

Feasibility Study for

**RIVER BEND CUSD #2
WEST CARROLL CUSD #314**



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Preface

These reports never happen without help. We owe thanks to Dr. Hogue and Dr. Gilliland who were most gracious in supplying information requested by us. We are also certain that thanks go to their secretaries and principals who did the necessary search through the files to find the information.

Without the aforementioned assistance, this report would have been less than complete.

History of School District Reorganization in Illinois

Schooling for the early settlers of Illinois consisted of one-room schools in which the students were from rural backgrounds. These schools taught predominately the “three R’s” and the teachers more often than not were “boarded out” to families of the students. Control of these schools was almost entirely local in nature as they were built and run by the citizens of the community in which the students lived. Parcels of land were set aside for the local schools in the Northwest Territory and other states west of the original thirteen colonies.

The Free School Law was passed in 1825, which established common schools for all white citizens between the ages of five and twenty-five. Aid for these schools was provided by the state in the amount of two out of every one hundred state tax dollars collected.

This period was marked by the influx of immigrants, which began flooding into Illinois. With these immigrants, came a need for a more modern form of education. The needs of these immigrants included more than the three R’s, as they required language, history and political instruction. Schools supported by the public became an accepted part of the communities and as the school became bigger and more sophisticated, the intervention of state finances and control became more prevalent in the local schools.

As school districts were developing, a fragmenting of districts began to appear. Natural boundaries became the district’s borders and districts that were wealthier in assessed valuation tended to try to restrict their boundaries so as to not conflict with their neighbors who were not as financially fortunate. Thus began, even at this point historically, a financial separation in which the wealthy school districts wanted to

maintain their privileged position and exclude their less fortunate neighboring school districts.

The one-room schoolhouse was fast becoming out-moded in Illinois as in other Midwestern states with the rapid influx of population and the substantial growth of urban areas. These areas required a higher quality, more diverse educational program than could be provided by the one-room school with its single teacher.

By 1845, the Office of Superintendent of Public Instruction had been established. Section 6 of that law stated that the Superintendent "...shall use his influence to reduce to a system of practical operation the means of common schools in the state..."

The following year, the Board of Trustees was created to authorize the reorganization of school districts and hold title to all school property. This Board of Trustees was elected and functioned between the level of the state and the local Board of Education. In effect, this Board of Trustees could create, alter and/or dissolve school districts if petitioned by local boards of education. Today, this little known public body, controls annexation and, detachment petitions that are brought to them by the Regional Superintendent of Schools from local boards of Education and citizen's petitions.

With the passage of the 1870 Illinois Constitution, the General Assembly stated that they "...shall provide a thorough and efficient system of free schools, whereby all the children of the state may receive a good common school education. It was this time that the General Assembly curtailed the formation of Special Charter School Districts with its Act of 1872.

With the rapid expansion of the population centers in Illinois due to continued waves of immigration, it became necessary to reorganize school districts into larger

educational units in the urban areas. With this reorganization, changes in administrative and instructional patterns became necessary to improve the quality of schools.

However, then as now the rural population reluctantly gave way to the reorganization of larger school districts. The loss of local control of their schools has presented a prevalent historical trend. One of the prime obstacles to the formation of larger school districts was the problem of widely scattered populations in which the students couldn't be transported to larger schools because there was no transportation system in place.

The General Assembly in 1909 started the school consolidation movement when it allowed school districts to consolidate based upon a majority vote of the citizens in each affected district. Also, in 1909, the General Assembly passed legislation mandating that districts which did not have a high school, must pay the tuition for each student whose parents were unable to pay. By 1915, the enrollment of students in high school had risen by 15% while the elementary school enrollment had risen by only 1%. With these pieces of legislation, the concept of consolidating schools to provide a quality education was begun.

By 1917, consolidated and non-high school districts were formed. Tuition was paid for all eighth grade students who lived in non-high school districts, to the nearest district where a high school was present.

State aid per child was first legislated in 1927. Every district was eligible for nine dollars per child in attendance for students in grades one through eight. Less wealthy districts were given an additional incentive for additional state aid amounting to twenty-

five dollars per student if the district levied the maximum education tax rate allowed without referendum.

The Depression created an even wider disparity in school ability to generate income in that state aid was apportioned by the amount of local money generated; thus, wealthier districts generated more revenue and in turn received more state aid. This wide financial disparity created indirectly the initial legislation concerning reorganization of school districts in the early 1940's.

Transportation remained one of the earliest and largest impediments to the interest in consolidating school districts in Illinois. Students living in rural areas were so widely scattered that a system for collecting and delivering students to centralized schools became a necessity for districts considering consolidation. In 1939, the legislature appropriated a half million dollars for transportation aid to school districts for the first time. With this aid from the state, the period of largest consolidation was beginning.

Another problem facing school districts that were investigating consolidation was the financial inequities given to the dual system of districts in the State of Illinois. Illinois maintains three types of school districts. The first is separate elementary and high school districts operating autonomously in generally the same district boundaries; however, it is common for a number of elementary districts to feed into a single high school district. Unit districts, which encompass both the elementary and high school districts were in existence but fairly small in number at this time.

Prior to 1945, both type districts were eligible for the same state aid and tax rate limitations. Thus, unit districts were asked to provide an elementary and high school

education on basically the same taxing amounts that a separate elementary or high school would generate. In 1945, the legislature gave the unit districts equal taxing power to the dual districts and in addition, unit districts were given a lower qualifying rate for entrance into state aid reimbursements. In effect, unit districts were now given essentially financial parity with dual districts and the lower qualifying rate for state aid provided a powerful incentive for the formation of unit districts. As a result of the aforementioned legislation, the number of districts declined from 11,000 to 5,000 by 1950.

More recent legislation has further created financial incentives for districts to consolidate. In 1983, legislation was enacted to guarantee that districts, which consolidated were insured of state aid that would not be less than would have been generated separately. This parity was insured for a period of three years.

In addition, state incentive money was guaranteed to equalize the salaries of the certified employees of districts that consolidated. This aid was also in the form of a three-year guarantee, which theoretically would give a newly formed district time to deal with staffing problems that would normally accrue in the formation of a new school district and the combination of employees.

Probably, the most significant incentive legislated in the 1983 package, was the state incentive aid on a one-time basis that would erase the “operational deficit” of combining districts. This legislation therefore would bring both districts combining at least to a zero level and enable the newly formed district to begin operations without a deficit in its main operating funds.

By 1985, the State Board of Education was investigating not only the financial aspects of school consolidation but also the educational inequities that were present in schools of various sizes. A study was commissioned by ISBE that examined the effects of enrollment size and district type on the quality of the educational program. This study reported minimal and optimal sizes of effective high schools in Illinois based on the number of courses available, achievement of students, number of teacher's preparations required and educational offerings available in high schools. Highest achievement was found to occur in high schools of between 494-1279 students. What ensued was legislation in the Omnibus 1985 reform educational legislation that determined that a minimal size for school districts and that unit districts were preferred over a dual district format.

Mandated reorganization committees were formed and given the task of studying reorganization in every region in the State of Illinois. Committee members were appointed by local boards of education. With few exceptions, these members were sympathetic to the current district structure and most of these committees' resisted ISBE efforts to impose reorganization. As the political ramifications of school reorganization rose to the top of the political arena, the Governor and the State Superintendent "reinterpreted" their intent of these reorganization committees and withdrew the minimal size of districts reorganizing and the preferred status of unit districts. With this, the reorganization committees, by and large, performed perfunctorily and made reports, which stated that no reorganization was needed or wanted by most districts in the state.

Legislation since 1983 has removed many of the disincentives discouraging reorganization. While the mandated avenue of reorganization at the state level has met with a great deal of resistance by the local school districts, the legislature and ISBE has attempted to encourage further reorganization by enacting legislation favorable to districts contemplating reorganization. Currently, there are more alternative methods now available to districts besides the referendum, which has been the historical model used to reorganize school districts. This variety of methods has sparked a renewed interest with generally smaller unit districts in dealing with their sparse high school populations. Also, small districts in general are looking at reorganization simply because the economy of size has caught up with their districts and they are finding it increasingly more difficult to fund the quality education of their students in an equitable and efficient manner. Therefore, the trend toward consolidation in the State of Illinois should continue as districts explore the various alternatives now open to them.

Historical Considerations and Alternative Strategies

During the last fifty years, many school districts in Illinois have changed in the size of the geographic area that they serve as well as in their pattern of organization. Although it seems that Illinois has a large number of school districts (852 in 2017), it was not that long ago (1940s) that the state had over 12,000 districts.

There has been increasing emphasis in recent years on reducing the total number of school districts and on increasing the geographic area served by districts in order to increase both the size of student enrollment and staff. In May of 1985, the State Board of Education published yet another study on school district organization.

This report found that there was evidence that students:

"In the hundreds of very small school districts were receiving a significant loss in opportunity to learn when the courses available to them are compared with those available to students in high schools with enrollments of over 500 pupils."

This study further concluded that the current system of organization meant that:

"Uniform access to both adequate financial support and reasonable educational quality is not permitted by the present organization of our school districts."

Public Act 84-126 enacted in 1985 made sweeping changes and mandated the school reorganization of many smaller districts into larger districts through an elaborate set of procedures. However, within nine months of its enactment, the general assembly modified the reform bill with the passage of Public Act 84-1115, which effectively eliminated the mandatory reorganization procedures, which had been created by the earlier law.

Since the passage of PA 84-1115, it appears to some that there is literally an unannounced plan to bring about school consolidation as a result of additional reform

legislation; increased activities by the State Board of Education through more stringent rules and regulations; and legislative finance policies which place increasing pressure on local property to support schools. The combination of these factors continues to apply unrelenting pressure upon small districts to reorganize in some way into larger units of instruction. Added to these three forces, one must add a fourth and most recent one in the form of the State Board of Higher Education, high school requirements for admission to Illinois colleges and universities.

Despite well-researched studies as to the benefits of greater equity, the ability to attract higher quality teachers, the ability to increase both the depth and breadth of curricular offerings and a number of other "benefits" to be derived from economies of scale, those school reorganizations which actually take place are most often brought about by concern over increasing tax loads at the local level.

Recently, financial equity plans have included a statewide constitution challenge to the school funding formula. By seeking judicial relief in the form of a court case showcasing the inequity of school district financing in Illinois, school districts endeavored to change the current school district funding formula. While this effort was unsuccessful, it can be assumed that in the future, there will be other judicial or constitutional challenges to the system of financing Illinois schools, which have precipitated a disparate financing formula for the school children of Illinois.

Although the primary question in this study relates to the procedures and processes by which school districts might reorganize, the fact is that there have been less than fifty consolidations of school districts in the past five years. This translates into a consolidation figure of about five percent of the state's school districts. This low percentage is particularly remarkable when one considers that over half of the high

schools in the state have enrollments of less than five hundred students. Given these realities, this section is intended to address some “alternatives” being practiced in the state to inform the districts involved in this study.

Legislative Facilitation

Cooperative agreements between school districts or between school districts and other governmental agencies have provided some viable consolidation alternatives.

Probably more Illinois districts than not, are involved in cooperatives in the areas of special education, vocational education, or both. What about areas other than these?

The broadest statutory authority supporting such a move is the Intergovernmental Cooperation Act, (Chapter 127, Sections 741 - 745 (1985)). This Act states that:

“Powers, privileges, or authority exercised ... by a public agency of this state may be exercised and enjoyed jointly with any other public agency of this state.”

This appears to authorize school districts to cooperate with each other in all of the normal functions carried on by school districts. Chapter 147, Section 745, further states that:

“One or more public agencies may contract with other public agencies to perform any governmental service, activity, or undertaking, which any of the agencies is authorized by law to perform, provided that such contract is authorized by the governing body of each party.”

Also, in 1985, Chapter 122 (School Code) was revised to authorize school districts to permit students to attend the schools of other districts. One limitation is that every school board must still maintain at least one elementary school within the district. More recent legislation took this process a step further. As a result of school code revisions

in 1986, school boards may deactivate and reactivate high and junior high school facilities under specific conditions, thus giving districts some time to thoroughly study the issue of consolidation. High schools and junior high schools may be deactivated indefinitely, with their students sent to another school in another district. This action may be taken with the approval of the voters in the sending district and the approval, by proper resolution, of the school board of the receiving district.

Another of the more recent legislative statutes, (P.A. 85-759), is the Cooperative High School Attendance Centers legislation. This legislation is a natural extension of the inter-governmental legislation mentioned above. This legislation is one of the approved methods for school district reorganization in Illinois.

Educational Cooperatives and Programming, Alternative

Taking the cooperative model of Special and Vocational education, some school districts have entered into the formation of academic cooperatives. The Leland School District, LaSalle County #1, has been involved in a curriculum cooperative with the Somonauk School District #432 for many years. Both of the high schools have very small student enrollments. Yet, under a tuition agreement, students of both schools have access to courses in foreign languages, art, business, science, and other subjects that might not have been available without the agreement. The two districts developed a tuition agreement, which provided a formula for determining how much each district was charged based upon the "per capita tuition charge." As an outgrowth of the agreement, similar calendars, testing schedules, and transportation schedules were arranged cooperatively between the districts.

The Waterman School District #431 and Shabonna School District #524 share several high school staff members, course offerings, transportation, and costs related to

these functions. The districts have also combined their music programs that have resulted in one band and one chorus.

Schools in the area of the Toulon-Lafayette School District, band together to pool their resources by sharing staff, utilizing the local community colleges, and investing in microwave television hookups. These brief examples only begin to discuss academic cooperation, which is being carried out between and among many small districts in the state.

For many years the Hoopston area school district and Rossville-Alvin school district have shared their curricular offerings, transporting students between the two high schools each period of the school day.

Staff Recruitment, Retention, and Development Alternatives

A shortage of teachers, keeping good teachers, and in-service education opportunities are problems relating to staffing that often force consolidation. Districts may combat the problem of teacher shortages in the small district through the following strategies:

- Make all district personnel and board members aware of shortages.
- Print brochures pointing up local advantages.
- Offer part-time additional jobs for qualified teachers.
- Establish cooperative staff development.
- Help teachers procure housing at a reasonable cost.
- Promote the benefits and challenges of a small district.
- Share a teacher among several districts in a technical or low incidence program (advanced math, electronics, physics, and music).
- Give academic credit for experience outside of teaching.
- Provide summer job assistance for teachers.
- Offer extended contracts for teaching on a year-round or near year-round basis.

Others who have worked on this problem suggest making salary and fringe benefits competitive, but a caution here is that community support is even more essential. Other approaches include the subsidizing of further education of teachers in small districts, encouraging churches and civic organizations to include teachers in their activities, and making recreational programs in the community available to teachers.

Staff development is a particularly critical area for recruiting and holding teachers in small communities. Teacher assistance teams can be established so that teachers may help other teachers, and visits to nearby districts are always a possibility. The Regional Office of Education (ROE) should be approached for specific and worthy in-service programs, which the districts want, not just what the ROE wishes to provide. Federal grants for staff development are available as are state assistance grants. Teachers can be reimbursed for college credit and should be encouraged to take as many courses in a new subject matter as possible. Finally, every district has "experts" living in the surrounding area that can be called upon to provide valuable in-service training to teachers.

Administrative Alternatives

William Collier, retired superintendent in the Dunlap Unit School District, proposes that one superintendent be shared by several school districts to reduce costs and gain greater economy of scale. In an administrative co-op, two small districts can share the services of one superintendent and a small office staff. Duties and responsibilities associated with the Superintendent's position would remain much the same. Possible strengths include the fact that one person would be totally aware of the cooperating districts strengths and weaknesses and would be able to make adjustments easily. Collier provides a list of areas where sharing could occur as a result of

administrative cooperation: food service, transportation, gifted education, legal services, guidance programs, driver education, purchasing, staff development, and staff sharing. Superintendent Collier claims that,

"Many of the concerns of small districts could be eliminated by' well organized and trusting cooperation."

Several recommendations (from the IASB Journal article entitled, "Tips for Sharing Administrators" by William H. Phillips) have been developed by a superintendent who had direct experience with administrative cooperatives. In the article, Dr. Phillips relates his experience as a superintendent of two school districts and provides suggestions for superintendents contemplating administrative sharing with two or more school districts:

- Share superintendents but do not share principals.
- Re-define the superintendent's job so that the workload is the equivalent of one position, not two or three.
- Establish one central administrative office.
- Do not have the superintendent wasting time between separate district offices.
- Create continuing communication linkages between participating school boards. Joint informational board meetings enhance economy of time by allowing the superintendent to keep all boards informed with a single report.

Technological Alternatives

A major success story in the area of technology is that of Hall-Spring Valley High School. At this high school, satellite television in the classroom allows students to communicate with students in other schools both inside and outside of this country. In this particular case, government surplus materials were used to build the receiving station. The Illinois location also permits the use of lower cost receiving equipment.

Educational advantages are numerous and include the capability to tape programs for later playback. District administrators report that this technology has improved virtually every program in the school system.

In Carroll County, the Television Cooperative provides the use of a two-way interactive television system and cable facilities. Curricular advantages include being able to offer courses that usually attract only a small number of students in one school district such as advanced level mathematics, science, and foreign language. A second important feature of the system is the opportunity to utilize the best teachers to teach more students. This arrangement further motivates and challenges students, promotes higher levels of student achievement, and increases the efficiency of teacher instructional time.

An additional technological means of enhancing the financial and educational services of the small district is to establish a network linking a mainframe or mini-computer to terminals housed in several small districts. Districts can share the costs of programming and maintenance of the single larger computer. The Gillette, Wyoming, school district is a national show place of connecting far-flung individual schools together through the use of the computer.

The focus of this section of the study has discussed Alternatives to Reorganization that school districts may utilize in Illinois. It has focused on the options and alternatives for high schools. It should be noted for information purposes that elementary districts may also utilize these same alternatives for their elementary and junior high school programs.

A Brief Literature Review

The issue of reorganization has been the focus of several studies throughout the United States. One of the common themes in the literature has been the "strengths of rural schools." Stephens (1986) lists several of the commonly accepted attributes of small schools: smaller classes, individual attention by teachers, low drop-out rates, the opportunity to develop student leadership, strong family and community support, and good parental interaction.

