

CONTRACT FOR JOINT OPERATION OF A COOPERATIVE HIGH SCHOOL
BISMARCK HENNING COMMUNITY UNIT SCHOOL DISTRICT NO. 1,
VERMILION COUNTY, ILLINOIS
AND
ROSSVILLE ALVIN COMMUNITY UNIT SCHOOL DISTRICT NO. 7,
VERMILION COUNTY, ILLINOIS

ARTICLE I. PREAMBLE

WHEREAS, Bismarck Henning Unit School District No. 1, Vermilion County, Illinois (“District 1”)

Currently maintains an enrollment in grades 9 through 12 of less than 600 students; and

WHEREAS, Rossville Alvin Community Unit District No. 7, Vermilion County, Illinois (“District 7”) currently maintains an enrollment in grades 9 through 12 of less than 600 students; and

WHEREAS, District 1 and District 7 are contiguous; and

WHEREAS, The *School Code* provides that certain school districts may, by proper resolution, cause a proposition to jointly operate one or more cooperative high schools to be submitted to the voters of the district at a regularly scheduled election; and

WHEREAS, the Boards of Education of District 1 and District 7 have each approved such a resolution calling for the joint operation by District 1 and District 7 of a cooperative high school, and have caused a proposition regarding the same to be submitted to the voters of the district at a regularly scheduled election, and

WHEREAS, the voters of each district have, at a regularly scheduled election, duly and properly called, approved a proposition calling for the joint operation by District 1 and District 7 of a cooperative high school; and

WHEREAS, District 1 and District 7 wish to utilize certain attendance centers and attendance improvements, hereinafter “Facilities,” as defied with greater specificity in Article X hereof); and

WHEREAS, District 1 and District 7 wish, in accordance with and subject to Section 10-22.22c of *The School Code*, (105 ILCS 5/10-22.22c), to agree to the following terms for joint operation of a cooperative high school, which cooperative high school shall hereinafter be known as (INSERT SCHOOL NAME) (hereinafter “INSERT SCHOOL INITIALS”).

ARTICLE II. PARTIES

Section II a. The parties to this Contract for Joint Operation of a Cooperative High School are Bismarck Henning Community Unit School District No. 1, Vermilion County, Illinois (“District 1”) and Rossville Alvin Community Unit School District No. 1, Vermilion County, Illinois (“District 7”).

Section II.b. Additional school district having an enrollment in grades 9 through 12 of less than 600 students may be added to this Agreement in accordance with the process desired in subsection (a) of Section 10-22.22c of *The School Code* (105 ILCS 5/10-22.22c) and upon subsequent approval of a new Contract for Joint Operation of a Cooperative High School inform and content acceptable to each school district.

Section II.c. Withdrawal of parties from this Contract for Joint Operation for Joint Operation of a Cooperative High School during the initial twenty (20) year term may occur only in accordance with subsection (b) of Section 10-22.22c of *The School Code* (105 ILCS 5/10-22.22c).

ARTICLE III. TERM

Section III.a. The initial term of this Contract for Joint Operation of a Cooperative High School (“Contract”) shall be twenty (20) school years, commencing July 1, 2017.

Section III.b. The term of this agreement may be modified only as permitted by Section 10-22.22c of *The School Code* (105 ILCS 5/10-22.22c).

ARTICLE IV. GOVERNING BOARD

Section IV.a. Membership of the initial Governing Board, which shall govern the operation of (INSERT DISTRICT INITLAS), shall be composed of (INSERT TOTAL NUMBER OF MEMBERS) members (INSERT NUMBER OF MEMBERS FROM EACH SCHOOL) of which shall be board members from each of the original participating districts.

Section IV.b. The school board of each participating district shall select, from its members, its representatives on the Governing Board. The board president of each participating district shall serve as one of that district’s members serving on the

Governing Board. The terms of service, vacancy provisions, and other factors relating to a participating district's representatives shall be addressed exclusively by that participating district, in accordance with provisions set for in The School Code.

Section IV.c. The Governing Board shall prepare and adopt a proposed budget for PCHS, which budget shall be considered for approval by the participating districts.

Section IV.d. The Governing Board shall administer (INSERT SCHOOL INITIALS) in accordance with the agreement of the districts and shall have the power to hire, supervise, and terminate staff, to enter into contacts; to adopt policies for the school; and to take all other action necessary and proper for the operation of the school.

