executive Committee and then sent to the Governing Board for review and adoption unless a revised budget, as set forth in Section VII.B.2 is required.
  - 2. A revised tentative budget, if needed, shall be presented by the Executive Director to the Executive Committee at its May meeting. The revised Tentative budget shall be reviewed by the Executive Committee and then sent to the Governing Board for review and adoption.
  - 3. The Executive Director shall present the final budget to the Governing Board at its May meeting.
  - 4. The Budget hearing and final budget adoption shall be conducted by the Governing Board at its July meeting.
- C. <u>Service Requests</u>. The Executive Committee shall adopt procedures for the timing and process for service requests from Member Districts, including a commitment by Member Districts of services they plan to use for the following school year. All service commitments shall be for two years unless a shorter time is allowed pursuant the Executive Committee's procedures.
- D. <u>Administrative Costs</u>. Each budget approved by the Governing Board shall set forth those administrative costs which are to be supported through the use of Evidence-Based Funding provided to TrueNorth pursuant to Article 18 of the School Code and/or program costs as set forth below.
- E. <a href="Program Costs">Program Costs</a>. Each budget approved by the Governing Board shall delineate the costs of tuition and service delivery fees offered by TrueNorth reflective of the costs of running these programs and services, as well as an amount to be included in the tuition cost that shall be set aside for capital projects ("Program Costs"). Member Districts shall be charged for Program Costs based on use by the Member District. Non-Member Districts that utilize tuition-based programs and services will be assessed a non-member surcharge to be determined by the Executive Director and included and approved by the Governing Board through the adoption of the budget on an annual basis.
- F. <u>Billing</u>. The Executive Committee shall adopt procedures for the billing of each Member District.

- G. <u>True-Up</u>. Annually, the Executive Director or designee will present a true-up analysis to evaluate how to address tuition revenues exceeding expenditures or when expenses exceed tuition revenue.
- H. Membership Fees. Starting in the 2026-2027 school year, no Member District shall be charged a membership fee. Any districts admitted to TrueNorth beginning in the 2026-2027 school year and any year thereafter shall be charged a one-time admission fee assessed using a formula established by the Executive Committee and included in the resolution for admission approved by the Governing Board.
- I. <u>Financing</u>. TrueNorth may utilize any method of financing permitted by law and approved by the Governing Board. The Governing Board is authorized to issue debt, on behalf of TrueNorth, for the purposes of providing funding for capital projects pursuant to applicable law.
- J. <u>Bonds.</u> Determination of costs, payments, and the distribution of fiscal resources to Member Districts shall be determined by formulation approved by the Executive Board and the Governing Board and shall be consistent with the requirements of the School Code of Illinois in the case of bonds and the interest thereon.

# VIII. Termination of Membership

# A. Voluntary Withdrawal

- Procedures. A Member District seeking to voluntarily withdraw from TrueNorth 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 or, in the absence thereof, as provided by the Governing Board.
- 2. Withdrawal Agreements. For Member Districts seeking to withdraw effective July 1, 2026, who have been approved for withdrawal by the applicable authority on or before December 1, 2025, the Governing Board shall have the authority to enter into withdrawal agreements with such Member Districts to determine, among other issues, final accounting of assets and liabilities. TrueNorth shall treat any such Member District the same in regard to assets and liabilities as those withdrawing after this date. TrueNorth acknowledges that these Member District(s) have not made any enrollment or personnel commitments beyond the 2025-2026 school year.
- 3. Rescission of Petition to Withdraw. A Member District that has submitted a Petition for Withdrawal may rescind its action at any time subject to

approval by a two-thirds majority of all members of the Governing Board, except that the members of the Governing Board 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.

- 4. Reversion to Non-Member Status. Member Districts that voluntarily withdraw from TrueNorth will, upon withdrawal, revert to non-Member status with the exception of maintaining the obligations and benefits outlined in Section VIII.C (Accounting Upon Withdrawal or Removal). These Districts may request continued participation in selected programs. Such participation must be approved by the Governing Board in accordance with the terms and conditions mutually agreed upon between the District and TrueNorth and the Non-Member provisions of these Articles. The mutually agreed upon terms and conditions of participation shall be set forth in a contract approved by the Governing Board and the Board of Education of the withdrawn District.
- Effective Date of Withdrawal. The effective date of a District's withdrawal
  will be the date as required by law and its resolution as required in Section
  VII.A.1 above, so long as notice was given at least 18 months before as
  required by law.

# B. Involuntary Termination

If any Member District violates or refuses to comply with the obligations stated in the Articles of Agreement or TrueNorth policy, such Member District may be removed from membership in TrueNorth as follows:

- 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 for the removal of the Member District from TrueNorth. The notice shall specify the period of time in which the Member 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. <u>Action</u>. A two-thirds vote of all the Governing Board members shall be required to terminate the membership of a Member District in TrueNorth excluding the member who is subject to termination. 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 TrueNorth.
- 4. <u>Continued Participation</u>. These Districts that have been removed from membership may request continued participation in selected programs as a Non-Member. 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 TrueNorth and the Board of Education of the removed District.

## C. Accounting as of Withdrawal or Termination

- TrueNorth Net Assets. If a Member District withdraws from or is removed from TrueNorth, the Member District shall not be entitled to any share of TrueNorth's net assets, as defined below, upon such withdrawal or removal. Any Member District who withdraws or is removed any time after January 1, 2026, shall not be entitled to any Net Assets in the event of the dissolution of the cooperative.
  - a) For the purposes of these Articles of Agreement, "Net Assets" is defined as: all of TrueNorth's real property, equipment and materials, personnel reimbursements, and fund balances, less all expenses and debt as of the effective date of the withdrawal, removal, or dissolution, whichever date is applicable.
- 2. <u>Liabilities</u>. A withdrawn or removed Member District shall be liable for its proportionate share of liabilities incurred during its membership.