Monk and Haller (1986), in a study of rural New York schools, found that substantial problems exist in small schools and these problems significantly disadvantage students who attend them. At the same time, Monk and Haller found that small districts provide important educational advantages to pupils and to the communities they serve. The weaknesses identified by Monk and Haller included:

- Limited Curricula
- Scheduling difficulties that further limit programs
- Shortage of teachers in some subject areas
- Faculty have heavy and non-specialized teaching loads
- Educational aspirations of the students and community tend to be low.

The strengths identified by Monk and Haller included:

- Schools are the focal point of the community
- Schools are devoid of discipline problems evident in large urban districts
- Students learn the "basics" as well as other students and sometimes better
- Schools provide opportunities to develop leadership potential and non-academic skills

Monk and Haller noted that some problems appear in only the very smallest of schools (i.e., those schools with fewer than 100 students per grade level). It should be noted that Illinois currently has at least 250 school districts that enroll fewer than 100 students per grade level.

Regarding school size, Webb (1977) states:

'Studies relating to effective and desirable sizes of school districts indicate that school district size is not an absolute, that the "optimum size" will vary from state to state and that size is but one of many factors related to educational quality and operational efficiency'. (p. 365)

They also noted that in small rural schools, if a student does not relate well to a teacher, he/she has no other choices. Similarly, many students are pressured into participating in extra-curricular activities in which they have no interest or may not have the physical abilities needed. Additionally, students are unable to avoid incompetent teachers. Monk and Haller note that while small schools give teachers the opportunity to know their students better, this also provides increased opportunities for harmful mistakes by teachers.

Hughes (1990) studied the 100 smallest schools in Wisconsin from May 1987, through October 1988. The study identified the same small school attributes and disadvantages as Monk, Haller and Stephens. Hughes stated that following advantages selected from the study were verified by the literature: broader student participation, close personal relationships, student leadership opportunities, community support, better school climate and student attitudes, fewer discipline problems and greater flexibility. The constraints identified by Hughes were: limited administrative and supervisory personnel, teachers spread too thin, lack of cultural diversity, limited offerings for students, difficulty in recruiting and keeping staff, restricted facilities and higher per pupil costs. Hughes was not able to show that small schools had higher test scores or that small school graduates had a higher rate of college completion.

A recurring problem for small rural schools, as identified by Monk, Haller, Stephens and Hughes is attracting and retaining competent staff. One of the contributing factors could be salaries paid to beginning and veteran teachers in small rural schools. In a survey

of school administrators in Illinois, Hall and Smith-Dickson (1991) found that 122 of 499 reporting districts believed their salary schedules were not competitive and hindered the recruitment of qualified teachers. Sher (1986) was commissioned by the North Carolina School Board Association to critique a 1986 report by the State Board of Public Instruction that called for larger school districts. In his analysis of the report, Sher concluded that there was no solid foundation for believing that wholesale elimination of school districts would improve educational opportunities and stated that reorganization should be strictly voluntary. In his report, Sher made the following five points:

1. Merger decisions are too complex and far-reaching in their impact to be made any way other than on a case-by-case basis.
2. Good schools and school districts come in all shapes and sizes (as do poor ones) and therefore, educational policies, which place too much reliance on any rigid size and organizational criteria are likely to be counterproductive.
3. Since directly mandating across-the-board mergers will not advance any compelling state interest, the state should discontinue all backdoor approaches to the same end.
4. There are a variety of alternatives to consolidation that can expand educational opportunities and enhance cost-effectiveness without abolishing existing units. Most important, organizational issues like merger are very rarely the key to enhancing the quality and efficiency of public education.
5. Most important, organizational issues like merger are very rarely the key to enhancing the quality and efficiency of public education. Occasionally, making schools and school districts bigger is helpful, but more often it is merely a diversion away from the greater task of finding new ways to positively influence the lives of children and to increase the effectiveness of those who work in their service.

School District Reorganization in Illinois Since 1985

During the last fifty years, many school districts in Illinois have changed the size of the geographic area that they serve and in the manner in which they are organized. Although today it seems that Illinois has an extremely large number of school districts, it should be remembered that a few decades ago this state had an even larger number of school districts. Before the end of World War II, Illinois had nearly 12,000 school districts. Through the evolutionary process, the number has decreased to the point where the current number of school districts (2019-20) in Illinois is 851.

There has been increased emphasis in recent years on reducing the total number of school districts and on increasing the geographic area served by districts in order to increase districts student enrollment, high school course offerings, assessed valuation, and staff size. In May of 1985, the Illinois State Board of Education published a study on school district reorganization. The report found that there was evidence that students "in the hundreds of very small districts were receiving a significant loss in opportunity with those available to students in high schools with enrollments over 500 students." That study concluded that the current system of organization meant that, "uniform access to both adequate financial support and reasonable educational quality is not permitted by the present organization of our school districts.

Part of the education reform legislation that became effective on August 1, 1985, provided for school district reorganization. Public Act 84-126 made sweeping changes and mandated the school reorganization of many smaller districts into larger districts through an elaborate set of Procedures. However, shortly after enactment of that law, the General Assembly modified the law by Public Act 84-1115. That law effectively

eliminated the mandatory reorganization procedures, which had been created by the earlier law.

Notwithstanding, the General Assembly's action, which caused Illinois to step back from mandated reorganization, there still exists strong interest and concern about what has come to be called "school consolidation." School consolidation is the general term, which covers many of the different methods for school districts to be combined, deactivated, dissolved, annexed or otherwise reorganized.

The reason reorganization proposals have been increasing is based on legislation that has encouraged consolidations in the state by allowing the various school districts to choose from an expanded list of methods and procedures to consolidate. In addition, the financial incentives passed by the General Assembly continue to be a strong impetus to school districts that are increasingly experiencing financial trouble based upon lowered assessed valuations and declining student enrollments.

As a clear example of the progress of school district reorganization in Illinois, the number of school consolidations in the period of 1980-85 was six consolidations. Additionally, at this period, there were only three authorized methods of school district consolidation. As a result of numerous State Board of Education studies, there was adopted in 1983, the first piece of significant legislation that addressed the problem of school district reorganization "disincentives." In 1983, three financial incentives were promulgated by the General Assembly. These incentives paid for the operating debt deficits between consolidating districts from the education, operations, and transportation and working cash fund balances of school districts. Reorganization incentives were based upon prior year's budget balances, equalizing the salaries of

full-time, certified employees from the newly reorganized districts for a period of three years, and holding harmless the amount of General State Aid to be received in a newly reorganized district.

In 1985, the Omnibus Education Bill, was enacted which addressed school district reorganization with its mandatory provisions while the General Assembly repealed the mandatory provisions of the legislation, the required studies were completed and seemed to initiate interest in the process of reorganization throughout the state. As proof of the increasing interest in school district reorganization, there were 44 school consolidations in the period of 1985-90 with 62 additional consolidations in the time period of 1990-98.

Districts are now able to pick from an expanded list of authorized methods of school district reorganization. There are currently eleven authorized methods of school district reorganization. From this list of authorized methods, two methods, 11E consolidation and Article 7, annexations have constituted over 90% of the consolidations in the state since 1985.

In addition, another financial incentive was added to the three existing incentives. This incentive provides for a payment of up to three years of \$4,000.00 per full-time, certified staff member in a newly reorganized district. The financial incentives paid to school districts have amounted to over \$103,000,000 from the period of 1986-1998. During the 1991-92 school years, the legislature did not allocate enough money to pay all of the incentive claims made upon the Illinois State Board of Education, and the \$4,000 per certified employee incentive was not paid to some newly consolidated districts until the following year. However, in 1993 and in all subsequent years, enough

funds have been allocated to pay all of the reorganization incentive claims made by newly consolidated districts.

Among the currently authorized methods of school district reorganization are eleven different legal processes that encompass different kinds of school districts and their legal consolidation or dismemberment. The names of the appropriate sections from the Illinois School Code are utilized to identify the separate legal processes in school district reorganization.

1. Article 11E, formerly 11E, Unit District formation is the only method by which a new unit district can be formed from currently existing unit districts or a combination of elementary and high school districts. This is one of the more commonly utilized methods of reorganization. Districts using this method are able to access all four financial incentives. Districts utilizing this method must pass with a majority of voters in each affected area to approve the proposition.
2. Article 11E, formerly 11B, Combination of Elementary and High School Districts utilizes basically the same guidelines for Article 11E consolidations except that it combines either elementary or high school districts. The proposition to create a combined school district shall pass if a majority in each affected district, vote in favor of the proposition. Districts utilizing this method of reorganization are also eligible for the financial incentives.
3. Smaller unit districts, may convert a unit district into a dual district and annex their high school students to a neighboring high school district in Article 11E, formerly 7A. Both the newly created elementary district and the annexing high school district are eligible for financial incentives. Unit districts wanting to utilize this reorganization method must have a contiguous high school district willing to annex their high school populations.
4. Article 11E, formerly 11D, Conversions of existing unit districts into dual districts is an authorized method and has to date been utilized only once in Illinois. It is the only method of reorganization where more school districts are created than originally existed. All newly created dual districts are eligible for financial incentives. The proposition to create dual districts utilizing Article 11E must pass in each affected area to be successful.
5. Article 7 Annexation has attained the status of one of the most commonly utilized methods of school district reorganization. Article 7 annexations are approved by the Regional Board of School Trustees. The required public hearing is the opportunity for local proponents and opponents to be heard by

the Regional Board. Annexing districts are also eligible for financial incentives. In all of the methods of reorganization, bonded indebtedness stays with the original existing school district. In addition, the tax rates of the annexed district convert to the existing rates of the annexing district with the exception of the bond & interest fund. Since 1997, annexations must now also be approved in a referendum by passing with a majority of voters in each affected district.

6. Article 7-2a(a) Dissolutions allow districts with a population of less than 5,000 to petition the Regional Board to Trustees to dissolve their district and annex them to one or more contiguous districts. Petitions for dissolution may be made by school boards or a majority of voters in the dissolving district. This "automatic" provision requires the Regional Board to dissolve the district after a public hearing and annex the district to one or more neighboring districts. Only a counter-petition signed by a majority of district voters can stop the board's dissolution petition. The bonded indebtedness of the annexed district remains with the former district unless the annexing district votes to assume their bonded debt. The annexing district(s) are eligible for financial incentives.
7. Deactivations of high schools under Section 10-22.22b is the temporary deactivation of a high or junior high school with the approval of the board of the receiving district and a vote of the majority of voters in the deactivating district. In this reorganization method, the deactivating district pays an agreed upon fee per student for educational services through an Intergovernmental Agreement. These agreements begin as a two-year agreement but may be continued for a one- or two-year period. In this method, the deactivated district is still existing and continues its financial requirements including providing transportation to the new district. Currently, there are two financial incentives authorized for this reorganization method.
8. Section 10-22.22c allows two or more contiguous high school or unit districts, to jointly operate one or more high school centers. There is a twenty-year minimum time period requirement for Cooperative High Schools utilizing this method of reorganization. A new board of education is created from members of the existing boards of cooperating districts. Currently two of the four financial incentives are authorized: \$4,000 per full time certified teacher for three years, and the Salary Difference payment for four years. This method of school district reorganization was created in 1987 and has been utilized only twice in the state as of this date (Paris Coop HS and Bismark Henning Rossville Alvin Coop HS).

New reorganization types authorized by P.A. 94-1019 are included within the new Article 11E are:

9. Optional Elementary Unit District: A unit district is formed from a high school district and any elementary district(s) approving the consolidation. All

students in the territory will attend the new district for high school purposes. Only those students living in elementary districts electing to join the new district will attend for elementary purposes. Elementary districts electing not to join the new district will remain separate, independent elementary districts. Under prior law, one elementary district could keep an entire area from moving forward with a unit district formation.

10. Combined high school-unit district: A high school district can combine with a unit district so long as both districts approve and are physically contiguous. The new district would serve the entire territory for high school purposes, but only the former unit district territory for elementary purposes.
11. Multi-unit conversion: A new conversion process is available if two or more unit districts want to consolidate at the high school level, but keep a separate elementary district for part of the territory. The unit districts can dissolve to form a new combined high school-unit district serving the entire territory for high school purposes, and the former territory of one of the units for elementary purposes. A new elementary district would be formed serving the former territory of the other unit district for elementary purposes.

All of the above methods of school district reorganization require that teachers employed in newly reorganized districts maintain their teacher tenure in the new district in the same manner and with the same number of years on a consolidated certified seniority list. In addition, all multi-year agreements with the exception of collective bargaining agreements, existing in reorganized districts must be honored or negotiated by the newly created district(s). New legislation now requires a combined Education Support Personnel combined Seniority List. Support staff must be reduced by this newly combined ESP Seniority List by the newly reorganized district.

While the subject of school district reorganization is discussed annually by the Illinois General Assembly there continues to be refinement of the rules and regulations governing this intricate set of legal processes in Illinois. However, there is continued interest in voluntary school district reorganization in Illinois due to the declining enrollments and fiscal conditions of many Illinois school districts.

March/April 2006

Proposed legislation realigns reorganization

by William H. Phillips

William H. Phillips is an associate professor of educational leadership at the University of Illinois-Springfield and conducts school reorganizational studies in Illinois.

Proposed legislation has been crafted to discuss one of the most sensitive issues involving school districts in Illinois: reorganization.

In the past, the provisions of the School Code have been complicated and lengthy. Essentially, what this draft legislation intends to do is merge four of the eight approvable reorganization methods into a single article (11-E) and, in the process, allow mergers of school districts that were not previously allowed. The proposed legislation was written by the governor's office in conjunction with the Illinois State Board of Education.

To paraphrase State Superintendent Randy Dunn, this legislation would add greater flexibility and efficiency to the reorganization process, while consolidating and streamlining provisions of the School Code.

No language in the proposed legislation is intended to be mandatory, and voters in each district would still need to approve these reorganizations.

So what are the changes, additions and implications of this lengthy proposal?

The biggest change is the combinations allowed under a new Article 11-E of the School Code, which merges the only current method of creating a unit district (Article 11-A), the only way to create a new elementary or high school district (Article 11-B), a method to make dual districts out of unit districts (Article 11-D) and small unit district conversion provisions (Article 7a), in which a unit district is dissolved and transformed into an elementary district while concurrently annexing the high school population to a contiguous high school

In this process, many of the intricacies of the previous methods have been aligned, as well as allowing some new combinations of school districts. New combinations would include:

- **Elementary districts within the same high school district could consolidate to form a unit district even if the districts are not contiguous.**
- **A district (or districts) could consolidate within a high school district to form a unit district even if all of the elementary districts do not approve. With this provision, there is an "opt in" provision in which elementary districts can join the unit at a later date. This same "opt in" provision is also included in a possible phasing in of financial incentives for consolidating districts.**
- **A high school district could consolidate with a unit district as long as both districts are contiguous. Later, feeder elementary districts from the former high school districts may also "opt in" to the newly created unit district.**

In addition, a "stair-step mechanism" is created in which the consolidating districts may reduce the maximum levy gradually to recognize the benefits of their consolidation. This provision would allow combination of the lowest elementary districts tax rates with the high school rates without reduction if they exceeded the maximum allowable rates by district type for two years and then reduce annually by .10 percent.

In creating Article 11-E, many of the various provisions have been standardized for uniformity. Some of the recommendations include:

- **The requirements for board approval or resident signatures are standardized to 50 signatures or 10 percent of the registered voters in each affected district, whichever is less.**
- **The hearing requirements would be the same for all reorganization in which the Regional Superintendent would grant or deny reorganization petitions without state superintendent approval. If the ROE denies the petition, then the state superintendent may make the final decision.**
- **Voting requirements have also been standardized so that a successful reorganization referendum requires a majority of voters "in each affected district for passage." This is a change from original requirements for 11-B reorganizations, which required a "majority of those voting overall."**

Other provisions

Section 11-E-15 would allow School District Conversion with the following guidelines:

- **A small unit district, defined as fewer than 250 students in grades 9-12, may be dissolved and converted into an elementary district if the new elementary district keeps all of the former unit district territory and there is a concurrent annexation to a contiguous high school district.**
- **Two or more contiguous unit districts or one or more unit districts and a high school district may form a high school district and new elementary districts based upon the former boundaries of the dissolved districts.**
- **Districts may not use this second provision if they have more than 600 high school students. The state superintendent may grant waivers for this requirement.**

Section 11-E-25 would allow unit district formation from dual district territory exclusively.

- **In Section A of this provision, unit districts may be formed from territory of districts that do not encompass any unit district territory.**
- **In Section B of this provision, one or more unit districts that are contiguous plus any territory *no part of which is included within any unit district* may be organized into a unit district.**

Section 11-E-30 allows partial elementary unit district formation.

- **In Section A of this provision high school district(s) and unit district(s) may be dissolved and form a combined high school-unit district.**
- **In Section B of this provision a high school district and one or more elementary districts may organize into an "optional elementary unit district."**
- **In Section C, there is an "opt-in" provision for those elementary districts that may wish to join the elementary unit district at a later date.**

Other issues

Other salient issues that always accompany consolidations also are discussed in this draft legislation, including requirements for petitions to initiate the reorganization process. They are standardized in Article

11-E to include petitions from school boards and citizen petitions that have 50 voter signatures from "each affected district" or 10 percent of the registered voters from "each affected district," whichever is smallest.

The petitions must also now set forth the *maximum tax rates* that the proposed district will be authorized to levy plus information pertaining to the Property Tax Extension Limitation Law (PTELL), including the "aggregate extension base" and the "debt service extension base" of the districts.

The allowable methods on the referendum ballot to elect board members have not changed: the "default method" is "at large" or the choice can be to divide the new district into seven equally populated areas. This second method is not newly created but does require approval at the reorganization referendum. However, new sections deal with Board of Education membership for community unit school districts formed before January 1, 1975, and for combined school districts formed before July 1, 1983. These circumstances may be rare, but they allow for different configurations of board membership.

The Committee of Ten retains many of the same responsibilities for reorganization. Article 11-E contains language that delineates vacancies on the Committee of Ten, in which the committee may replace its own members, is retained from previous statutes.