Section IV.e. The Governing Board may not levy taxes or incur any indebtedness except within the annual budget approved by the participating districts.

Section IV.f. The Governing Boards shall meet and conduct regular meetings, at a minimum, once every month. The Governing Board may call special or emergency meetings in accordance with the Illinois Open Meetings Act (5 ILCS 120/1 et seq.) Governing Board meetings shall be called and held in full and complete compliance with the Illinois Open Meetings Act (5 ILCS 120/1 et seq.)

Section IV.g. A quorum for all meetings shall consist of 51% of the designated members of the Governing Board. Each designated member of the Governing Board shall have

one vote, and an affirmative vote of a majority of the members of the Governing Board present at a duly called meeting at which a quorum is present shall be required for Board action.

Section IV.h. The Governing Board shall, upon formation of (INSERT SCOOOL INITIALS), designate by vote the members of the Governing Board who shall serve as Chair, Vice Chair, Secretary and Treasurer. Each designee shall serve in that capacity for a two-year period (unless removed from or otherwise no longer a member of the Governing Board) at which point the Governing Board shall designate successor members to serve as Chair, Vice Chair, Secretary and Treasurer.

Section IV.i. The Governing Board shall have such other and additional powers, to the extent permitted by law, to advance and accomplish the duties delineated herein and to develop rules, regulations and procedures in furtherance thereof.

ARTICLE V. BUDGET AND PER CAPITA COSTS

Section V.a. Upon recommendation of the Governing Board, and subject to approval by each participating district's Board of Education, each participating district shall pay its per capita cost of educating the students residing in its district and attending (INSERT SCHOOL INITIALS). Annual participating district budgetary payments shall be calculated in accordance with the provisions of this Article V, and shall be submitted to (INSERT SCHOOL INITIALS) pursuant to this Article V.

Section V.b. “Per capita cost” as set forth in subsection of Section 10-22.22c of The School Code (105 ILCS 5/10-22.22c) shall be determined and calculated based upon a Budget developed as follows:

1. The Governing Board shall determine an estimate, on or before June 1 (annually) or as soon thereafter as possible, the sum and total of all costs and monies required to educate students as reflected in a fiscal year budget (“Budget”).
2. The Governing Board shall submit said recommended Budget to the Boards of Education of each participating district for their independent: (a) consideration; and (b) approval, rejection, or modification.
3. Upon and subject to approval of the Budget by all participating districts’ Board of Education, payments from participating districts to (INSERT SCHOOL INITIALS) shall be calculated using the formula and “per-capita cost” calculations set forth in Section V.e. hereof.

Section V.c. Budget

1. **Budget Formula.** The Governing Board shall prepare and establish a Budget according to the following structure, and said Budget shall be funded by the participating districts, subject to approval of the Budget by all participating districts’ Boards of Education and upon receipt of enrollment calculations, as set forth below:

	Total Annual Budget
Less	“Shared Costs” (Defined in Section V.e.2 hereof)
Equals	Net Annual Budget

Divided By Total Number of Students
Equals Per Capita Student Cost

The Governing Board shall invoice each district, in ~~advance and on a monthly basis, as~~
amount equal to the Per Capita Student Cost, ~~multiplied by the number of students~~
~~residing in that district, and divided by a 12-month school year calendar.~~

2. Shared Costs. The following (INSERT SCHOOL INITIALS) expenses and costs
(hereinafter collectively “Shared Costs”) shall be charged, allocated and shared by
the participating districts according to the following specific levels, shall be
addressed independently in (INSERT SCHOOL INITIALS) Budget as set forth in
Section V.c.1 hereof, and shall not be otherwise included in the per capita cost
calculators.