For the purposes of this section, liabilities shall be defined as any student enrollment and personnel commitments made by the Member District prior to the Member District's withdrawal. Fulfillment of these commitments prior to withdrawal shall satisfy the Member Districts "proportional share of any debt or liabilities incurred by the joint agreement prior to the member's district's notice of withdrawal" in accordance with 105 ILCS 5/10-22.31(j)(4).

- 3. <u>Debt</u>: Debt is defined as any short-term or long-term financial obligation that must be repaid by TrueNorth. This includes, but is not limited to, leases for equipment and revolving lines of credit.
- 4. Previously Withdrawn Districts. Districts that withdrew from TrueNorth, then named the North Suburban Special Education District, between the years 2005 and 2008 and which entered into withdrawal agreements with North Suburban Special Education District shall, upon the dissolution of TrueNorth, receive a proportionate share of assets as set forth in any applicable withdrawal agreement.
- 5. <u>Evidence Based Funding</u>. Evidence Based Funding shall not be disbursed to a withdrawing Member District; all such funds shall remain with TrueNorth, as allowed under the *Illinois School Code*.

## IX. Amendments

## A. Procedures.

- 1. Proposed amendments to these Articles of Agreement shall be submitted in writing to the Executive Committee. Amendments may be proposed by the Executive Director or by any Member District or by the Executive Committee itself. The Executive Committee shall consider any amendments proposed at its next regularly scheduled meeting or a special meeting so long as the amendments are submitted to the Executive Committee at least ten (10) days in advance of the meeting. Any proposed amendments submitted in less time will be held and considered at a regular or special meeting following the next regularly scheduled meeting.
- The Executive Committee shall consider the proposed amendment and vote on its recommendation regarding the amendment to the Governing Board.
- 3. The Executive Committee shall provide the Governing Board with its recommendation on the proposed amendment. For any amendment to be recommended to the Governing Board, two thirds (%) of the Executive Committee must recommend its passage. If so recommended by the Executive Committee, the Governing Board shall then vote on the amendment at its next regular meeting or a special meeting. An amendment must be approved by an affirmative majority vote of the Governing Board to pass.

## X. Dissolution

TrueNorth may be dissolved upon the affirmative vote of two-thirds of the Governing Board or as otherwise provided in the School Code. In the event TrueNorth dissolves, its Assets will be distributed as follows:

## A. Real Property

Any TrueNorth buildings, land or real property will be offered for sale to TrueNorth's successor, if any ("Successor"), or TrueNorth's current Member District(s), at the average appraised value based on a minimum of three (3) 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) or land, 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:

- 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 <u>remaining</u> Member Districts at the effective date of dissolution;
- 2. Multiply the fraction by the value of the TrueNorth Net Assets 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 such Successor exists, the equipment and material will be sold.

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 Section IX.A.

## C. Personnel Reimbursements

State and federal personnel reimbursement generated by TrueNorth 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 such grants continue to fund such programs. 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 TrueNorth, using the formula set forth at Section IX. A, but excluding from the calculation any enrollments of former Member Districts.

# D. Grant Carryover Funds

TrueNorth 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 TrueNorth's current Member Districts, using the formula set forth at Section ‡X. A, but excluding from the calculation any enrollments of former Member Districts.

# F. EBF Funding

Any remaining EBF funds shall be distributed to TrueNorth's current Member Districts, using the formula set forth at Section X.A., but excluding from the calculation any enrollments of former Member Districts.

## F.G. Payments to Previously Withdrawn or Removed School Districts

For all Districts whose withdrawals are effective after January 1, 2026, no assets shall be designated for withdrawn members for distribution.

## XI. Dispute Resolution

Member Districts and TrueNorth 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 an informal process fails to satisfy the dispute, either party may seek resolution of the dispute through any appropriate legal mechanism.

XI. Arbitration
A. Applicability
1. Any action or dispute arising out of or related to any act taken by TrueNorth related to a termination or withdrawal of a Member District under these Articles of Agreement, or dissolution of TrueNorth, 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, TrueNorth and all Member Districts shall have all legal and equitable remedies available to them under the law without restriction.
2. Member Districts and TrueNorth 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 an informal process fails to satisfy the dispute, either party may seek resolution of the dispute in accordance with Section XI. B. as their exclusive remedy.
B. Procedures
1. If a dispute pertaining to the termination or withdrawal of a Member District cannot be resolved between the aggrieved parties, TrueNorth or a Member District shall submit the dispute to binding arbitration. The arbitration shall be administered by the American Arbitration Association ("AAA") under its Commercial Arbitration Rules. AAA shall be requested to submit a list of arbitrators from which the parties shall mutually select one (1) arbitrator. If the parties cannot agree on a mediator, a simple majority of the Executive Committee will make the final selection. 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 or these Articles, to make a final decision for violations 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 the Articles of Agreement subject to these arbitration procedures.

# EXHIBIT A MEMBER DISTRICTS

- Northbrook School District 27
- Northbrook School District 28
- Sunset Ridge School District 29
- Northbrook/Glenview School District 30
- West Northfield School District 31
- Glenview School District 34
- Glencoe School District 35
- Winnetka School District 36
- Kenilworth School District 38
- Lake Bluff School District 65
- Lake Forest School District 67
- Bannockburn School District 106
- Deerfield Public School District 109
- North Shore School District 112
- Township High School District 113
- Lake Forest High School District 115
- New Trier High School District 203
- Glenbrook High School District 225