Regional superintendents will continue to hold hearings under Article 11-E, with newly expanded requirements. At this hearing, after notice has been published, there is a required agenda including:

- **Evidence of school needs and conditions**
- **Ability of proposed district to meet standards of recognition.**
- **Consideration of division of funds and assets.**
- **Maximum tax rates for various purposes that the proposed district shall be authorized to levy including PTELL information, if appropriate, which shall have information regarding the "aggregate extension base" and the "debt service extension base."**

Within 14 days after the conclusion of the hearing, the regional superintendent would either approve or deny the petition. If the regional superintendent fails to act within 21 days after the hearing or denies the petition, the petition is deemed to have been denied and petitioners may appeal to the state superintendent. If the state superintendent denies the petition, then that office issues the "specific basis for the denial." Administrative review for either denial is still possible within a one-year period after the petition by any resident of the territory described, petitioner or board member.

Election changes

The election process also has been standardized in that all elections for Article 11-E reorganization must pass with a majority of voters in each affected district. This was the same as previously required except that Article 11-B previously required a "majority of those voting overall." Election passage requirements also feature that in an "optional elementary unit district" a majority of voters in the high school district and at least one affected elementary district. In the case of voting requirements for elementary districts "opting in" later, they must also pass with a majority of voters in each affected district. Special provisions for unit district formation include that if "at least two unit districts voted in favor of consolidation" then the members of the Committee of Ten shall present an amended petition to the boards as long as the territory is contiguous.

Tax rates and the voting for these rates in a referendum are changed by Article 11-E. Previously, only the tax rates for the education; operations, buildings and maintenance (OMB); transportation; and life safety funds were included on the ballot. Now each rate is to be included on the ballot, except bond and interest, and there is also a new provision which allows the "maximum allowable rates by district type" to be exceeded for a temporary period.

The maximum allowable rates for a new district are calculated by combining the rates currently levied in education, OBM and transportation funds, with the rates of the lowest participating elementary district and

the current rates of the high school district for two years after a successful reorganization and with a concurrent reduction to maximum allowable rates at .10 percent per year thereafter for a newly formed district. Therefore, this new provision allows a newly formed district to temporarily exceed the allowable tax rates by district type. This provides a necessary equalization of former tax rates for a newly merged district. A provision also allows districts forming in April elections may submit their new rates to respective county clerks and they may receive their new rates in the same calendar year in which the referendum was approved.

An additional section of Article 17-3 deals with tax rates in which districts may submit a referendum to allow them to levy a tax for a period of "not less than three years or more than 10 years." Thus, taxpayers and districts have a "temporary tax increase" authority. This may cause taxpayers to be more inclined to vote for tax increases when they know there is a sunset date for the increase. This is currently in statutes but not used extensively by school districts.

The issue of bonded indebtedness of a newly reorganized district always has been a prominent issue. Article 11-E again uses the concept that bonded indebtedness "stays with the district and its boundaries that originally issued the bonds." Also as previously allowed, bond sales may be approved at the same time in the passage of a reorganization referendum.

Teacher tenure or "contractual continued service" remains mostly the same as previously approved. The only different implications allow teachers, who for five years previous to a reorganization served in a capacity as a high school teacher or an elementary school teacher, to transfer to the board of the type of school that allows them to serve in the same capacity. In the case of a teacher who previously split teaching assignments, the teacher can request to serve in either type of district.

Financial incentives

The state has offered four financial incentives for decades for districts that consolidate. Each incentive — General State Aid Equalization; Teacher Salary Equalization; Debt Difference Payment; and \$4,000 per full-time certified teacher — is still based on an ISBE "quintile system." While there are no new incentives or increases in incentive amounts, there is an "opt in" provision for elementary districts merging with the unit district at a later date. The "opt-in" provisions are allowed for four years after a successful merger with other elementary districts.

This legislation is lengthy and complicated, allowing changes in possible school district configurations, opting-in provisions, more tax rates being included on a referendum, districts to use a combined tax rate that may exceed allowable rate limits temporarily, newly expanded requirements for ROE hearings and a host of other issues.

Keep in mind that all of these changes are meant to be permissive; there are no mandatory provisions for districts to consolidate.

Changes of this magnitude to existing laws and procedures are bound to raise considerable interest and concern, if not outright skepticism. However, do not let the sheer size and number of changes keep you from a careful examination of this legislation that addresses, more than any legislation since 1985, the issue of school district reorganization in Illinois.

Be alert for changes

This proposed school reorganization legislation is now SB2795. Because a bill can be amended at any time, some of the provisions described here may have changed by the time the Journal reaches you.

According to Ben Schwarm, IASB associate executive director, governmental relations, the Association will not take an official position until the language and provisions are more finalized.

Schwarm will keep IASB members up-to-date on changes through the weekly Alliance Legislative Report, available at www.iasb.com. Those who would like to have the report e-mailed to them automatically should e-mail Schwarm at bschwarm@iasb.com.



Illinois State Board of Education

July 28, 2006

Guidance Document

SCHOOL DISTRICT REORGANIZATION

This document is intended to provide non-regulatory guidance on the subject matter listed above. For specific questions, please contact the person(s) identified in the document.

(Public Act 94-1019)

Rod R. Blagojevich, Governor

Illinois State Board of Education

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Printed by AFL-CIO (AFSCME Local #288 and IFSOE Local #3236) Employees

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GUIDANCE DOCUMENT ON SCHOOL DISTRICT REORGANIZATIONS

UNDER PUBLIC ACT 94-1019

A. GENERAL INFORMATION ON PUBLIC ACT AND REORGANIZATION OPTIONS IN ILLINOIS

1. What is meant by the term “school district reorganization”?

School district reorganization is the umbrella term which includes consolidation, combination, annexation, unit district conversion, high school deactivation, and cooperative high school attendance centers.

2. In general, how does P.A. 94-1019 impact school district reorganization?

Public Act 94-1019 consolidates Articles 7A, 11A, 11B and 11D of the School Code into a new Article 11E. It adds greater flexibility and efficiency to the reorganization process. In addition, it creates opportunities for new types of reorganizations not allowed under prior law. Petition and voting requirements are now consistent for all types of reorganizations under Article 11E. The new Article 11E only includes options that ensure any reorganization will be approved by the voters, and ensures no reorganization will raise taxes without approval by the voters in the affected districts.

3. Why is it important to provide more opportunities for reorganizations?

Illinois has approximately 875 school districts; about 200 of these districts are single-school. Having multiple school districts in the same geographic area can lead to unnecessary administrative costs. Smaller school districts can have difficulty providing a comprehensive program, especially at the high school level. In areas with multiple elementary districts feeding to a separate high school district, it can be difficult to achieve curricular alignment among the elementary, middle and senior high schools.

4. What types of school district reorganizations are allowed after P.A. 94-1019?

School district reorganizations can be grouped into three categories: (A) reorganization types not included in Article 11E as the result of P.A. 94-1019, and therefore not impacted by this Act; (B) reorganization types authorized under prior law and included within Article 11E pursuant to P.A. 94-1019; and (C) new reorganization types authorized by P.A. 94-1019.

A. Reorganization types not included in Article 11E as the result of P.A. 94-1019, and therefore not impacted by this Act

Article 11E does not include reorganization types not involving the creation of a new district. These types of reorganization are:

- Deactivation (Sec. 10-22.22b)

- Cooperative High School (Sec. 10-22.22c)
- Dissolution or Detachment (Article 7)

P.A. 94-1019 does not impact a community's ability to use a reorganization process not included in Article 11E. These options may still offer the best solution for a particular community's needs.

(B) Reorganization types authorized under prior law and included within Article 11E pursuant to P.A. 94-1019

Reorganizations allowed under prior law and included within Article 11E (with minor changes described later) are:

Small unit district conversion (previously in Article 7A of the School Code): A small unit district is dissolved. An elementary district is created, and high school students go to a contiguous high school district.

- Unit district formation (previously in Article 11A of the School Code): Formation of a K-12 district from elementary and high school (dual) territory, or from an existing unit district and territory not within a unit district, or from two or more existing unit districts.
- Combined school district (previously in Article 11B of the School Code): Two or more elementary districts or two or more high school districts combine to form a new district.
- School district conversion (previously in Article 11D of the School Code): Two or more unit districts combine to form elementary districts based on the old unit district boundaries and a new high school district overlying the entire territory.

C. New reorganization types authorized by P.A. 94-1019

The new reorganization types authorized by P.A. 94-1019 and included within the new Article 11E are:

- Optional elementary unit district: A unit district is formed from a high school district and any elementary district(s) approving the consolidation. All students in the territory will attend the new district for high school purposes. Only those students living in elementary districts electing to join the new district will attend for elementary purposes. Elementary districts electing not to join the new district will remain separate, independent elementary districts. Under prior law, one elementary district could keep an entire area from moving forward with a unit district formation.
- Combined high school – unit district: A high school district can combine with a unit district so long as both districts approve and are physically contiguous. The new district would serve the entire territory for high school purposes, but only the former unit district territory for elementary purposes.
- Multi-unit conversion: A new conversion process is available if two or more unit districts want to consolidate at the high school level, but keep a separate

elementary district for part of the territory. The unit districts can dissolve to form a new combined high school-unit district serving the entire territory for high school purposes, and the former territory of one of the units for elementary purposes. A new elementary district would be formed serving the former territory of the other unit district for elementary purposes.

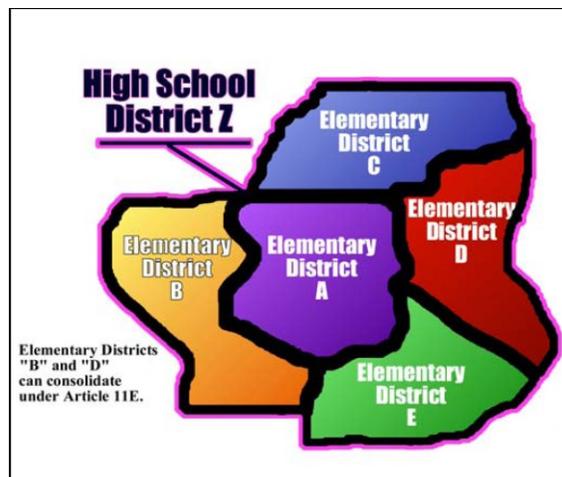
5. Are any of the reorganization types included in Article 11E involuntary?

No. All reorganizations included in Article 11E must be approved by a majority vote in each of the districts impacted by the reorganization.

6. Does P.A. 94-1019 change the prior requirements for conversions, combinations and unit district formations?

P.A. 94-1019 makes minor changes to the prior requirements for conversions, combinations and unit district formations to provide more opportunities for voluntary reorganizations. It eliminates the minimum equalized assessed valuation (EAV) and population requirements for the formation of unit districts and school district combinations, which lead to larger districts. It also eliminates the maximum enrollment limits for school district conversions, which lead to larger high school districts. The regional superintendent and State Superintendent will have the opportunity to review the viability of the proposed districts. Therefore, the drafters of P.A. 94-1019 felt these statutory restrictions were unnecessary.

P.A. 94-1019 also authorizes elementary districts within the same high school district to consolidate, even if not contiguous. These districts will always be in the same general geographic region, and because they feed to the same high school district, their consolidation can help with curricular alignment between the elementary and high school districts.



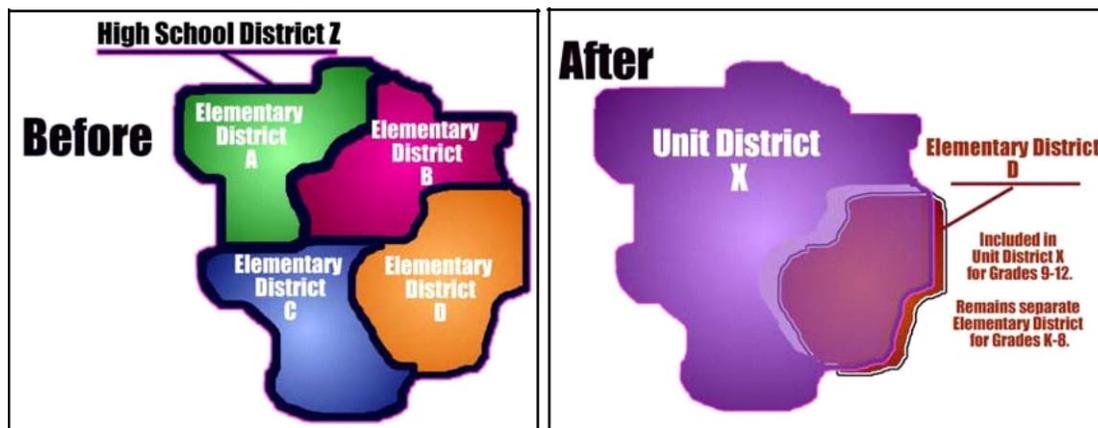
B. FURTHER EXPLANATION OF “HYBRID” DISTRICTS

P.A. 94-1019 authorizes the creation of two entirely new types of school districts: optional elementary unit districts, and combined-high school unit districts. (A multi-unit conversion is a new reorganization process that results in a combined high school – unit district and one or more new elementary districts.) In this guidance document, optional elementary unit districts and combined-high school unit districts are collectively referred to as “hybrid” districts because they both include some territory of the district for K – 12 purposes, and the remaining territory for high school purposes only. (In Article 11E, the statutory term for “hybrid” districts is partial elementary unit districts.) The following sections further illustrate these options.

1. Optional Elementary Unit District

An optional elementary unit district may be a desirable option for dual district territory where some, but not all, of the elementary districts are likely to approve a unit district formation.

- Under this type of reorganization, a unit district is formed from the high school district and any elementary district(s) approving the consolidation. Elementary districts A, B and C can form a unit with high school district Z, even if D does not join.



Eligibility Requirements

P.A. 94-1019 includes protections to ensure that optional elementary unit districts are only formed from dual district territory with tax rates suggesting the newly-formed district can be viable at unit district rates. Specifically, territory comprising at least 51% of the EAV of the high school district must be subject to a combined high school and elementary tax rate for educational purposes of 4.0% or less.

In addition, the high school district and elementary districts must be “substantially coterminous.” This means that the high school district and elementary districts share the same boundaries, or share the same boundaries except for territory encompassing, for a particular

district, (i) less than 25% of the land area of the district, (ii) less than 8% of the student enrollment of the district, and (iii) less than 8% of the equalized assessed valuation of the district. If the dual territory is not “substantially coterminous,” it can become that way through the detachment and annexation process authorized under Article 7 of the School Code.

ISBE can assist local districts to determine whether they are eligible to form an optional elementary unit district.

Opt-in process:

For five years following the formation of an optional elementary unit district, an elementary district that did not join initially can vote to join solely by a vote within that elementary district. The elementary district must bond out any operational debt it has incurred since the new district was formed so that the debt remains the responsibility of taxpayers within the elementary district. The drafters of P.A. 94-1019 did not want the elementary district to run up its operational debt, knowing it has the ability to opt-in to the unit and force that debt onto the larger territory.

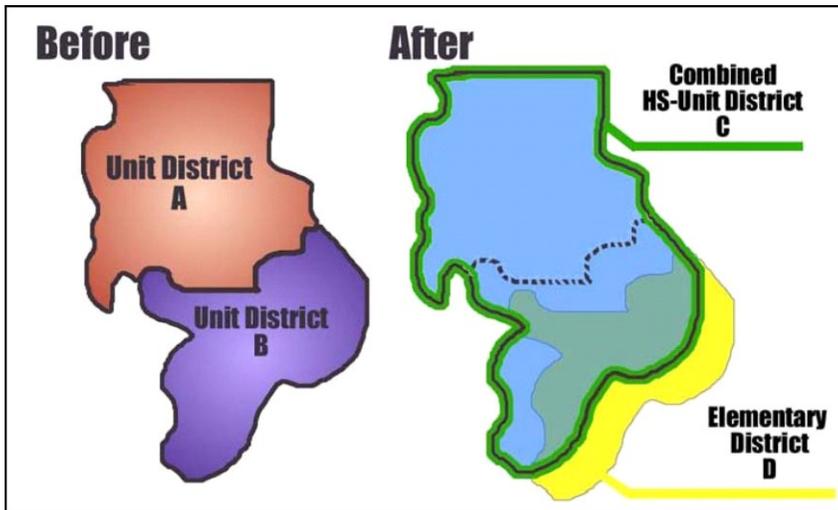
A very limited exception to the Property Tax Extension Limitation Law (PTELL) is allowed so that tax-cap elementary districts can convert the operational debt to bonded debt. Otherwise, a tax cap district that could have originally voted to join the unit district could be shut out of that opportunity simply because of PTELL restrictions. P.A. 941019 adds language to the notice and ballots for an opt-in to ensure voters know that funding bonds will be issued to convert any operational debt to bonded debt.

2. Combined High School – Unit District

A combined high school – unit district may be a desirable option when voters in dual district territory wish to consolidate with a neighboring community for high school purposes, but want to retain their existing separate elementary school district(s).

3. Multi-Unit Conversion

A multi-unit conversion may be a desirable option when voters in a unit district wish to consolidate with a neighboring unit district for high school purposes, but want to create a new elementary district to maintain local control over the elementary schools.



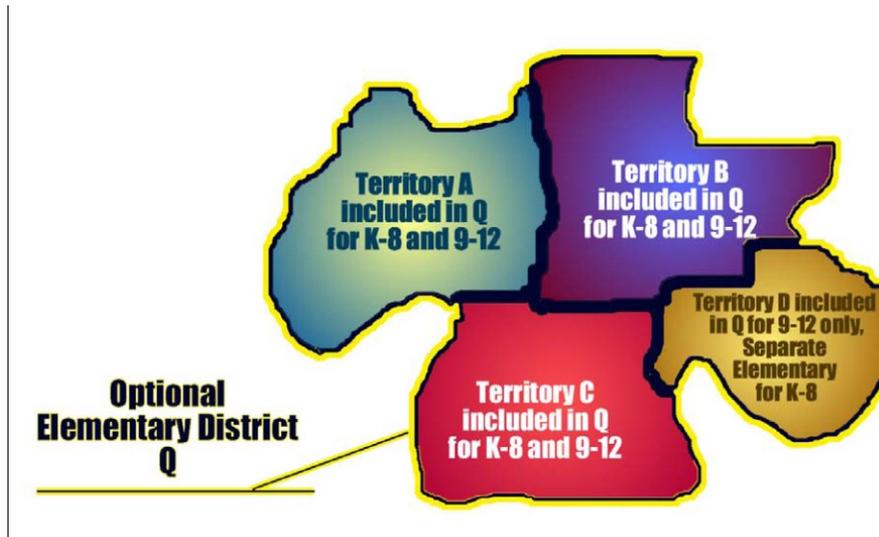
4. How do the tax rates and bonding work for the “hybrid districts”?