- Contractual Custodial Services. The Governing Board shall (at its
election) ~~contract custodial services for the Facilities or~~ hire its own
custodial staff. The participating members agree that each member shall
pay, on a shared and equal basis cost attributable to the custodial services
(salary and benefits) provided at the Facilities.
- Maintenance Labor Changes. The Governing Board shall independently
~~contract and/or~~ hire for maintenance services for the Facilities. The
participating members agree that each member shall pay, on a shared and
equal basis, costs attributable to the maintenance services (salary and
benefits) provided at the Facilities.
- “Facilities-Based Repairs, Supplies, and Utilities” Cost Allocations: The
following costs (and attendant budgetary line item expenditures) shall be

paid annually by each participating district on a shared and equal basis. Throughout the term of this Agreement, the parties agree that all capital repair charges relating to the Facilities shall be treated in a manner requiring a shared and equal contribution by each participating district, and shall be addressed, accordingly, in the budgetary process set forth in this Article. For purpose of this Article, repair charges subject to the shared and equal payment provision shall include (or shall not necessarily be limited to) all charges typically relating to property repairs, remodeling, updates, and/or modifications. Bills and charges for contractual repair services, capital repairs, updates, remodeling and modifications to the Facilities, projects and attendant costs identified on any 1—year HLS study, and supplies relating to the operation of the Facilities (such as cleaning and toiletry supplies), shall be expressly included in this “Facilities-Based Repairs, Supplies and Utilities” cost allocation calculation.

- Architectural and Environmental Services. So long as District 1 owns the property where the high school is located (High School Building, Athletic Fields, and 64% of parking lot), it may retain an architect of its own selection to provide services relating to the Facilities. District 1 shall involve the Governing Board for the specific charges incurred by the architect with respect to the Facilities, and said charges shall be subject to the shared and equal cost allocation. In the event of joint ownership of the

High School, Parking Lot, and Athletic Field Area, the Governing Board shall select an architect of its choice.

- Attorney Services. The Governing Board may (at its election) contract for attorney services. The participating members agree that each member shall pay, on a shared and equal basis, costs attributable to services provided by any such attorneys.
- Additional Professional Services. The Governing Board may (at its election) contract for professional services including but not limited to accountants, auditors and insurance consultants. The participating members shall pay, on a per capita basis, costs attributable to services provided by any such accountants, auditors and/or insurance consultants.
- Food Service Director. Notwithstanding any provisions set forth herein to the contrary, (INSERT %) of the costs associated with the employment (including benefits) of the food service director by District 1 shall be charged to (INSERT SCHOOL INITIALS) and shall be shared by the participating districts on a per capita basis.
- Miscellaneous Employees. Expenses associated with any certified employees, including but not limited to IT Support Services personnel; Speech Therapist; Social Worker; Psychologist; Choral Instructor; Behavior Specialist, and the non-certified central office managers and non-certified special education secretary, who are providing services to (INSERT SCHOOL INITIALS) shall not be treated on a “shared cost” basis. Instead, the costs associated with the employer or services of such

employees by (INSERT SCHOOL INITIALS) shall be included in the (INSERT SCHOOL INITIALS) budget and factored in on a per-capita basis as per the formula established in section V.c.1 hereof.

Notwithstanding the foregoing, expenses associated with certified teachers and aides shall be treated pursuant to the per-capita formula and in accordance with the general provisions referenced in Article VI hereof.

- **Future Years.** Commencing with the 2017-2018 school year, the Governing Board shall be empowered to independently contract for, or hire employees to perform, any and all services previously provided by employees of any participating district. In the event a participating district's employees are not to be utilized for an upcoming school year, the Governing Board shall so advise that district, in writing and in advance, on or before February 1.
- **Year-End Accounting.** Upon completion of a school year, the Governing Board shall perform a year-end accounting and review of any budget deficit or surplus. The Governing Board shall bill any deficit and shall refund any surplus, on a per-capita basis or on a shared and equal basis reflecting the item's original budgetary category and treatment, to each participating district based on findings of the year-end accounting. It is anticipated that the "shared cost" expenditures shall be charged on an actual cost basis and that no deficit or surplus is anticipated.

Notwithstanding the foregoing, any "shared cost" surplus shall be returned to the participating districts at the same proportion as originally charged.

Section V.d. Each participating district shall pay the amount owned (INSERT SCHOOL INITIALS) under the terms of this Agreement from the fund that the district would have used if the district had incurred the costs directly.

Section V.e. The Governing Board shall cause monthly attendance figures and calculations to be sent to each participating district as soon as the same are available. This month report shall include a break-down of the students; district of residence and shall be in form sufficient to allow each participating district to sum it attendance forms and returns to state educational officials. For purposes of this agreement, annual Enrollment Reports shall be used as the basis for per capita calculations, and attendance calculations shall be determined as of the first day of each school month.

