



## Executive Summary Finance Committee Meeting

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DATE: February 22, 2024

TOPIC: Northern Illinois Independent Purchasing Cooperative (NIIPC) Joint Agreement & Bylaws

PREPARED BY: Courtney Whited

### **Recommended for:**

- Action
- Discussion
- Information

### **Purpose/Background:**

The Northern Illinois Independent Purchasing Cooperative (“NIIPC”) is a voluntary cooperative of school districts that was formed to assist its member districts in meeting state and federal mandates relating to the bidding and procurement of goods and services related to food service administration. NIIPC currently has members from the Chicago suburbs and north-central Illinois.

Per their summary memorandum, the Oak Park River Forest High School District has previously served as the “governing body” of the cooperative and approved all formal bid recommendations. However, they are now moving to create an internal governing board composed of representatives from the members of the cooperative. Specifically, the Board of Directors will have seven representatives, each from a different member school district. Each member representative shall designate an alternate from the same district or from another member district. These may be elected Board of Education members or employees of the member districts.

One member district will be appointed by the Board of Directors to serve as the “Administrative District”. In this role, the Administrative District will be responsible for the management and expenditure of funds from the cooperative.

New members cannot be added without a 2/3 vote of the Board of Directors or all of the member districts, with a letter of intent submitted by February 1. Member districts can also voluntarily withdraw from NIIPC by providing a written notice of withdrawal by February 1, with the withdrawal taking effect as of July 1 following the notice. If a member withdraws, their participation in contracts established by NIIPC will terminate. Members can also be expelled by a vote of the Board of Directors.

All member districts must pay an annual dues amount. These will differ by member district, and can be increased by approval of the Board of Directors. NIIPC must establish a budget for each fiscal year, and must have an annual audit.

The District's legal counsel reviewed the materials regarding NIIPC and stated the structure is very similar to other cooperatives that SD74 has participated in – such as NTDSE, which is also a cooperative structure. No concerns were raised regarding the proposed joint agreement and bylaws.

**Fiscal Impact:**

None

Next year's annual fees are anticipated to remain at the current \$600 level

**Recommendation:**

The Finance Committee concurs with the Administration to recommend to the Board of Education to approve the Joint Agreement and Bylaws from Northern Illinois Independent Purchasing Cooperative to create an internal governing board structure moving forward.