- In general, for a few of the taxes levied by a hybrid district, the hybrid district will have a separate rate for high school purposes and a separate rate for elementary purposes. The high school rate will apply to the entire territory. The elementary rate will only apply to the territory included for elementary purposes.
- A hybrid district has three types of tax rates: elementary rates, high school rates, and general rates. If the district wants to increase the rates after the district has been formed, the following approval requirements apply:
 - Elementary rates: Any increases to tax rates for elementary purposes must only be approved by a majority of voters living in the territory included for elementary purposes.
 - High school rates: Any increase to the high school rates must be approved by a majority of the voters living in both the high school-only territory, and the K-12 territory.
 - General rates: Any increase to general rates (e.g., transportation, health life safety) must be approved by a majority of the voters living in both the high school-only territory, and the K-12 territory.
- Hybrid districts must issue bonds for either elementary or high school purposes. Bonds for high school purposes must be approved by a majority of voters in the entire territory. Bonds for elementary purposes must only be approved by a majority of voters included in the district for elementary purposes. Hybrids will have a debt limitation applicable to the entire district for high school purposes, and a separate debt limitation for elementary purposes only applicable to a portion of the district. The districts will have flexibility to use either elementary or high school bond funds for expenses and facilities used by the whole district (such as administrator salaries, administrative offices, etc.).

Example 1 – Optional Elementary Unit District

In this example, elementary districts A, B, and C and high school district Z have consolidated to form new optional elementary unit district Q.

- The optional elementary unit district has separate rates for K-8 and 9-12 educational purposes, operations and maintenance purposes and special education. In the example below, the 9-12 rates apply to the entire territory (A, B, C and D below); K-8 rates only apply to the territory where the elementary districts elected to join the new district (A, B and C below). All other rates apply to the entire territory.
- Rate for educational purposes (4.0% unit maximum under current law): The K-8 and 9-12 rates are each capped at 3.5%; the combined rate cannot exceed 4.0%.
- Rate for operations and maintenance purposes (.75% unit maximum under current law). The K-8 and 9-12 rates are each capped at .55%; the combined cannot exceed .75%.
- Rate for special education purposes (.80% unit maximum under current law): .40% maximum rate for K-8 special education purposes, and .40% maximum rate for 9-12 special education purposes.
- All other rates are subject to unit district maximums.

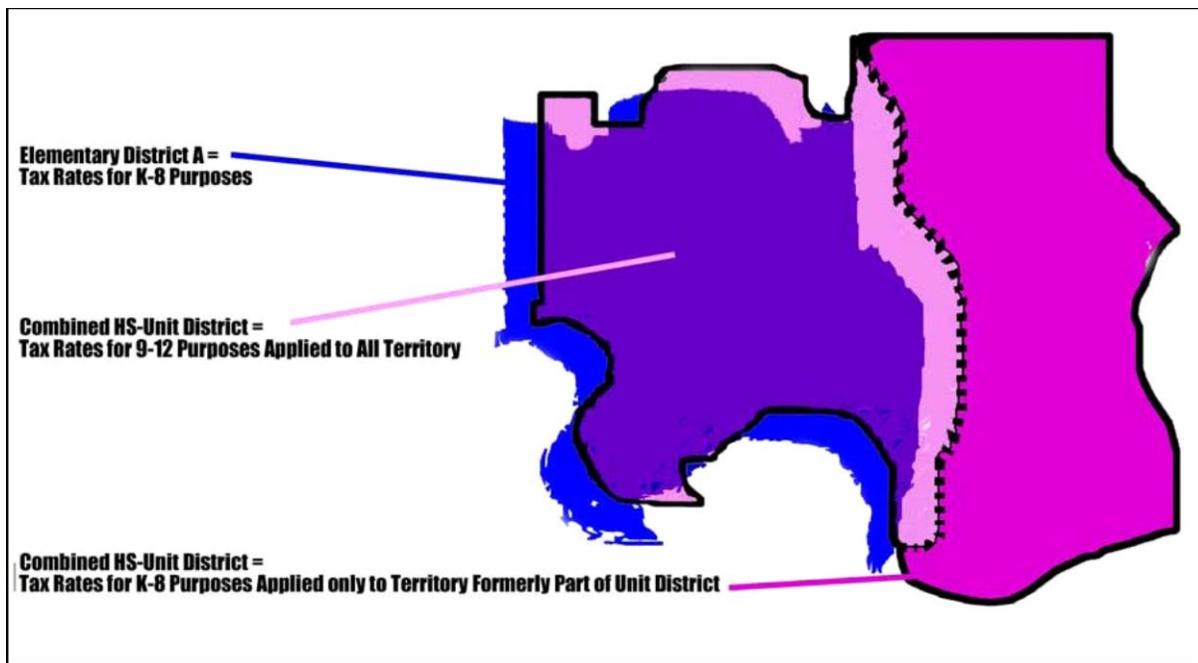


Example 2 – Combined High School – Unit District

In this example, districts Q and Z have formed a combined high school - unit district that serves entire the territory for 9-12 purposes, and residents of Q for K-8 purposes.

The combined high school – unit district has separate rates for K-8 and 9-12 educational purposes, operations and maintenance purposes, and special education purposes. The 9-12 rates apply to entire territory (Q and Z below); the K-8 rates only apply to territory served for elementary (Q below). All other rates apply to entire territory.

- Rate for educational purposes (4.0% unit maximum under current law): The K-8 and 9-12 rates are each capped at 3.5%; the combined rate cannot exceed 4.0%.
- Rate for operations and maintenance purposes (.75% unit maximum under current law): The K-8 and 9-12 rates are each capped at .55%; the combined rate cannot exceed .75%.
- Rate for special education purposes (.80% unit maximum under current law): .40% maximum rate for K-8 special education purposes, and .40% maximum rate for 9-12 special education purposes.
- All other rates are subject to unit district maximums.



5. Who serves on a hybrid district’s school board? Who votes to elect them?

All hybrid board members will be elected at-large from the entire territory included in the district. Anyone living in the territory, whether for high school purposes only or K-12 purposes, will vote to elect the board. The bill includes protections for voters living in the different parts of the territory to ensure the board does not unfairly try to raise elementary or high school taxes for the benefit of a particular subset of voters.

6. How does the formation of hybrid districts affect General State Aid?

When determining General State Aid, the equalized assessed valuation (EAV) for hybrid districts will be determined by adding a K-8 EAV and a 9-12 EAV. The total for K-8 and 9-12 is 3.00%, which is the same rate for current unit districts. The K-8 rate of 2.08% and 9-12 rate of .94 percent were established by taking the current elementary and high school EAV rates (2.30% and 1.05%), and reducing each proportionally so that the overall rate is equal to 3.00%.

7. Will school business officials be able to administer hybrid districts, and will county clerks be able to figure out the tax levies?

The hybrid districts will require the establishment of a few additional subfunds not required for traditional unit districts. However, school districts are used to accounting for subfunds from multiple restricted sources (state, federal, specific grant programs, etc.) and the fund accounting for the new districts will not involve much additional complexity.

One must also remember that two or more old districts will be dissolved in the formation of the new district. Consequently, the overall number of tax levies, funds, etc. will be substantially reduced for the territory. One business official will administer one set of books for a hybrid district, rather than multiple district business officials administering multiple sets of books. County clerks would actually be dealing with fewer levies than prior to the creation of the hybrid district. County clerks will be able to rely on the boundaries of the old districts when determining the tax levies.

C. GENERAL QUESTIONS REGARDING CONSOLIDATIONS UNDER ARTICLE 11E

1. In general, what is the process for undertaking a school district reorganization?

A feasibility study may be conducted to assess options, or data may be gathered less formally by school boards or interested citizens

- A petition is filed with the appropriate regional office of education
- The regional office publishes notice of a hearing
- A hearing is held to consider the petition
- The regional superintendent makes a decision to approve or deny the petition
- The State Superintendent reviews the information from the local hearing and makes a decision to approve or deny the petition
- If approved, the regional superintendent certifies the public question for the ballot
- Citizens vote

2. Who must approve the filing of a petition under Article 11E?

Section 11E-35 provides that a petition shall be filed with the regional superintendent of schools of the educational service region in which the territory described in the petition or that part of the territory with the greater percentage of equalized assessed valuation is situated.

3. Does P.A. 94-1019 change the petition requirements under prior law?

Only minimally. Under Article 11E, petitions must be signed by at least 50 legal resident voters or 10% of legal resident voters, whichever is less, or approved by the boards of each affected district. These are the same requirements set forth in three of the School Code reorganization articles consolidated into 11E. Unit district formations under the prior Article 11A had the same requirements, but also required the signature of 200 voters in the territory if the petition was not approved by the boards. While the 200 voter signature requirement was not carried over to Article 11E for consistency purposes, this is not a substantial change. Any unit district formation involving four districts will automatically meet the 200 voter signature requirement, and ISBE had not found the 200 voter signature requirement to be an impediment to getting a petition on the ballot.

4. What must be included on a petition?

- a. A request to submit the proposition at a regular scheduled election
- b. A description of the territory comprising the districts proposed to be dissolved and those to be created
- c. The maximum tax rates for various purposes which the proposed district(s) shall be authorized to levy, with PTELL information if necessary
- d. Allocation of supplementary State deficit difference payments among proposed districts
- e. Division of assets and liabilities
- f. If desired, a request to elect school board members at the same election by separate ballot
- g. If desired, a request that board members for a unit district (other than a partial elementary unit district) be elected by school board districts rather than at large
- h. If desired, a request to submit the format for the election of a new high school board as part of a unit to dual conversion proposition
- i. If desired, a request to submit a proposition by separate ballot for authority to issue bonds
- j. A designation of a committee of ten of the petitioners (Committee of Ten)

5. How are tax rates for the proposed district specified on the petition?

Section 11E-80 distinguishes formation of a district subject to PTELL from a district not subject to PTELL.

Proposed district not subject to PTELL:

A non-PTELL district, other than a partial elementary unit district ("hybrid district") must include in the petition:

- A. The maximum rates for educational, operations and maintenance, and pupil transportation purposes, subject to the rate limitations in Sections 17-2 and 17-3; and
- B. If the new district wants to secure authority to levy other taxes above the permissive rates, then those maximum rates must also be included. For example, such additional levies might be needed for special education, leasing of educational facilities or computer technology, capital improvement, and fire prevention and safety.

Where a partial elementary unit district ("hybrid district") not subject to PTELL will be formed, Section 11E-90(b) or 11E-95(b) provides the necessary purposes and tax rate information. Generally, the petition must include:

- A. The maximum rates for both K-8 and 9-12 educational, operations and maintenance, and special education purposes;
- B. The maximum rate for pupil transportation purposes; and
- C. If the new district wants to secure authority to levy other taxes above the permissive rates for unit districts, then those maximum rates must also be included.

Proposed district subject to PTELL:

A proposed district subject to PTELL must include in the petition:

- A. The purpose for each and every tax that the new district will be authorized to levy;
- B. The maximum rates;
- C. The aggregate extension base in accordance with Section 18-210 of the Property Tax Code; and
- D. If desired, the debt service extension base under Section 18-212 of the Property Tax Code.

If a partial elementary unit district ("hybrid district") subject to PTELL will be formed, the petition must also indicate whether the tax is for K-8 or 9-12 purposes to the extent required by Section 11E-90 or Section 11E-95.

6. What is the Committee of Ten? Who is usually included, and how does it operate?

A committee of ten of the petitioners will be designated in the petition. The Committee of Ten acts as attorney in fact for all petitioners, may amend the petition in all respects (with exceptions for increasing or decreasing territory in a unit district formation), and may make binding stipulations on behalf of all petitioners as to any question with respect to the petition. While the Committee of Ten technically doesn't come into existence until designated in the petition, the reality is most committees form prior to the petition to work on the items needed in the petition. That committee then becomes the "Committee of Ten" when it is formally designated in the petition.

It is the duty of the petitioners to complete the items required in the petition. As representatives of all the petitioners, this duty usually falls to the Committee of Ten. Also, most parents/taxpayers will want to know additional information regarding the proposed new district(s) such as: curriculum, extra-curricular offering, facility usage, transportation issues, etc. Most Committees of Ten also formulate plans for the new district(s) in these areas for presentation at the local hearing and community and board meetings. Committees of Ten often form sub-committee work groups to develop these plans as well as the information required for the petition. Usually, one or two members from the Committee of Ten serve on each sub-committee work group along with additional community members.

7. What districts have the right to be notified of and vote on a school district reorganization?

“Affected districts” have the right to be notified of and vote on the reorganization. Section 11E-10 defines “affected district” as:

Any school district with territory included in a petition for reorganization under this Article that encompasses (i) 25% or more of the total land area of the district, (ii) more than 8% of the student enrollment of the district, or (iii) more than 8% of the equalized assessed valuation of the district.

8. What notices must be given when a petition is filed?

Section 11E-40 states that upon filing of the petition, the regional superintendent shall cause a copy of the petition to be given to each school board of the affected districts and to the regional superintendent of any other educational service region in which territory described in the petition is situated.

The regional superintendent also must publish notice at least once each week for 3 successive weeks in at least one newspaper of general circulation in the area. The notice shall state when and to whom the petition was presented, the prayer of the petition, descriptions of the territories proposed to be dissolved and created, and the day on which the hearing shall be held. If applicable, at the same election but by separate ballots, the notice also must include the proposition to elect school board members and any proposition to issue bonds, including the amount and purpose.

9. What are the hearing requirements? Who conducts it and how is it conducted?

No more than 15 days after the last date on which notice was published, the regional superintendent with whom the petition is required to be filed shall hold a hearing. Prior to the hearing, the Committee of Ten shall submit maps showing the districts involved and other pertinent information. The regional superintendent shall allow for public testimony on the action proposed in the petition. Any regional superintendent entitled to notice and 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 or written testimony or both. The regional superintendent must arrange for a written transcript of the hearing.

The regional superintendent shall allow for public testimony and shall present or arrange to have presented the following:

- Evidence as to the school needs and conditions of the affected districts and in the area adjacent thereto
- Evidence with respect to the ability of the proposed district(s) to meet ISBE recognition standards
- A consideration of the division of funds and assets
- A description of the maximum tax rates and if applicable, the specifications related to PTELL

10. Who must approve the petition prior to it being placed on the ballot? Can these decisions be challenged in court?

Within 14 days after the conclusion of the hearing, the regional superintendent must approve or deny the petition through a written order. Failure to act within 14 days shall be deemed a denial.

The regional superintendent shall submit the decision and all evidence to the State Superintendent of Education. The State Superintendent shall review the petition, the record of the hearing, and the written order (if any). Within 21 days after the receipt of the regional superintendent's decision, the State Superintendent shall approve or deny the petition through a written order. If denied, the State Superintendent shall set forth in writing the basis for denial.

The decision of the State Superintendent is a final administrative decision subject to the Administrative Review Law. Any resident of any territory described in the petition who appears in support of or opposition to the petition at the hearing or any petitioner or any school board of any district in which territory described in the petition is situated may, within 35 days after receipt of the decision by certified mail, appeal.

11. Does P.A. 94-1019 eliminate the role for the Regional Board of School Trustees?

The regional board of school trustees does not play a role in the reorganization types included in Article 11E. It is only involved in detachments and dissolutions under Article

7. P.A. 94-1019 has no impact on its role.

12. Who is responsible for paying the costs associated with a reorganization?

The petitioners are responsible for paying the costs of notices and transcripts. Some prior reorganization articles required these costs to be split with the regional superintendent, but in Article 11E these costs are placed on the petitioners.

13. What protections are included in P.A. 94-1019 to ensure viable school districts result from school district reorganizations?

All reorganizations under Article 11E must be approved by a majority vote in each of the affected districts. In addition, Article 11E has several protections against allowing a reorganization that will not form a viable district. Both the regional superintendent and the State Superintendent have to approve the petition before it ever gets on the ballot. During this review, the regional superintendent and State Superintendent must consider the needs of the proposed districts and the surrounding districts, and determine whether viable districts will result from the reorganization.

14. What are the general election procedures under Article 11E?

Elections are conducted in accordance with the general election law. The regional superintendent is the election authority who orders the elections and certifies the reorganization question, candidates for newly created school boards, and a proposition to issue bonds, if any, to the county clerk for placement on the ballot. When board members are elected for a new district, the regional superintendent calls the organizational meeting and certifies the officers.

15. What are the passage requirements for a reorganization question?

For an optional elementary unit district, a majority of the electors voting in the high school district and a majority of the voters in at least one affected elementary district must vote in favor of the proposition.

For an elementary district electing to join an optional elementary unit district (opt-in), a majority of the electors voting in that elementary district only is required.

In all other cases under Article 11E, a majority of the electors voting at the election in each affected district must vote in favor of the proposition.

16. If approved, when does the reorganization go into effect?

The change becomes effective after the time for appeal has run; however, the administration shall not be affected until the July 1 following the date that the school board election is held for the new district(s). The effective date for purposes of administration and attendance may be accelerated or postponed by stipulation and with the approval of the regional superintendent.

17. What actions can be taken prior to the effective date of the new district?

After the new board has organized and elected officers, but before the effective date of the reorganization, the new board shall have the following powers if the existing districts so allow by stipulations approved by the regional superintendent:

- Establish a tax levy
- Enter into agreements for depositing and investing funds
- Conduct a search for a superintendent and enter an employment contract
- Conduct a search for other administrators and staff and enter employment contracts
- Engage the services of accountants, architects, attorneys, and other consultants
- Plan for the administrative transition
- Bargain collectively
- Expend funds from the levy and from the existing districts to meet payroll and other essential operating expenses
- Issue bonds under Section 17-2.11 (Fire Prevention & Safety)
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18. What happens to the tenured teaching staff of districts involved in a reorganization?

Upon the effective date of a school district reorganization, the positions of tenured teachers shall be transferred in accordance with Section 24-12. Tenure is not lost and transferred teachers shall be treated as if they had been employees of the new district during the time they were employed by the original district.