ARTICLE VI. STAFFING

Section VI.a The Governing Board shall determine, subject to budgetary approval by all participating districts, the staffing needs for (INSERT SCHOOL INITIALS).

Section VI.b. Staffing at and for (INSERT SCHOOL INITIALS) shall be conducted in accordance with, and governed by, the provisions of subsection (g) of Section 10-22.22c of The School Code (105 ILCS 5/10-22.22c).

ARTICLE VII. ADMINISTRATION

Section VII.a. (INSERT SCHOOL INITIALS) shall be administered, on a daily basis, by a Director/Principal dedicated to, and employed by, (INSERT SCHOOL INITIALS). The Director/Principal shall be selected by, and shall report to, the Governing Board. The Director/Principal shall be responsible to the Governing Board, but may collaborate and confer as necessary with the participating districts' Superintendents.

Section VII.b. Superintendents for each participating district shall be responsible for fulfilling and performing all duties for (INSERT SCHOOL INITIALS) for which a superintendency certificate is required in accordance with state law and regulation.

ARTICLE VIII. PROGRAMS

Section VIII.a. The Governing Board shall determine the scope and nature of the education curriculum offered at (INSERT SCHOOL INITIALS), and shall ensure its compliance with all standards, requirements, and/or laws of the state of Illinois.

Section VIII.b. The Governing Board shall determine the scope and nature of any/all extracurricular activities to be offered at (INSERT SCHOOL INITIALS).

ARTICLE IX. FINANCE

Section IX.a. (INSERT SCHOOL INITIALS) operations shall be financed in accordance with the budgetary and per-capita provisions set forth in Articles IV and V of this Agreement and in accordance with the provisions of The School Code.

Section IX.b. Checks, bank Accounts and Investments of (INSERT SCHOOL INITITALS) shall be maintained in bank accounts separate and distinct from those of the participating districts. Any such deposits, investments, and related financial practices shall be maintained or conducted in a manner consistent with laws and ISBE rules and regulations applicable to School Districts in the State of Illinois and approved by an independent auditor/accountant related to advise and audit (INSERT SCHOOL INITITALS) fiscal activities. (INSERT SCHOOL INITITALS) shall maintain a fiscal year of July 1 through June 30.

Section IX.c. In addition to the budgetary and per capita provisions set forth herein, (INSERT SCHOOL INITITALS), by and through its administration and/or Governing Board, may apply for such grants, funds, monies, etc., and/or may undertake fund-raising events, that may relate to its operations. To the extent permitted by law, and notwithstanding any provision hereof regarding reimbursements to the participating districts, any such grant monies received in conjunction with an application in which (INSERT SCHOOL INITITALS) is the applicant shall remain in the funds and accounts of (INSERT SCHOOL INITITALS) until they are utilized and shall not be distributed or returned to the partaking districts. In the event any such external grant monies or other similar funds relate to costs identified in budgeted line items, the participating districts' contributions for said line item costs shall be reduced the amount of the external grant monies or other similar funds received by (INSERT SCHOOL INITITALS). In the event any such external grant monies or other similar finds relate to unbudgeted items, said

monies shall be deemed discretionary funds of (INSERT SCHOOL INITITALS) subject to expenditure in accordance with Governing Board determinations.

Section IX.d On an annual basis, the Governing Board shall cause any surplus funds (except for those referenced in Section IX.c hereof) to be returned to the participating districts in accordance with the provisions set forth in Article V of this Agreement.

ARTICLE X. FACILITIES

Section X.a. (INSERT SCHOOL INITITALS) shall be housed at the attendance center currently owned and operated by District 1, which property is commonly known as Bismarck Henning Community Unit School District 1 with an address of 17268 E 2750 North Rd, Bismarck, IL, 61814 (“High School”). In addition, (INSERT SCHOOL INITITALS) shall obtain rights to use, during the duration of this Agreement, the duration of this Agreement, (INSERT AREAS) owned by District 1. SEE OTHER AGREEMENT FOR SPECIFIC DESCRIPTIONS IDEAS.