Article 11E also provides specific requirements in the case of a school district conversion or multi-unit conversion. Positions of tenured teachers that, during the 5 school years immediately preceding the effective date of change, were full-time positions in grades 9-12 shall be transferred to control of the school board of the high school or combined high school–unit district. Positions of tenured teachers that, during the 5 years immediately preceding the effective date of change, were full-time positions in K-8 shall be transferred to the control of the school board of the newly created successor elementary district. Positions of tenured teachers that were full-time positions not required to be transferred to either shall be transferred to the control of whichever of the boards the teacher shall request. If neither the original district nor the newly created district can stipulate as to where a position is transferred, the regional superintendent shall make the determination.

19. When districts combine or consolidate, the teaching staffs tend to have their pay scales equalized by bumping everyone up to the highest-paid district’s level. Are there any exemptions for these adjustments from the 6% Teachers’ Retirement System (TRS) cap?

NOTE: THE ANSWER BELOW APPLIES IF AND WHEN SENATE BILL 49 BECOMES LAW.

Yes. Newly amended Section 16-158 of the Pension Code (40 ILCS 5/16-158) requires a teacher’s same employer to pay TRS the present value of the increase in pension benefits that results from that portion of a salary increase in excess of 6%. However, the same Section also states that a transfer in teaching position due to school district reorganization shall constitute a change in employer. Because the new district will not be the same employer for this purpose, it will not be required to pay the increase to TRS.

20. How does a school district reorganization impact Adequate Yearly Progress status under the No Child Left Behind Act and the School Code?

When two or more districts are involved in a school district reorganization that results in the formation of one or more new districts, the new district(s) will assume the most favorable improvement status level – at each of the state and federal levels – of the districts involved in the reorganization. For example, if District D is in the third year of improvement status, and it combines with District E which is in the fifth year of improvement status, the new District DE will assume the third year of improvement status.

21. How does a school district reorganization impact approved waivers and modifications?

Newly created districts under Article 11E must apply for waivers and modifications regardless of whether any of the former districts had a previously approved waiver or modification. Pursuant to Section 2-3.25g, all residents must have an opportunity to give input on the waiver or modification at a public hearing prior to application.

D. INCENTIVES

1. How does P.A. 94-1019 change the incentive structure for reorganizations?

Article 11E carries forward the reorganization incentive structure in current law and applies these incentives to the new reorganization types.

2. Do districts get state assistance for conducting studies to investigate reorganization options? Is there money in the FY 07 budget for this?

Yes and yes. Districts can receive financial assistance from the State in order to hire a consultant to conduct a School District Reorganization Feasibility Study. Feasibility studies are a tool to be used by school districts wanting to investigate the advantages and/or disadvantages of reorganization options. The State of Illinois Fiscal Year 2007 budget appropriates \$300,000 to ISBE for School District Reorganization Feasibility Studies.

3. How do school districts apply and qualify for feasibility study funds?

Interested school districts submit a proposed agreement with an independent contractor(s) to their Regional Office of Education (ROE). The ROE reviews the agreement for approval and submits to the State Board of Education (ISBE) for final approval. The school board of each district involved must approve, by board action, the initiation of the feasibility study, and the superintendent of each district must sign the feasibility study agreement prior to submission to the ROE. Feasibility study funds are available on a “first come – first served” basis.

Questions on feasibility studies and funding can be addressed to: Michelle Heninger, School Business and Support Services Division Illinois State Board of Education 217/785-8779 - mheninge@isbe.net

4. How much is in the budget for reorganization incentives?

The State of Illinois Fiscal Year 2007 budget appropriates \$7,550,000 to ISBE for School District Reorganization Incentive payments. All incentives are fully funded at this time.

5. Please explain the types of reorganization incentives included in Article 11E.

The four School District Reorganization Incentives are:

- General State Aid Difference: paid if the General State Aid Entitlement (GSA) for the newly reorganized district(s) for the first year of existence is less than the GSA would have been that same year on the basis of the previously existing districts
- Salary Difference: for teachers employed in each newly reorganized district who were also employed in one of the previously existing districts, calculates the difference between what those teachers were paid in their original district for the last year of existence and what they would have been paid if placed on the highest salary schedule of the districts forming the newly reorganized district
- Deficit Fund Balance: calculates each previously existing district's fund balances by combining the Education, Operations and Maintenance, Transportation, and Working Cash funds; if any previously existing district has a combined deficit fund balance, the incentive pays the difference between the lowest deficit and the other deficits; a positive combined fund balances is considered a deficit of \$0; for districts with a deficit, an additional calculation compares current year expenditures to prior 3-year average expenditures, with the incentive being reduced by the excess if the current year expenditures are greater than the prior 3-year average
- \$4,000 per Certified Staff: \$4,000 paid for each full-time, certified staff member employed by each reorganized district

E. FIRST STEPS AND FURTHER QUESTIONS

1. If a school board is interested in exploring reorganization options, what are the first steps?

The following are suggestions only. Since each school district is unique, how it first explores reorganization options will vary.

A school board should first assess its own district's situation to discover which option or options would most benefit the district's students, parents, and taxpayers. Inquiry letters could then be sent out to neighboring districts to gauge interest in reorganization. Interested districts can discuss reorganization options during board meetings, joint board meetings, community meetings, and/or small group meetings. Interested districts may also apply for Reorganization Feasibility Study funding in order to hire a consultant to report on their specific situation. It is best for a school board exploring reorganization options to continually communicate with its public. A referendum is more likely to be successful with community buy-in. A board should keep its local regional superintendent informed of its discussions and progress.

2. If a citizen is interested in exploring reorganization options, what are the first steps?

The following are suggestions only. Since each school district is unique, how citizens first explore reorganization options will vary.

A citizen should assess his own district's situation to discover which option or options would most benefit the district's students, parents and taxpayers. This could be done by gathering information about curriculum, finances, school buildings, student transportation, extra-curricular activities and the community's feelings regarding reorganization. Inquiry letters could even be sent out to neighboring districts to gauge interest in reorganization. Citizens may present the information gathered to the local school board.

If the citizen drive leads to the filing of a petition for school district reorganization, all requirements of Article 11E must be met, just as if a school board submitted the petition.

3. Who can I contact for further information?

ISBE provides technical assistance for districts or citizens investigating reorganization options. ISBE can also send staff members to interested communities to discuss these options.

Questions on School District Reorganization options and process can be addressed to: Michelle Heninger School Business and Support Services Division Illinois State Board of Education
217/785-8779
mheninge@isbe.net

Comparison Chart of Article 11E to Prior School Code Reorganization Provisions

	Detachment/Annexation and Dissolution/Annexation (Article 7) (Not incorporated into Article 11E)	Small Unit District Conversions (Article 7A)	Unit School District Formation (Article 11A)	School District Combination (Article 11B)	School District Conversion (Article 11D)	Conversion and Formation of School Districts (Article 11E)
Types of districts involved	Elementary, high school, or unit districts; for dissolution under 7-2a(b) and 7-11, district dissolving must have less than 5,000 residents	Unit district with less than 250 students in grades 9-12 contiguous to a high school district (7A-1)	Dual territory (elementary and high school), 2 or more entire unit districts, one or more entire unit district with dual territory	2 or more entire elementary districts or 2 or more entire high school districts (11B-1)	2 or more contiguous unit districts or 1 or more unit and one or more high school districts, all contiguous; none of the districts involved may have more than 600 students in grades 9-12 (11D-1)	Depends on type of reorganization involved
Minimum EAV requirements for involved territory	No	No	At least \$12,000,000 EAV for dual territory consolidation; may have consolidation of dual territory with less than minimum EAV if ROE & State Superintendent determine consolidation meets 5 specific factors (11A-	At least \$5,000,000 EAV (11B-2)	No	No

			2)			
Minimum population requirements for	No	No	Not less than 4,000 nor more than 500,000 for dual	Not less than 1,500 nor more than 500,000 (11B-2)	No	No

	Detachment/Annexation and Dissolution/Annexation (Article 7) (Not incorporated into Article 11E)	Small Unit District Conversions (Article 7A)	Unit School District Formation (Article 11E)	School District Combination (Article 11E)	School District Conversion (Article 11D)	Conversion and Formation of School Districts (Article 11E)
involved territory			territory consolidation; may have consolidation of dual territory with less than minimum population if ROE & State Supt determine consolidation meets 5 specific factors (11A-2)			
Petition filing requirements	May be filed by the boards of each district affected, a majority of registered voters of each district affected, or 2/3 of the registered voters in the territory proposed to be detached; if there are no registered voters in the territory proposed to be detached, the petition may be filed by all owners of record of the real estate of the territory; any petition for dissolution can be filed by the board of education or a majority of voters in the district proposed to be	Must be signed by at least 10% of the voters residing within each district affected (unit district and high school district) or by the boards of each district affected (7A-2)	Must be signed by 200 voters residing in at least ¾ of the school districts or parts of districts and residing in the territory included in the petition and must contain signatures from the lesser of 50 legal resident voters or 10% of the legal resident voters from each district wholly or partially included in the petition, or must be signed by the	Must be signed by at least 10% of the voters residing within each district or by the boards of each district (11B3)	Must be signed by the lesser of 50 voters or 10% of the voters residing in each affected district (11D-2)	Must be signed by at least 50 legal resident voters or 10% of legal resident voters, whichever is less, or approved by boards of each affected district. (11E-35(a))

	Detachment/Annexation and Dissolution/Annexation (Article 7) (Not incorporated into Article 11E)	Small Unit District Conversions (Article 7A)	Unit School District Formation (Article 11A)	School District Combination (Article 11B)	School District Conversion (Article 11D)	Conversion and Formation of School Districts (Article 11E)
	dissolved (7-1; 7-2; 72a(a))		boards of each district wholly or partially included in the petition (11A-3)			
Petition content requirements	1. If filed under 7-1 or 72 and dissolution/annexation, petition shall request submission at regular scheduled election; 2. Except for petitions filed under 7-2a(b), any petition for dissolution must specify annexing school district or districts; 3. For Detachment/Annexation or Dissolution/Annexation, designate Committee of Ten when petition contains more than 10 signatures 4. For a petition for Detachment/Annexation or Dissolution/Annexation filed under Section 7-1, each page of circulated	1. Request submission at regular scheduled election 2. describe territory of unit to be dissolved 3. describe territory of existing high school district 4. set forth maximum tax rates 5. may request election of elementary board members at same election 6. designate Committee of Ten, if petition contains more than 10 signatures. (7A-2)	1. Request submission at regular scheduled election; 2. describe territory of proposed district; 3. set forth maximum tax rates; 4. designate Committee of Ten; 5. may request election of board members by school board districts instead of at-large; 6. may request election of board members at same election; 7. may request issuance of bonds on separate ballot; 8. may request that bonded indebtedness of	1. Request submission at regular scheduled election; 2. describe territory comprising the proposed district by districts; 3. set forth maximum tax rates; 4. designate Committee of Ten 5. may request election of board members at same election; 6. may request issuance of bonds on separate ballot; (11B-3)	1. Request submission at regular scheduled election; 2. describe territory comprising proposed districts; 3. set forth maximum tax rates for each proposed district; 4. set forth manner in which State deficit difference payment will be allocated among new districts; 5. designate Committee of Ten; 6. define format for election of the new high school board; 7. provide for the division of assets	1. Request submission at regular scheduled election; 2. describe territory; 3. set forth maximum tax rates; 4. set forth manner in which State deficit difference payments will be allocated among new districts; 5. address division of assets and liabilities; 6. may request election of board members; 7. for units other than partial elementary unit district, may request election of

	Detachment/Annexation and Dissolution/Annexation (Article 7) (Not incorporated into Article 11E)	Small Unit District Conversions (Article 7A)	Unit School District Formation (Article 11A)	School District Combination (Article 11B)	School District Conversion (Article 11D)	Conversion and Formation of School Districts (Article 11E)
	petition shall include the full prayer of the petition; each signature contained therein shall match the official signature and address of the registered voters as recorded in the office of the election authority having jurisdiction over the county; each petitioner shall record the date of his/her signing; each page of the petition shall be signed by a circulator who has witnessed the signature of each petitioner on that page (7-6(b-5), 7-2a(a), 7-6(c), 7-1)		each existing district be assumed by entire territory of new district (for new district formed from entire territory of 2 or more school districts (11A-3)		and liabilities to be allocated to the proposed new districts 8. may request election of school board for each new district at same election; 9. may request issuance of bonds on separate ballot. (11D-2 and 11D-6 for item #6)	board members by district; 8. for unit to dual conversion, may define the format for election of high school board 9. may request issuance of bonds; 10. designate Committee of Ten. 11E-35(b)
Notice of petition	Notice given, by copy of petition, to board of any district involved in boundary change and to the Regional Board of School Trustees of any region affected (7-6(a) and 7-6(b))	Notice given, by copy of petition, to board of each district affected and any other ROE affected (7A-2)	Notice given, by copy of petition, to board of each district involved in the proposed formation of new district (11A-3)	Notice given, by copy of petition, to board of each district involved in the proposed formation of new district (11B-3)	Notice given, by copy of petition, to each board of any district involved in the petition (11D-2)	Notice given, by copy of petition, to board of each affected district and any other affected ROE (11E-40(a)).
Committee of Ten requirements	Needed when more than 10 signatures on petition; attorney in fact for all	Attorney in fact for all petitioners; may make binding	Can amend the petition in all respects prior to	Can amend the petition in all respects prior to	Can amend the petition in all respects prior to	Attorney in fact for all petitioners; can amend the petition

	Detachment/Annexation and Dissolution/Annexation (Article 7) (Not incorporated into Article 11E)	Small Unit District Conversions (Article 7A)	Unit School District Formation (Article 11A)	School District Combination (Article 11B)	School District Conversion (Article 11D)	Conversion and Formation of School Districts (Article 11E)
	petitioners; may make binding stipulations on behalf of all petitioners as to any question with respect to the petition or hearing or joint hearing; power to stipulate to accountings or waiver between school districts (7-6(c))	stipulations on behalf of all petitioners as to any question with respect to petition or hearing; power to stipulate to accountings or waiver between school districts (7A-2)	final decision of ROE (can not have increase or decrease of territory by more than 25%); can make binding stipulations on behalf of all petitioners as to any question with respect to the petition or hearing; can stipulate to accountings or waiver between school districts; may voluntarily dismiss petition at any time before final decision of ROE (11A-3)	ROE final decision; can make binding stipulations on behalf of all petitioners as to any question with respect to the petition or hearing; can make stipulations for accountings or waiver between school districts; may voluntarily dismiss petition at any time before final decision of ROE (11B-3)	ROE final decision; can make binding stipulations on behalf of all petitioners as to any question with respect to the petition or hearing; may voluntarily dismiss petition at any time before the final decision of ROE (11D-2)	in all respects (except that, for unit districts, may not increase or decrease territory by more than 25 percent); make binding stipulations on behalf of petitioners (11E-35(b)(10))
Regional superintendent decision	N/A	Determines whether petitioners have paid expense of notice; determines whether the petition as filed is proper and in compliance with	Determines whether petition is proper and in compliance with any applicable petition requirements of Election Code; hears evidence as	Hears evidence as to school needs and conditions in the territory which will form the proposed new district and as to the ability of the proposed new district to meet the	Determines whether petition is proper and in compliance with any applicable petition requirements of Election Code; hears evidence as	Determines whether petition is in proper order and in compliance with Article 11E and Election Code and informs petitioners of such or of defects in petition

		petition				
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	Detachment/Annexation and Dissolution/Annexation (Article 7) (Not incorporated into Article 11E)	Small Unit District Conversions (Article 7A)	Unit School District Formation (Article 11A)	School District Combination (Article 11B)	School District Conversion (Article 11D)	Conversion and Formation of School Districts (Article 11E)
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	<p>requirements of Election Code; hears evidence as to school needs and conditions in all territory described in petition and in area adjacent; hears evidence with respect to ability of elementary district to be created and high school district after annexation to meet standards of recognition; takes into consideration any division of funds or assets; determines whether it is for the best interests of the schools of the area and the educational welfare of the pupils; decision approving or denying petition within 14 days after conclusion of hearing (7A-2)</p>	<p>to the school needs and conditions of the territory and adjacent area; takes into consideration the division of funds and assets which will result; determines whether it is for the best interests of the schools of the area and the educational welfare of the pupils; decision by ROE approving or denying petition must be made within 14 days after conclusion of hearing (11A-3)</p>	<p>standards of recognition as prescribed by ISBE; decision by ROE granting or denying petition must be made within 14 days after the conclusion of the hearing (11B-3)</p>	<p>to school needs and conditions of the territory and adjacent area; takes into consideration the division of funds and assets which will result; determines whether it is for the best interests of the schools of the area and the educational welfare of the pupils; decision by ROE approving or denying petition must be made within 14 days after conclusion of hearing (11D-2)</p>	<p>prior to hearing; (11E-40(d)) At the hearing, takes 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, and the best interests and the educational welfare of the pupils residing therein; decision by ROE approving or denying petition must be made within 14 days after conclusion of the hearing (11E50(a))</p>
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	Detachment/Annexation and Dissolution/Annexation (Article 7) (Not incorporated into Article 11E)	Small Unit District Conversions (Article 7A)	Unit School District Formation (Article 11A)	School District Combination (Article 11B)	School District Conversion (Article 11D)	Conversion and Formation of School Districts (Article 11E)
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Regional Board of School Trustees decision	For petition filed under 71 or 7-2: Hearing by Regional Board of School Trustees of each region affected; (7-6(i), 7-6(k), 7-6(m)) For petition filed under 72a(b): Petition decided solely by the Regional Board of School Trustees of the region in which the ROE has supervision over the district to be dissolved; (7-2a(b) and 7-11)	N/A	N/A	N/A	N/A	N/A
State Superintendent decision	For petitions filed under 7-1, if within 9 months after filing a petition it is not approved or denied by the Regional Board of School Trustees, the petitioners may submit the petition to the State Superintendent for approval or denial; the Regional Board loses all jurisdiction over the petition and all jurisdiction is transferred to the State Supt; the	Reviews entire record of proceedings had before ROE; considers whether the proposed elementary district and high school district after annexation will have sufficient size and financial resources to provide and maintain a	Reviews entire record of proceedings had before ROE; considers whether the proposed district will have sufficient size and financial resources to provide and maintain a recognized educational program; considers whether the	Reviews entire record of proceedings had before ROE; considers whether proposed district will have sufficient size and financial resources to provide and maintain a recognized educational program; considers whether the	Reviews entire record of proceedings had before ROE; considers whether proposed districts will have sufficient size and financial resources to provide and maintain a recognized educational program; considers whether proposed	Reviews the petition, the record of the hearing, and the written order of the ROE; takes 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

	Detachment/Annexation and Dissolution/Annexation (Article 7) (Not incorporated into Article 11E)	Small Unit District Conversions (Article 7A)	Unit School District Formation (Article 11A)	School District Combination (Article 11B)	School District Conversion (Article 11D)	Conversion and Formation of School Districts (Article 11E)
	State Supt shall not be required to repeat any proceedings conducted, but is required to give and publish any notice and hold or complete any hearings that were not given, held, or completed (7-6(l))	recognized educational program; considers whether the dissolution of the unit school district, creation of an elementary school district therefrom and annexation of the same territory to the existing high school district is for the best interests of the schools of the area and the educational welfare of the pupils; considers whether the territory of the proposed elementary district and the territory of the high school district after annexation are each compact and contiguous for school purposes; decision made within 30 days of	proposed school district is for the best interest of the schools of the area and the educational welfare of the pupils; considers whether the territory for the proposed district is compact and contiguous for school purposes; decision made within 30 days of ROE decision (11A-3)	proposed district is for the best interests of schools of the area and the educational welfare of the pupils; considers whether the territory for the proposed district is compact and contiguous for school purposes; decision made within 30 days of ROE decision (11B-3)	districts are for the best interests of the schools of the area and the educational welfare of the pupils; considers whether the territory for the proposed school districts is compact and contiguous for school purposes; decision made within 30 days of ROE decision (11D-2)	described in the petition, the best interests of the schools of the area, and the best interests and the educational welfare of the pupils residing therein; decision approving or denying petition within 21 days after receipt of the ROE decision (11E-50(b))

	Detachment/Annexation and Dissolution/Annexation (Article 7) (Not incorporated into Article 11E)	Small Unit District Conversions (Article 7A)	Unit School District Formation (Article 11A)	School District Combination (Article 11B)	School District Conversion (Article 11D)	Conversion and Formation of School Districts (Article 11E)
		ROE decision (7A2)				
Timing of notice of petition	For petition filed under 71 or 7-2: Prior to Regional Board(s) of School Trustees hearing; notice published once; hearing held not more than 15 nor less than 10 days after notice (7-6(a) and 7-6(f) For petition filed under 72a(b): Prior to Regional Board of School Trustees hearing; notice published twice each week for two successive weeks; hearing held not less than 50 days nor more than 70 days after petition is filed (7-11)	Prior to ROE hearing on petition; notice once each week for 3 successive weeks; hearing held no more than 30 days after the last date on which required notice is published (7A-2)	Prior to ROE hearing on petition; notice once each week for 3 successive weeks; hearing held not more than 30 days after publication of notice (11A-3)	Prior to ROE hearing on petition; notice once each week for 3 successive weeks; hearing held not more than 30 days after publication of notice (11B-3)	Prior to ROE hearing on petition; notice once each week for 3 successive weeks; hearing held not more than 30 days after publication of notice (11D-2)	Prior to ROE hearing on petition; notice once each week for 3 successive weeks; hearing held not more than 15 days after the last date on which required notice is published (11E-40(a)(2) and 11E-45(a))
Content of notice of petition	For petition filed under 71 and 7-2: 1. When petition was filed; 2. description of territory; 3. prayer of the petition; 4. day on which the	1. When & to whom the petition was presented; 2. description of territory of unit district to be dissolved; 3. description of	1. When & to whom petition was presented; 2. description of territory of proposed district; 3. if requested in the petition a	1. When & to whom petition was presented; 2. description of territory of proposed district; 3. day on which hearing upon	1. when & to whom the petition was presented; 2. description of territory of proposed districts; 3. if requested in the petition a	1. when and to whom the petition was presented; 2. prayer of petition; 3. description of territory; 4. if requested,

	Detachment/Annexation and Dissolution/Annexation (Article 7) (Not incorporated into Article 11E)	Small Unit District Conversions (Article 7A)	Unit School District Formation (Article 11A)	School District Combination (Article 11B)	School District Conversion (Article 11D)	Conversion and Formation of School Districts (Article 11E)
	hearing or joint hearing upon petition will be held (7-6(f)) For petition filed under 72a(b): No specifics on contents of notice contained within Section 7-2a(b) or Section 7-11	territory of existing high school district; 4. statement of maximum tax rates; 5. prayer of petition; 6. day on which hearing on petition shall be held (7A2)	statement of the proposition to issue bonds and the amount and purpose; 4. day on which the hearing upon the petition will be held (11A-3)	petition will be held (11B-3)	statement of the proposition to issue bonds and the amount and purpose; 4. day on which hearing upon petition will be held (11D-2)	proposition to elect board members; 5. if requested, proposition to issue bonds; 6. day on which hearing upon petition will be held. (11E-40(b))
Payment for notice of hearing	Petitioners pay expense of publishing notice; petitioners also pay expense of transcript taken at hearing or joint hearing (7-6(e))	Petitioners pay expense of publishing notice; petitioners also pay expense of transcript taken at hearing (7A-2)	No specific mention on party responsible for payment of notice; common practice is that ROE office pays for notice under 11A	No specific mention on party responsible for payment of notice; common practice is that ROE office pays for notice under 11B	No specific mention on party responsible for payment of notice; common practice is that ROE office pays for notice under 11D	Expense of publishing notice shall be borne by the petitioners and paid on behalf of the petitioners by the Committee of Ten; the expense of the transcript taken at the local hearing shall also be borne by the petitioners and paid on behalf of the petitioners by the Committee of Ten (11E40(a)(2) and 11E45(d))
Administrative review	Yes For petitions filed under 7-1 or 7-2 – within 35	Yes – within 35 days of receipt of copy of State Supt	Yes – within 35 days of receipt of copy of State Supt	Yes – within 35 days of receipt of copy of State Supt	Yes – within 35 days of receipt of copy of State Supt	Yes – within 35 days of receipt of copy of State Supt

	Detachment/Annexation and Dissolution/Annexation (Article 7) (Not incorporated into Article 11E)	Small Unit District Conversions (Article 7A)	Unit School District Formation (Article 11A)	School District Combination (Article 11B)	School District Conversion (Article 11D)	Conversion and Formation of School Districts (Article 11E)
	days of receipt of copy of Regional Board(s) or State Supt decision (7-7) For petitions filed under 7-2a(b) – within 10 days of receipt of copy of Regional Board decision (7-11)	decision (7A-3)	decision (11A-4)	decision (11B-4)	decision (11D-3)	decision (11E50(c))
Election required?	Election required for dissolution/annexation filed under 7-1 or 7-2 (71, 7-2, 7-2a(a), 7-6(o), 77.5) Detachment/Annexations to not have election requirement Dissolutions filed under 7-2a(b) do not have election requirement	Yes (7A-4)	Yes (11A-5)	Yes (11B-5)	Yes (11D-4)	Yes. (11E-55)
Notice of election	In accordance with general election law (77.5(b))	In accordance with general election law (7A-4(b) and 7A-4(c))	In accordance with general election law (11A-5(b) and 11A-5(c))	In accordance with general election law (11B-5(b) and 11B-5(c))	In accordance with general election law (11D-4(b) and 11D-4(c))	In accordance with general election law; contents the same as in existing law. (11E-55(d))
Election approval requirements	Majority of electors voting at election in each affected district (7-7.7)	Majority of electors voting at election in each affected district (7A-6)	Majority of electors voting at election in each affected district; if territory	Majority of electors voting within the territory of the proposed district	Majority of electors voting at election in each affected district (11D-6)	Majority of electors voting at election in each affected district.

	Detachment/Annexation and Dissolution/Annexation (Article 7) (Not incorporated into Article 11E)	Small Unit District Conversions (Article 7A)	Unit School District Formation (Article 11A)	School District Combination (Article 11B)	School District Conversion (Article 11D)	Conversion and Formation of School Districts (Article 11E)
	Detachment/Annexations and Dissolutions filed under 7-2a(b) do no ave election.		will be taken from a district to be part of the new unit district and that territory is 25% or more of total land area or student enrollment of territory is greater than 8% and EAV of territory is greater than 8% of the total original district, then all residents of that district are eligible to vote on the consolidation question but not the bond question, if applicable; otherwise, consolidation question submitted only to voters of territory which comprises proposed new district (11A-7 and 11A-8)	(11B-7)		For optional elementary unit district, only requires majority of electors voting in high school district and majority of electors voting in at least one elementary district. For elementary district electing to join an optional elementary unit district (opt-in), only requires a majority of electors voting in that elementary district (11E-65)
Effective date of change	Does not affect administration of the	Does not affect administration of	Does not affect administration of	Does not affect administration of	Does not affect administration of	Does not affect administration of

	Detachment/Annexation and Dissolution/Annexation (Article 7) (Not incorporated into Article 11E)	Small Unit District Conversions (Article 7A)	Unit School District Formation (Article 11A)	School District Combination (Article 11B)	School District Conversion (Article 11D)	Conversion and Formation of School Districts (Article 11E)
	schools until July 1 following the date the petition is granted or upon which the election is held (7-9)	the schools until July 1 following the date the board of education election is held for the new district (7A-8)	the schools until July 1 following the date the board of education election is held (11A-10)	the schools until July 1 following the date the board of education election is held (11B-9)	the schools until July 1 following the date board of education election is held (11D-7)	schools until July 1 following the date school board election is held. (11E-70(a))
Authority of new districts	N/A – no new district is formed in any option under Article 7	1. Establish tax levy; 2. Enter into agreements with banks and deposit funds; 3. Search and contract for superintendent; 4. Engage professionals; 5. Plan for transition; 6. Bargain collectively; 7. Expend funds to meet expenses of existing districts; 8. Expend funds in exercise of other powers; 9. Issue bonds. (7A-8)	1. Establish tax levy; 2. Enter into agreements with banks and deposit funds; 3. Search and contract for superintendent; 4. Engage professionals; 5. Plan for transition; 6. Bargain collectively; 7. Expend funds to meet expenses of existing districts; 8. Expend funds in exercise of other powers; 9. Issue bonds. (11A-10)	1. Establish tax levy; 2. Enter into agreements with banks and deposit funds; 3. Search and contract for superintendent; 4. Engage professionals; 5. Plan for transition; 6. Bargain collectively; 7. Expend funds to meet expenses of existing districts; 8. Expend funds in exercise of other powers; (11B-9) Note: 11B does not give the new board	1. Establish tax levy; 2. Enter into agreements with banks and deposit funds; 3. Search and contract for superintendent; 4. Engage professionals; 5. Plan for transition; 6. Bargain collectively; 7. Expend funds to meet expenses of existing districts; 8. Expend funds in exercise of other powers; 9. Issue bonds. (11D-7)	1. Establish tax levy; 2. Enter into agreements with banks and deposit funds; 3. Search and contract for superintendent; 4. Search and contract for other administrators and staff; 5. Engage professionals; 6. Plan for transition; 7. Bargain collectively; 8. Expend funds to meet expenses of existing districts or in exercise of other powers;

	Detachment/Annexation and Dissolution/Annexation (Article 7) (Not incorporated into Article 11E)	Small Unit District Conversions (Article 7A)	Unit School District Formation (Article 11A)	School District Combination (Article 11B)	School District Conversion (Article 11D)	Conversion and Formation of School Districts (Article 11E)
				the power to issue bonds prior to new district taking effect		9. Issue bonds. (11E-70(c))
Teachers in contractual continued service	Provisions of Section 2412 apply (7-2a(b))	Provisions of Section 24-12 apply; For unit district: 1. positions of teachers in contractual continued service that were in grades 9-12 last 5 years are transferred to annexing high school district 2. positions of teachers in contractual continued services that were in grades K-8 last 5 years are transferred to new elementary district 3. positions of teachers in contractual continued service that don't fall within #1 or #2 are	Provisions of Section 24-12 apply (11A-10)	Provisions of Section 24-12 apply (11B-9)	Provisions of Section 24-12 apply; Teachers having tenure with the districts at the time of their dissolution shall be transferred: 1. to new high school district if employed full time in grades 9-12 for preceding 5 years; 2. to newly created successor elementary district if employed full time in grades K-8 for preceding 5 years; 3. full time teacher not falling within #1 or #2 transferred based on request of teacher to new high school district or newly created	Provisions of Section 24-12 apply. (No changes to existing law) (11E-110)

	Detachment/Annexation and Dissolution/Annexation (Article 7) (Not incorporated into Article 11E)	Small Unit District Conversions (Article 7A)	Unit School District Formation (Article 11A)	School District Combination (Article 11B)	School District Conversion (Article 11D)	Conversion and Formation of School Districts (Article 11E)
		transferred based on the request of teacher (7A-12)			successor elementary district (11D-10)	
Limitations on contesting boundary change	Within 2 years after the order annexing the territory is final or within 2 years after the date of the election if no proceedings to contest election are duly instituted or within 2 years after the final disposition of any proceedings which may be so instituted to contest such election (7-29)	Within one year after the order providing for action is final or within one year after the date of the election if no proceedings to contest election are duly instituted or within one year after the final disposition of any proceedings which may be so instituted to contest such election (7A13)	Within one year after the order providing for action is final or within one year after the date of the election if no proceedings to contest election are duly instituted or within one year after the final disposition of any proceedings which may be so instituted to contest such election (11A14)	Within one year after the order providing for action is final or within one year after the date of the election if no proceedings to contest election are duly instituted or within one year after the final disposition of any proceedings which may be so instituted to contest such election (11B12)	Not specifically mentioned within Article 11D	No changes to existing law (11E115)
Limitation on successive petitions	May not come back with petition within 2 years of final determination of first proceedings unless during those 2 years a petition is filed that is substantially different, a school district involved is placed on academic watch or financial watch by ISBE, or is certified as	May not come back with petition within 2 years of final determination of first proceedings unless during those 2 years a petition is filed that is substantially different, a school district involved is	May not come back with petition within 2 years of final determination of first proceedings unless during those 2 years a petition is filed that is substantially different, a school district involved is	May not come back with petition within 2 years of final determination of first proceedings unless during those 2 years a petition is filed that is substantially different, a school district involved is	May not come back with petition within 2 years of final determination of first proceedings unless during those 2 years a petition is filed that is substantially different, a school district involved is	No changes to existing law (11E120)

	Detachment/Annexation and Dissolution/Annexation (Article 7) (Not incorporated into Article 11E)	Small Unit District Conversions (Article 7A)	Unit School District Formation (Article 11A)		School District Combination (Article 11B)	School District Conversion (Article 11D)	Conversion and Formation of School Districts (Article 11E)
	being in financial difficulty, or if first proceeding involved a petition brought under 72b (Annexation of non-coterminous territory from an elementary or high school district) (7-8)	placed on academic watch or financial watch by ISBE, or is certified as being in financial difficulty (7A-15)	placed on academic watch or financial watch by ISBE, or is certified as being in financial difficulty (11A-17)		placed on academic watch or financial watch by ISBE, or is certified as being in financial difficulty (11B-14)	placed on academic watch or financial watch by ISBE, or is certified as being in financial difficulty (11D-12)	
Provisions related to nonrecognition	Provision not included within Article 7	Provision not included within Article 7A	Any school district included in a petition under Article 11A shall not suffer the loss of State aid as a result of being placed on a nonrecognized status if the district continues to operate and the petition is granted (11A-16)		Any school district included in a petition under Article 11B shall not suffer loss of State aid as a result of being placed on nonrecognition status if the district continues to operate and the petition is granted (11B-13)	Provision not included within Article 11D	No district included in a petition for reorganization suffers loss of State aid due to nonrecognition if the district continues to operate and petition is granted (11E-125)

General State Aid Difference Incentive	Detachment/Annexation not eligible for GSA Incentive; in Dissolution/Annexation, annexing district(s) eligible for GSA Incentive (18-8.05(I))	Annexing high school district eligible for GSA Incentive (188.05(I))	Newly formed district eligible for GSA Incentive (188.05(I))		Newly formed district eligible for GSA Incentive (188.05(I))	Newly formed high school district and newly formed successor elementary district(s) eligible for GSA Incentive (11D-11(3))	No changes to existing law for most districts eligible for GSA Difference Incentive under 188.05(I); adds partial elementary unit district and new
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	Detachment/Annexation and Dissolution/Annexation (Article 7) (Not incorporated into Article 11E)	Small Unit District Conversions (Article 7A)	Unit School District Formation (Article 11A)	School District Combination (Article 11B)	School District Conversion (Article 11D)	Conversion and Formation of School Districts (Article 11E)
						elementary district(s) formed from high school-unit conversion (originally 7A Conversion) to list of districts eligible for GSA Difference Incentive; unit to dual conversion (originally 11D Conversion) eligible for 4 years of incentive instead of 3 years (11E135(a))

Salary Difference Incentive	Detachment/Annexation not eligible for Salary Difference Incentive; in Dissolution/Annexation, annexing district(s) eligible for Salary Difference Incentive (188.2)	Annexing high school district eligible for Salary Difference Incentive (18-8.2)	Newly formed district eligible for Salary Difference Incentive (18-8.2)	Newly formed district eligible for Salary Difference Incentive (18-8.2)	Newly formed high school district eligible for Salary Difference Incentive (11D11(4))	No changes to existing law for most districts eligible for Salary Difference Incentive under 188.2; adds partial elementary unit district to list of districts eligible for GSA Difference Incentive; unit to dual conversion (originally 11D)
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	Detachment/Annexation and Dissolution/Annexation (Article 7) (Not incorporated into Article 11E)	Small Unit District Conversions (Article 7A)	Unit School District Formation (Article 11A)	School District Combination (Article 11B)	School District Conversion (Article 11D)	Conversion and Formation of School Districts (Article 11E)
						Conversion) eligible for 4 years of incentive instead of 3 years (11E135(b))