Section X.b. No annual or other charge for Facilities use shall be included in the Governing Board’s budget, nor shall any such charge otherwise be included in per-capita calculations, it being the intent of the parties that District 1 shall provide use of the Facilities free of charge to(INSERT SCHOOL INITITALS) during the term of this Agreement.

Section X.c. It is the expressed intent and belief of the original parties to this agreement that the High School property and (INSERT OTHER IDENTIFIED AREAS) should, to the extent permitted by law, be held in joint ownership by District 1 and District 7. District 1 and District 7, therefore, specifically agree to jointly commence and pursue, with due diligence, efforts to transfer the High School to joint ownership of a final form and nature agreeable to both districts' Boards of Education. In the event that legal, deed-based, or other prohibitions or restrictions prohibit or preclude the transfer of the High School to joint ownership by District 1 and District 7, and/or in the event the individual Boards of Education cannot agree upon final terms governing the nature and conditions of such joint ownership. District 1 shall retain ownership of all the properties comprising the Facilities.

Section X.d. The Governing Board shall establish a Facilities Use Policy regarding use of the Facilities by non- (INSERT SCHOOL INITITALS) entities, including other non- (INSERT SCHOOL INITITALS) student groups/events of the participating districts and requests by public individuals/groups. The Governing Board may elect to establish a fee schedule for Facilities usage (applicable to all parties other than participating members) and shall require evidence of insurance naming (INSERT SCHOOL INITITALS) and participating districts as additional insureds. The Facilities Use Policy shall require that all requests to use the Facilities that are not related directly to sponsored (INSERT SCHOOL INITITALS) events shall be presented in writing to the Governing Board for consideration. No request shall be granted unless approved by majority of the Governing Board.

Section X.e. Notwithstanding the foregoing, the parties acknowledge and agree that District 1 shall retain rights, throughout the term of this agreement and at no cost or charge to District 1, for its elementary and middle schools to use (ADD IN ANY FACILITIES) at levels substantially equivalent to those currently enjoyed by District 1 at the time of execution of this agreement. In addition, the parties acknowledge that District 1's elementary, and middle schools have no independent outdoor recreational facilities of the nature described in this Section X.e. and (INSERT SCHOOL INITIALS) shall afford District 1 and its elementary and middle school reasonable access at no cost or charge to these outside facilities. District 1 shall be required to clear and return these outdoor facilities to the same condition, normal wear and tear expected, as was present prior to any such use of these sites.

Section X.f. In the event the Facilities (or any part thereof) become, in the opinion of the Governing Board, either insufficient, inconvenient, unnecessary or otherwise unacceptable as its attendance center, the Governing Board may conduct an assessment of options for replacement of the Facilities (or parts thereof). In the event (LIST ANY ADDITIONAL FACILITIES) are no longer used by (INSERT SCHOOL INITIALS) while this Agreement remains in effect, they shall be returned to District 1, normal wear and tear expected.

Section X.h. In the event joint ownership of the High School and (LIST ADDITIONAL AREAS) (as contemplated by section X.c.) does not materialize and District 1 obtains

possession of the High School and/or (LIST ADDITIONAL AREAS) due to return of them to District 1 after abandonment by (INSERT SCHOOL INITIALS), and in the event District 1 decides, as its sole and exclusive discretion, to sell the High School and/or (LIST ADDITIONAL AREAS) during the term of this Agreement, the proceeds from such a sale shall become funds of (INSERT SCHOOL INITIALS). Notwithstanding the foregoing, any funds resulting from the sale of the (LIST ADDITIONAL AREAS), during the term of this Agreement shall remain with District 1.

Section X.i. District 1, as owner of the (LIST ADDITIONAL AREAS) through the duration of this Agreement, agrees to maintain the (LIST ADDITIONAL AREAS) as its sole and exclusive cost and expense.

ARTICLE XI. TRANSPORTATION

Section XI.a. Each participating district shall remain independently responsible for transportation costs of its students to the Facilities. No such transportation costs shall be included in the Governing Board's budget, not otherwise included in the per capita calculations or other expenses of (INSERT SCHOOL INITIALS).

Section XI.b. All transportation costs associated with extracurricular activities shall be included in the per capita cost calculations.

ARTICLE XII. MODIFICATION, EXTENSION OR TERMINATION

Section XII.a. This agreement may be modified, extended or terminated by approval of each of the participating district to the extent permitted by The School Code.