Deficit Fund Balance Incentive	Detachment/Annexation not eligible for Deficit FB Incentive; in Dissolution/Annexation, annexing district(s) eligible for Deficit FB Incentive (18-8.3)	Annexing high school district eligible for Deficit FB Incentive (188.3)	Newly formed district eligible for Deficit FB Incentive (18-8.3)	Newly formed district eligible for Deficit FB Incentive (18-8.3)	Newly formed high school district and newly formed successor elementary district(s) eligible for Deficit FB Incentive; petition must include the manner in which Deficit FB Incentive allocated among new districts (11D-11(1) and 11D-2)	No changes to existing law for most districts eligible for Deficit FB Incentive under 18-8.3; adds partial elementary unit district to list of districts eligible for Deficit FB Incentive (11E135(c))
Full-time certified staff incentive	Detachment/Annexation not eligible for \$4,000/Certified Staff Incentive; in Dissolution/Annexation, annexing district(s) eligible for \$4,000/Certified Staff Incentive if receive at least 30% of the dissolved district	Annexing high school district and newly formed elementary district eligible for \$4,000/Certified Staff Incentive (188.5)	Newly formed district eligible for \$4,000/Certified Staff Incentive (188.5)	Newly formed district eligible for \$4,000/Certified Staff Incentive (188.5)	Newly formed high school district and newly formed successor elementary district(s) eligible for \$4,000/Certified Staff Incentive (11D-11(2))	No changes to existing law for districts eligible for \$4,000/Certified Staff Incentive under 18-8.5; adds partial elementary unit district to list of districts eligible for \$4,000/Certified

	Detachment/Annexation and Dissolution/Annexation (Article 7) (Not incorporated into Article 11E)	Small Unit District Conversions (Article 7A)	Unit School District Formation (Article 11A)	School District Combination (Article 11B)	School District Conversion (Article 11D)	Conversion and Formation of School Districts (Article 11E)
	Average Daily Attendance (18-8.5)					Staff Incentive (11E-135(d))

Impact of reorganization on tax rates	In Detachment/Annexation or Dissolution/Annexation, the territory being detached or the district dissolved will be taxed at the rate of the annexing district after the annexation	Newly formed elementary district may levy taxes at rates for elementary districts in accordance with limitations of 17-2 through 17-7; taxpayers in the original unit district will be taxed at the annexing high school's rates for 912 purposes; Ed, O&M, Transportation, Fire Prevention & Safety rates must be stated in petition for new elementary district and annexing high school district (7A2 and 7A-7)	Newly formed district may levy taxes at rates for unit districts in accordance with limitations of 17-2 through 17-7; Ed, O&M, Transportation, Fire Prevention & Safety rates must be stated in petition for new district (11A-3 and 11A-9)	Newly formed district may levy taxes at rates for elementary districts or high school districts (depending on type of district formed) in accordance with limitations of 17-2 through 17-7; Ed, O&M, Transportation, Fire Prevention & Safety rates must be stated in petition for new district (11B-3 and 11B-8)	Newly formed high school district and newly formed successor elementary district(s) may levy taxes at rates for respective type of district in accordance with limitations of 17-2 through 17-7; Ed, O&M, Transportation, Fire Prevention & Safety rates must be stated in petition for each new district (11D-2 and 11D-13)	Allows partial elementary unit district (combined high school-unit district and optional elementary unit district) to levy the following: for K-8 educational purposes at a rate not to exceed 3.5% and for 9-12 educational purposes at a rate not to exceed 3.5%, with the combined rate for K-8 and 912 educational purposes not to exceed 4.0%; for K-8 O&M purposes at a rate not to exceed 0.55% and for 9-12 O&M purposes at a rate not to exceed 0.55%, with the combined rate for
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	Detachment/Annexation and Dissolution/Annexation (Article 7) (Not incorporated into Article 11E)	Small Unit District Conversions (Article 7A)	Unit School District Formation (Article 11A)	School District Combination (Article 11B)	School District Conversion (Article 11D)	Conversion and Formation of School Districts (Article 11E)
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						<p>K-8 and 9-12 O&M purposes not to exceed 0.75%; for K-8 sped purposes at a rate not to exceed 0.40% and for 9-12 sped purposes at a rate not to exceed 0.40%; for other taxes at rates not to exceed those established for unit districts. For partial elementary unit district (combined high school-unit district and optional elementary unit district), tax increases for 9-12 purposes must be approved by a majority of voters in the area served by the partial elementary unit district for 9-12</p>
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	Detachment/Annexation and Dissolution/Annexation (Article 7) (Not incorporated into Article 11E)	Small Unit District Conversions (Article 7A)	Unit School District Formation (Article 11A)	School District Combination (Article 11B)	School District Conversion (Article 11D)	Conversion and Formation of School Districts (Article 11E)
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						purposes only and by a majority of voters in the area served by the partial elementary unit district for both K-8 and 9-12 purposes, and tax increases for K-8 purposes must be approved by a majority of voters in the area served by the partial elementary unit district for both K8 and 9-12 purposes. (11E-90 and 11E95)
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School District Organization in Illinois (An ISBE Study Paper)

Perspective on School District Organization in Illinois, Past and Present

The organization of school districts has been a matter of discussion in the United States dating back to the early 1800's. This interest in the organization of public schools has continued to the present. While the factors considered important to studies of the organization of school districts have varied during these years, the discussion continues and invariably includes such major unsolved issues as:

1. What is the optimum school district size for providing a sufficiently broad range of educational opportunities?
2. What is the optimum school district size for providing an adequate tax base to develop and maintain an efficient and economical system for delivery of educational programs?
3. How can you develop the community interest, support and leadership necessary to maintain educational programs?
4. How can the above questions be answered, given the disparities among rural, suburban and urban communities?

Researchers have studied school district organizations and have developed various objectives for reorganization. Among these researchers, there is a general consensus that the goals of organization should include, at the minimum, the following:

- To produce improvement in the quality of the educational program.
- To extend the scope of programs to meet individual student needs within an ever-changing society.
- To complement the development of the most efficient and equitable system of financing public education.

While questions of optimum size, structure and procedures for school district organization are not resolved in a final sense, the historical trend in Illinois and the nation in terms of the number and size of school districts is clear - the number is diminishing; districts are larger in area; and they serve more children.

Types of Organization/Reorganization

Reorganization may take one of various forms. Internal organization involves the assignment of students within a district, e.g., K-3, 4-8, 9-12; K-6, 7-9, 10-12; etc.

Horizontal reorganization is the combining of two or more elementary districts, two or more high school districts, or two or more unit districts. Vertical reorganization is the combining of one or more elementary districts with one or more high school districts to form a K-12 district with coterminous boundaries. Statutes provide for reorganization through detachment, annexation, division, dissolution or consolidation or any combination of these procedures.

Advantages and Disadvantages of Reorganization

During past studies of various types of school district reorganization, some advantages and disadvantages have been identified, including the following.

Advantages

1. Larger tax base--more flexibility in budgetary process.
2. Potential follow--through on student progress and achievement.
3. Economies of scale in purchasing, staffing, construction, operations, transportation, etc.
4. Flexibility in staffing patterns.
5. Potential for more efficient use of school buildings.
6. Reduced competition for educational dollars between the elementary and secondary structure.
7. Potential consolidation of legal and accounting procedures.
8. More equitable distribution of wealth factors as less wealthy districts consolidate with wealthier districts.
9. Potential opportunity for improved articulation of curricular programs if consolidated into a K through 12 district.
10. Additional students in a district provide opportunities for increased extracurricular activities and may increase efficiency in meeting the special needs of students.

Disadvantages

1. Potential loss of General State Aid dollars due to General State Aid formula restrictions.
2. Less access to some non-referendum tax rates.
3. Student achievement data (usually expressed in averages) may drop after reorganization due to broadening of the test base.
4. Loss of "community identity" where this has been centered in the local schools.
5. Concern for loss of informality of smaller districts (where immediate contact with administrators and boards of education is available).

These advantages and disadvantages should not be construed as applicable to every situation, but rather as general comments regarding reorganization.

Review of Research and General Conclusions Related to School District Size and District Organizational Patterns

Much of the recent discussion of school district organization concerns the educational and economic performance of school districts as they relate to size. There have also been attempts to identify optimal school and/or district size figures. These studies, however, have too frequently focused upon one consequence to the exclusion of others. Numerous factors, e.g., enrollment, geography, transportation, assessed valuation, etc., are interrelated and play a role in determining optimal size.

Costs and Enrollments in Relation to Size

A number of researchers have discovered a "U-shaped" relationship between per pupil costs and school district size, typically measured as enrollment. Per pupil costs are higher for the very large and very small districts than for the mid-sized districts. For example, Sabulao and Hickrod, in 1971, found that the lowest expenditure per child occurred at about 700 students for elementary and secondary districts in Illinois, and about 5,000 for unit districts. Districts above and below these enrollments experienced costs as high as \$300 per child over the average per pupil cost at these enrollments. Sabulao and Hickrod also discovered the same relationship for administrative costs per pupil, although the differences are less pronounced. At least five other empirical research studies confirm the existence of a "U"-shaped curve relationship between per pupil costs and enrollment.

Table of Findings

Study	Finding
1. Riew (1966)	U-shaped average cost curve with minimum costs at 1,675 high school pupils.
2. Cohn (1968)	U-shaped average cost curve with minimum costs at 1,675 high school pupils.
3. Katzman (1971)	U-shaped average cost curve with minimum costs between 1,400 and 1,800 high school pupils.
4. Johnson (1972)	U-shaped average cost curve with minimum costs at 1,426 high school pupils.
5. Hind (1977)	U-shaped average cost curve with minimum costs at 600 elementary pupils.

From these studies, whether administrative costs follow similar patterns is uncertain. Some studies have shown lower administrative costs with higher enrollments, while others find no administrative cost savings above certain enrollments.

The evidence of a nonlinear relationship between costs and enrollments has led Cohn to observe that, "it follows that schools are either too large or too small, resulting in considerable waste of resources to society." However, determining the optimal size has proved difficult. In part, this is because "school costs are influenced by forces, e.g., labor market conditions, regional geography, client tastes, and educational fads." A second problem is that building costs and transportation costs are seldom considered. Transportation is of particular concern when districts are geographically dispersed.

As an example, where a proposed unit district covers a significant number of square miles and the proposed new district may result in a reduction in the number of

schools in order to provide upgraded programs and a more efficient operation, increased transportation costs may outweigh, the proposed advantages.

The above discussion demonstrates that both per pupil expenditures and administrative costs differ, based on school size. Both extremely small and large schools spend more per pupil than schools in the middle of size distribution. This finding leads to the next question: What is an optimal school size?

Optimal School Size

Researchers have tried to identify the most cost-effective size for a school and/or school district. Some have used attendance centers rather than districts as their unit of analysis. But quite frequently, the district size is the school size. Also, states differ widely in their types of school district organization and average school enrollments. While an attempt has been made to identify these differing factors, it should be recognized that the findings may not always be applicable to Illinois school districts.

Fox (1981) reviewed more than 30 studies on size economies in education. Citing consistency in the results of the studies reviewed, Fox claims optimal economies for elementary education in the range of 300 to 600 pupils per school and for secondary education in the range of 1,400 to 1,800 pupils per school. Findings for school districts are less consistent in the studies because the common unit of analysis was school, rather than district. Although Fox's review indicates economies at certain pupil enrollments for both per pupil costs and administrative costs, he raises an important qualification. That qualification is "the impact of school size on the quality of education." Citing James and Levin, whose review of the literature found no relationship or a negative one between school size and educational outcomes, Fox expresses his

concern. “The relevant question for analysis is whether quality declines in larger schools when per pupil resources are held constant.”

Instructional and Participation Outcomes and School Size

Researchers have seldom addressed the question of the relationship between school size and school outcomes. Rather, school size was either one of many school conditions included by researchers in the quest for variables affecting learning outcomes, or school size was considered as a cause of such problems as student alienation, dropouts, and suspensions.

A recent study on student achievement in Illinois indicates slightly different results than those cited above. The categories used were small (below 500 students), medium (500 to 1,499 students), and large (1,500 or more students). On mathematics sections of the IIEP (Illinois Inventory of Educational Progress) test, fourth graders from small schools scored the highest; while for the eighth and eleventh grades, the highest scores came from medium-sized schools. Science and reading results followed a somewhat similar pattern. The strongest performances for fourth and eighth grades were found in small schools, and the high eleventh grade achievement was found for medium-sized schools. It should be noted that the size categories were developed in 1975 and may need to be revised as a reporting variable. Therefore, no cause and effect relations were determined.

The evidence presented by researchers on the effects of school size on achievement is generally small, non-significant, and contradictory. *In short, school size appears to be neither significantly detrimental nor significantly advantageous to pupil achievement.*

Some research has suggested that a K-12 organizational pattern provides for a better continuity of transition between elementary school and high school. Curriculum articulation, smooth pupil tracking, testing programs, and other continuing programs are indicative of this type of continuity. A Boston College study found that, from a financial viewpoint, a K-12 organizational structure was the most efficient. The researchers further indicated that K-6 or K-8 districts were the least efficient.

In Illinois, the organizational pattern is further complicated, particularly in urban areas, where non-coterminous district boundaries result in students from one elementary district being sent to two different high school districts, or one high school receiving students from several elementary districts.

As an organizational design, a K-12 district offers a better opportunity for pupil and cost efficiencies. For dual districts to go to a K-12 pattern, however, results in an immediate shortfall in access to non-referendum generated tax rates. For example, two districts covering the same tax base may levy without referendum a total of \$.10 per EAV for health/life safety purposes, but if reorganized as a K-12 district may only levy \$.05 for this purpose. Similarly this holds for taxing for transportation (\$.20 vs. \$.24): working cash (\$.05 vs. \$.10), and lease levy (\$.05 vs. \$.10).

School districts, as other governmental units, must compete for tax resources. The more numerous the taxing bodies, the more difficult it becomes for each individual taxing body to obtain the resources that it considers necessary. By reducing the number of school districts covering the same geographic area and tax base, competition for limited resources is reduced.

General Conclusions From Research

In 1982 the Illinois State Board of Education adopted the topic of school district organization/consolidation as a policy study. In addition, the Illinois State Senate Education Committee has requested that the Illinois State Board of Education review the status of school district organization in the State of Illinois.

The analyses of research and other data elements considered in this paper were guided by the concern that responses are provided to the following seven questions. The questions are not mutually exclusive. They must be addressed, and then examined, knowing that they are interrelated.

1. *Are there economies of scale? If so, what are they? Are there points of diminishing returns?*

The greatest impact of size appears to be on costs, usually specified as per pupil expenditure. Research indicates that both small and large schools or districts incur higher per pupil expenditures than schools in the middle of the range. Therefore, it is possible to determine an enrollment level that may be more economical than another.

2. *Are there efficiencies of scale? Does a broader student base affect program offerings?*

Research findings indicate that the breadth and scope of curricular offerings are greater when enrollment is increased above a threshold level of enrollment. Analyses of 4-year high schools suggest that, in general, for schools of less than 2,000 enrollments, a 30 to 40% increase in curricular offerings may result when the enrollment is doubled until reaching 2,000. This finding however, does not apply equally to all academic subjects. Factors such as urban, suburban, and rural composition play an important role in determining the breadth and scope of curriculum.

Additional findings indicate a greater student participation in nonacademic and extracurricular areas in smaller districts. However, these findings are not correlated with the broader range of activities that may be offered in larger districts.

The conclusion is that a broader student base provides the opportunity for increased efficiencies in program offerings.

3. *Are there inequities or disincentives in Illinois, which relate to any one organizational pattern? Elementary districts? Secondary districts? Unit districts?*

A review of the Statutes pertaining to tax levies for different types of districts clearly shows that elementary and secondary districts seeking to consolidate as a unit district in Illinois will have less access to tax levies in the lease levy fund; transportation fund; working cash fund and the health/life safety fund. The conclusion is that there are inequities and/or disincentives that can be identified regarding organizational patterns.

4. *Are there organizational patterns, which, by design, provide a better chance for curriculum articulation or services to pupils? (K-4, 5-8, 9-12), (K-12). etc.?*

Research in this area is rather limited; however, it suggests that a K-12 pattern may provide a better continuity of transition between elementary and high school. Curriculum articulation, smooth pupil tracking, and testing programs are examples of this continuity. The research supports a K-12 organizational pattern.

5. *Do problems exist in educational priority setting or in access to resources when more than one educational district covers the same geographic area (e.g., elementary, secondary community college, regional special districts)?*

Research regarding this question is also limited. Observation by numerous educational administrators in Illinois appears to indicate that the more districts serving the same community, the greater the competition is for tax resources, e.g., adopting a referendum resolution prior to competing districts or a secondary district's policy dominating the underlying elementary district(s). However, as the number of school

districts decrease, there is less competition with other governmental units for tax monies. The conclusion is that tax resources should be available on an equitable basis to all educational entities.

6. *Are there program or student achievement gains in any district type or size that may supersede economies or efficiencies of scale?*

Numerous research studies have been undertaken regarding this question. The answers appear to be inconclusive- school size appears to be neither significantly detrimental nor significantly advantageous to pupil achievement. Therefore, economies of scale carry a greater weight in determining optimal school or district size.

The Relationship Between School Size and Achievement in Downstate High Schools

A readily accepted premise is that because of the inability of small high schools to offer expanded curricula achievement levels of students attending small schools will not be on par with students attending larger schools. In a rigorous sense, in order to determine if that is a true statement there must be agreement on certain questions. One such question would be "What constitutes a small school?" Another would be "What constitutes high achievement?"

A second premise is that students in small high schools do not have access to the same level of courses as students in larger schools. The number of course offerings, and especially advanced classes are limited. One question that naturally arises is "How many advanced course offerings are necessary?"

This report presents data regarding the relationship between school size and student achievement and school size and number of course offerings in Illinois high schools outside the city of Chicago. No attempt is made to answer the above stated questions. Rather, the size data are categorized with mean achievement data presented within category. It is up to the reader to discern if school size does make a difference in student achievement.

Table I presents the number of high schools by category of enrollment. Data are for the 2010-11 to 2012-13 school years.