ARTICLE XIII. FURNITURE, FIXTURES & EQUIPMENT

Section XIII.a. The Facilities currently house certain furniture, fixtures and/or equipment (“FFE”) which District 1 shall contribute, at no additional charge or expense to the Governing Board, to (INSERT SCHOOL INITIALS). Said FFE is identified on Exhibit A, attached hereto and incorporated herein by this reference. In the event any items identified on Exhibit A are in usable condition and repair at the termination of this Agreement, they shall be returned to District 1, normal wear and tear expected.

Section XIII.b. In the event any item(s) identified on Exhibit A is believed to have reach the end of its/their useful life, the Governing Board shall so notify the board of education of District 1, and District 1 will have the option (but no obligation) to take possession of the item(s). In the event District 1 declines the opportunity to take possession of the item(s), the Governing Board may dispose of the item(s).

Section XIII.c. In the event any such item(s) is/are no longer useful to(INSERT SCHOOL INITIALS), any replacement FFE deemed necessary by the Governing Board to advance the education mission of (INSERT SCHOOL INITIALS) shall be acquired by the Governing Board in conjunction with the budgetary and per capita formulas set forth herein. District 1 shall not be required to replace any item on the original FFE list attached as Exhibit A, as the parties mutually understand that the items in question are

used and may have little remaining function life. District 1's contribution shall be deemed to be an initial contribution designed to reduce initial costs of establishing the (INSERT SCHOOL INITIALS) attendance center and shall not be deemed to create an ongoing obligation to provide replacement FFE for the items identified on Exhibit A.

Section XIII.d. District 1 has historically stored or otherwise placed certain items of FFE at or on the Facilities which District 1 intends to retain as the property of District 1 during the term of this agreement. Any item not specifically listed on Exhibit A shall be deemed to be property owned by District 1 and shall not be subject to the "initial contribution" identified in this Article.

Section XIII.e. Upon dissolution of this Agreement, any FFE acquired by (INSERT SCHOOL INITIALS) shall be offered on an equitable basis by the Governing Board to the participating district, with any surplus to be sold upon terms approved by the Governing Board, with proceeds to be distributed in equal amounts to participating district.

ARTICLE XIV. INSURANCE AND IDEMNIFICATION

Section XIV.a. The Governing Board shall be responsible for procuring and maintaining insurance coverages at minimum levels, limits, and types recommend by the participating districts upon consultation with their insurance agents and consultants. During the term of this Agreement, the Governing Board shall maintain coverages at the minimum levels identified on Exhibit B, attached hereto and incorporated here by this reference.

Section XIV.b. Each participating district agrees to indemnify and hold the other, its board members, officers, agents, employees, administrators, invitees, assigns, and any other parties designated by it (hereinafter collectively called the “Indemnitees”) harmless from all losses, claims, liabilities, injuries, damages and expense, (but excluding attorney fees and defense and court costs and expense) than the Indemnitees may incur arising out of, or occurring in connection with the performance, acts, omissions, or breaches by any other participating district of its duties and obligations under or pursuant to this Agreement.

Section XIV.c. All categorical insurance costs shall be charged to the participating members as per the designations identified on Exhibit B.

ARTICLE XV. MISCELLANEOUS

Section XV.a. The cooperative high school shall be known as (INSERT SCHOOL NAME) (INSERT SCHOOL INITIALS).

Section XV.b. The (INSERT SCHOOL INITIALS) mascot shall be the (INSERT MASCOT NAME) and their colors shall be (INSERT COLORS).

Section XV.c. Athletic and extracurricular activities, and any related activity fund/fees and policies/handbooks, shall be established by the Governing Board.

Section XV.d. The Governing Board shall be empowered to perform the functions and duties delineated herein upon full execution of this Agreement by the participating members.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date(s) set forth below.

DISTRICT 1

DISTRICT 7

Board of Education of
Bismarck Henning Community Unit School
District No. 1
Vermilion County, Illinois

Board of Education of
Rossville Alvin Community Unit School District
No. 7
Vermilion County, Illinois

By: _____

By: _____

Its: President

Its: President

Attest: _____

Attest: _____

Secretary

Secretary

Dated: _____

Dated: _____