Table I
Number of Downstate High Schools
By Category of Enrollment

<u>Enrollment Category</u>	<u>2010-2011</u>	<u>2011-2012</u>	<u>2012-2013</u>
Less than 100	21	26	27
100-200	101	102	99
200-300	74	66	67
300-400	52	57	61
400-500	37	36	35
500-1,000	81	81	80
1,000-2,000	106	106	105
2,000-3,000	72	69	70
More than 3,000	17	23	18
Total	561	566	
562			

Table II
High School Mean Composite PSAE and ACT Scores

<u>Enrollment Category</u>	<u>2010-2011</u>		<u>2011-2012</u>		<u>2012-2013</u>	
	<u>PSAE</u>	<u>ACT</u>	<u>PSAE</u>	<u>ACT</u>	<u>PSAE</u>	<u>ACT</u>
Less than 100	36.9	19	40.2	18.5	39.8	18.1
100-200	47.3	19.7	48.7	19.9	49.6	19.2
200-300	50.8	20	51.6	20.3	54.9	19.6
300-400	53.3	20.2	52	20.3	52.8	19.8
400-500	53.8	20.4	54.5	20.7	56.8	19.8
500-1,000	52.9	20.6	53.6	20.5	54.7	20.1
1,000-2,000	50.2	20.5	49.2	20.3	51.1	19.9
2,000-3,000	57.9	21.6	60.1	21.8	62.4	21.6
More than 3,000	59.1	22	58.6	22	59.4	21.6

Table III
High School Grade 11 Mean Composite Reading & Math PSAE Scores

<u>Enrollment Category</u>	<u>2010-2011</u>		<u>2011-2012</u>		<u>2012-2013</u>	
	<u>Reading</u>	<u>Math</u>	<u>Reading</u>	<u>Math</u>	<u>Reading</u>	<u>Math</u>
Less than 100	41.7	34.3	43.8	35.6	44.5	35.2
100-200	49.7	46.9	49.2	48.3	51.9	47.3
200-300	51.9	51.4	52.9	49.5	57.3	52.4
300-400	54.7	52.7	53.5	49.9	55.9	49.7
400-500	56	52.8	54.4	54.1	59	54.5
500-1,000	53.6	52.8	54.1	51.7	57.2	52.3
1,000-2,000	50.6	50.8	48.7	49	53	49.1
2,000-3,000	72	59.1	58.2	61.3	62.9	62
More than 3,000	58.8	60.3	57.2	59.5	60.6	58.2

Unit Districts Formed from Dual Systems (An ISBE Document)

The Case to Prefer Unit Districts

While the State Board of Education school district reorganization policy emphasizes the creation of higher-enrollment high schools from districts with high schools with below-average enrollments, the State Board has also stated that the unit district should be the preferred organization pattern in Illinois.

There have been cases of the formation of unit districts from a dual system of a coterminous high school district and elementary district and from a contiguous unit district. These reorganizations had the effect of creating larger high schools. However, there have been seven unit districts formed from dual districts that did not create a larger enrollment high school. Each of these cases involved a single high school district with one building; in three cases the high school district contained two underlying elementary districts and in four cases only one. Most of the high schools are under 200 in enrollment.

Looking at all eleven of the unit formations from duals, one notes that with the exception of the North Chicago case, and these reorganizations occurred downstate outside of densely populated areas.

Cases for the unit district's being the preferred organization pattern were made in State Board of Education reports, one in 1982 and the other in 1985. According to these reports, the unit district provides a better structural arrangement than the dual district for cooperation and coordination in curriculum, student assessment and student services from kindergarten through twelfth grade. It allows greater flexibility in deployment of staff and in course offerings, particularly within the seventh to tenth grade

levels. Moving to a unit system provides the potential for greater efficiencies in the use of school buildings, administrative and support personnel, legal services, purchasing, and other areas.

Varying degrees of organizational complexity are created by the dual system. These eleven reorganizations were all at the simple end of the simplicity-complexity continuum. After all, there are 108 high school districts and 400 elementary districts in the State, which means the typical high school district has four underlying elementary districts. There have been no cases of a unit formed from a dual of three, or more elementary districts. The most complex dual systems involve six to ten elementary districts feeding into one multi-building high school district with one or more of the elementary districts overlapping into other high school districts.

The more complex, the greater the difficulty and the lesser the likelihood of effective coordination of curriculum and student services. Thus, some degree of educational efficiency or effectiveness is lost by not having unit districts. At least that is a conclusion of logic, common sense and experience. However, it may be methodologically difficult if not impossible to conduct empirical studies measuring degrees of effective "articulation" between the elementary and secondary level in units.

Table H

Units Formed from Duals – No Larger High School Formed (Article 11A)
1993-1994 High School

<u>Effective Year</u>	<u>County</u>	<u>Merged Districts</u>	<u>Enrollment of Reorganized District</u>
FY 11	Marion	Odin CHSD, Odin SD	320
FY 07	Franklin	Thompsonville CHSD, Thompsonville SD	310
FY 99	Franklin	Christopher CHSD, Christopher SD	835
FY 98	Shelby	Cowden-Herrick CHSD, Cowden-Herrick CCSD	414
FY 97	Fulton	St. David Elem., Lewistown Elem. Pritchard Clark Elem., Lewistown HS	925
FY 95	Bureau	Manlius Unit, Western Unit, Wyanet Elem., Wyanet HS, Walnut Elem., Walnut HS	1,100
FY 94	LaSalle/Marshall Woodford/Putnam	Lostant High School and Elementary Districts Formed Lostant Unit *	1,284/941 362/290
FY 90	Lake	North Chicago High School and Elementary Districts formed North Chicago Unit	843
	Marshall/Putnam	Henry-Senachwine High School District and its two underlying Elementary Districts formed Henry-Senachwine Unit	219
FY 89	Calhoun	Brussels High School and Elementary Districts formed Brussels Unit	70
FY 88	Massac	Joppa High School and Maple Grove Elementary Districts formed Joppa Maple Grove Unit	99
	Johnson	Goreville High School and Elementary Districts formed Goreville Unit	136

FY 85	Christian	South Fork High School and its two underlying elementary districts formed South Fork Unit	125
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***Simultaneous with voter approval of unit district formation, the voters also approved high school deactivation to four neighboring districts, which range in high school enrollment from 290 to 1,284.**

Inequities, Inefficiencies and Costs Associated with the Dual System

One obvious consequence of the dual system involving two or more elementary districts is the tendency for a notable variation among the elementary districts in enrollment, tax rates, percent of spending from state sources and per-pupil wealth. The formation of a unit district along the boundaries of the high school district would have the effect of creating equity of tax rates and per-pupil spending. A unit district provides the structure for rational distribution of resources where they are needed. Dual systems lack the capacity to prioritize and properly allocate total resources because of the segregation of local revenue. Thus, pupils who graduate from certain elementary districts may be at a disadvantage in the high school in comparison with other graduates of elementary districts within the same high school district. For example, a poorer elementary district may be unable to pass tax rate increase referenda and has to cut programs while a neighboring richer elementary district continues to have adequate revenue to maintain and enhance programs.

Not only does the dual system contribute to the inequities of the Illinois school system, but also to its costs. Based on research conducted in 1992, the dual system in the six-county Chicago suburban area in contrast to the unit system in the area is characterized by higher salary levels for high school *teachers* in high school districts than high school teachers in unit districts; by a somewhat higher proportion of total expenditures for "general administration;" and generally speaking, by higher educational and operational tax rates.

Reorganization feasibility studies conducted by the former ISBE School Organization and Facilities Section for dual systems clearly demonstrate that the

formation of unit districts in these cases would allow certain efficiencies in the use of resources. Almost all of the smaller enrollment elementary districts in these studies and a few of the larger elementary districts have low pupil-teacher ratios. The teacher data in these studies are confirmed by state-level data, which show that at both the elementary and secondary levels, pupil-teacher ratios in small enrollment districts are well below state-wide averages of about 19 to 1. Consolidating or annexing such districts provides the opportunity for savings in personnel costs through a reduction in force and a more efficient and flexible deployment of teachers.

These studies conducted for downstate dual systems compared the dual system with 10 unit districts in the same general part of the state that had enrollments about the same as the elementary districts and the high school district combined. The average of the tax rates and of the number of teachers were notably lower in each set of 10 unit districts than in each dual system under study. However, forming a unit district would usually incur the additional cost of bringing up the salaries of the teachers in the former elementary districts to the level of salaries that prevailed in the high school district.

Impediments to Forming Units from Duals

Former ISBE School Organization and Facilities Section studies for dual systems contemplating reorganization and the reactions to them have further clarified the impediments to unit district formation from a high school district and its underlying elementary districts in all but the organizationally non-complex sparsely populated areas of the State. They include the usual general reasons for school boards and staff, parents and other district residents to prefer the status quo: the widely held preference to protect local identity and the existing geographic scope of local control and to defend

existing facilities, programs and boundaries. The following are some specifics to maintain existing dual systems:

1. The fact that the law requires a majority of "yes" votes in each affected district in the referendum on the unit district formation proposition, rather than a majority overall. Thus, the smallest elementary district can veto the whole proposal by voting "no". This impediment has been altered with the passage of SB2795 in 2006 which allows a unit district to be formed from a high school district and any one or more of its elementary feeder districts.
2. Resistance to the loss of a board and superintendent oriented solely to elementary or high school level programs.
3. The cost of bringing up the salaries of elementary teachers to the level of the high school teachers. A \$10,000 or more difference is not uncommon between the average salary for teachers in the high school district and the average salary for teachers in the elementary districts. The cost of bringing up the elementary salaries to the high school level is paid by the State for a four-year period under the State's program of incentive payments to reorganized districts, but thereafter is strictly a district expense. This cost of raising elementary teacher salaries -- which in the larger dual systems would exceed \$1,000,000 a year--could cancel out savings potentially realizable by more efficient facility and staff utilization when a unit district replaces a dual system.
4. The overlap of an elementary district or districts within the high school district into one or more neighboring high school districts. Forming a unit district in such circumstances necessitates the making of boundary adjustments that generally engender opposition from any district proposed to lose territory and, in any event, adds to the complexity of the reorganization process.
5. The fiscal and socioeconomic diversity among the elementary districts within the high school district. For example, residents of elementary districts with a high equalized assessed valuation per pupil and a below average tax rate are likely to oppose merging their resources and seeing their tax rates go up.
6. The high expense to the State for reorganization incentive payments to a unit district formed from a high enrollment dual system. (NOTE: General State Aid was replaced in 2017/2018 by Evidence Based Funding).
 - a) The potentially high cost of the teacher salary difference payment has already been cited.

Reorganization Considerations and Options

In reviewing the reorganization options, each individual situation has to be looked at in terms of factors unique to that situation. The goals of a school district reorganization should include, at minimum, the following:

Goal #1: To produce improvement in the quality of the educational system.

Goal #2: To extend the scope of programs to meet individual student needs within an ever-changing society.

Goal #3: To develop an efficient and equitable system of financing public education.

Currently, the State of Illinois allows for school district reorganization to take place through the implementation of a number of processes. Each of these has its own set of regulations and is designed to accommodate the different circumstances found throughout Illinois. None of these are listed since it was the detachment feasibility that was presented to the consultants.

Annexation of School District by Article 7

Annexation of school districts either in part or an entire district is permitted under the guidelines in Article 7 of the Illinois School Code. This method differs in many respects from the requirements for other reorganization methods.

Districts utilizing annexation processes essentially become a part of an existing district. In other words, one district annexes another district(s) with one district continuing to function and the other district(s) going out of existence.

This process may begin in one of two ways. Currently the dissolution-annexation petition can be filed by the board of education of the dissolving district or by

a majority of registered voters in the dissolving district. Requirement on 2/3 registered voter filing is only in a detachment-annexation petition.

After a petition is received by the Regional Board of School Trustees, the Regional Superintendent holds a hearing at which the Regional Superintendent submits maps, report of financial and educational conditions of the districts involved, and the probable effect of the proposed changes to the regional board. Any resident of the territory in the affected districts may appear at the hearing and present evidence in support of opposition to the petition. The order on the petition must be entered within 30 days of the conclusion of the hearing.

It is important to note that there is an election for districts using the annexation method and that the decision on annexation lies with the voters in each “affected district.” While this method has been utilized by many of the school district reorganizations approved from 1980-2022 and was the most widely utilized method of school district reorganization, the added requirement of an election after approval by the Regional Board of School Trustees has significantly diminished the utilization of the annexation method. Normally, this type of reorganization is approved by boards of education and brought to the Regional Board of Trustees. The petitions would be filed by the board of education of the dissolving district or a majority of the registered voters in the dissolving district. In this reorganization option, one board is dissolved and the annexing district board takes over and utilizes their current tax rate, etc. *Utilizing an annexation does not create a new district. One district absorbs the other. Taxes paid by district annexing are utilized for the district’s taxpayers that are annexed. No new collective bargaining agreement is created.*

Summary/Recommendations

The responsibility of the Consultants has been to bring a higher level of awareness of the intricacies of school district reorganization in Illinois. For this study, the charge was to provide the Regional Superintendent and board with information that would enable them to make the best decision for all citizens and students who will be impacted by this decision.

Based on the analysis of each area (Curriculum, Facilities, Transportation, Student Enrollment and Fiscal changes) the recommendation is that this detachment be denied.

This recommendation is based on the following. (Note: each of these items are explained in detail in their respective sections.)

A: The school code guidelines for detachment state the following:

(4) The regional board of school trustees **may not** grant a petition if doing so will increase the percentage of minority or low-income students or English learners by more than 3% at the attendance center where students in the detaching territory currently attend, provided that if the percentage of any one of those groups also decreases at that attendance center, the regional board may grant the petition upon consideration of other factors under this Section and this Article.

If the detachment was to be approved, the low-income rate for West Carroll would increase by 4% to a new total of 7% which is in violation of this law.

B: The loss of students from Thomson could reduce the capability of West Carroll High School to continue to offer certain classes.

C: The increase of students to River Bend would create the need for 3 rooms at the middle school and 4 at the high school plus a gymnasium to accommodate the increase in students.

D: The increase of students at River Bend would require hiring 12 teachers plus another counselor. The minimum cost would be \$650,000.

E: The transportation expenses would increase by \$274,000. (See the transportation section for the details on this.)

F: River Bend would need to pass a bond referendum for the construction of 7 total classrooms and a bus barn.

G: The citizens of Thomson would see an increase in their required payments of existing bonds. This amount would increase from .96777 to 1.48407. For a \$150,000 home this would be the annual increase of \$775.00.

H: West Carroll would see a reduction in their annual tax revenue of 2.3 million dollars. This loss could do serious fiscal damage to the district over time.

I: The CPPRT would not change if the detachment is approved. This presents an issue for River Bend in that the district would have additional students for who they are fiscally obligated without any additional funds.

Curriculum Considerations and Comparisons
 River Bend CUSD #2
 West Carroll CUSD #314

Part 1: K-8 Organization

Overview of grade configurations PK-8

River Bend 2 incorporates a PK-12 curriculum for 943 students at three schools: Fulton Elementary School, grades PK-5 (439 students); River Bend Middle School, grades 6-8 (235 students); and Fulton High School, grades 9-12 (269 students).

West Carroll District currently offers a PK-12 curriculum for 851 students at three schools: West Carroll Primary, grades PK-5 (389 students); West Carroll Junior High grades 6-8 (186 students); and West Carroll High School (276 students). ** Starting in the 2025-26 school year, West Carroll High School will transition to the current middle school campus and will continue to house grades 9-12. The Primary School in Savanna will then educate students from K-8 with addition of a multi purpose room and possibly 4 classrooms. Unknown at this point in time is where PreK students will be housed. West Carroll 314 is remodeling the 3 science labs in the current middle school this summer in preparation for 2025-26.*

Beginning with the 2025-2026 school year, the current High School will be re-purposed and the following will be grade/building configurations. The board approved this in January 2024:

Grades 9-12 will be housed at current Middle School in Mt. Carroll

Grades K-8 will be housed at the Primary School in Savanna. The Pre-K will either be housed at the Primary School or at a re-purposed High School building in Savanna.

Early Childhood and Elementary Levels

The following table presents data showing the distribution of teachers across K-5 grades:

Grade Level Enrollment & Number of Classroom Teachers in Pre K-5 Grades

	Fulton Elem (River Bend 2)			West Carrol Primary (WC 314)	
Grade	Enrollment	Sections		Enrollment	Sections
PK	40	2		77	6 ½ day 1 full day

KG	70	3		63	3
1	63	3		56	3
2	82	4		65	3
3	60	3		53	3
4	57	3		62	3
5	68	3		39	2

(Excluding Specialists)

Specials Teachers	
Fulton Elem	WC Primary
Art	Art
Music	Music
PE/Health	PE/Health
Band (5)	Band (5)
Chorus (4, 5)	
MTSS/Rtl (Reading, Math, and Reading/Math)	MTSS/Rtl (Reading & Math)

**At Fulton Elementary, Art, Music, and PE are offered, but are very limited on availability within the schedule as those teachers are shared with the middle school and/or district-wide. For example, the Health teacher is split between all three schools within River Bend.*

Special Education

Fulton Elementary – In K-5, 80 students are currently serviced in special education through cross-categorical self-contained classrooms. In addition to their classroom instruction, students also receive speech/language pathology, OT/PT, and social work/counseling minutes. For students who require alternative placement and/or

services outside of what the school provides, River Bend is part of the Bi-County Special Education Cooperative.

West Carroll Primary – In K-5, 59 students are currently serviced in special education through cross-categorical self-contained classrooms as well as an Excel program designed for autism, low-cognitive, and other students with multiple disabilities. Students also receive speech/language pathology, OT/PT, and social work/counseling minutes. For students requiring alternative placement and/or services outside of what the school provides, West Carroll 314 is part of the Northwest Special Education Cooperative.

Curricular Resources

<i>Subject</i>	Fulton Elementary	West Carroll Primary
ELA/Reading	Houghton Mifflin	Scholastic
<i>Phonics</i>	Michael Haggerty	Horizons Phonics
<i>Writing</i>	Zaner Bloser, Handwriting Without Tears	iReady Writing
Math	Math Learning Center	iReady
Science	Mystery Science	Mystery Science, McGraw Hill
Social Studies	Harcourt	Studies Weekly

Programs/Clubs/Extracurriculars

Fulton Elem – Offers afterschool tutoring (K-5) and various recreation league sports

WC Primary – Offers 4th & 5th grade girls basketball, 5th grade boys basketball, club wrestling, and after school tutoring

Professional Development Opportunities for Staff

Fulton Elem – Capturing Kids Hearts, behavioral strategies, speech/language referral process, literacy structure, literacy, reading/ELA, IEP training, evacuation & reunification training, Crisis Prevention (CPI), homelessness and all the state-mandated trainings

WC Primary – main focus has been on curriculum integration, such iReady curriculum training, Reading Horizons training, and iReady writing. Other state-mandated trainings as necessary.

Technology Highlights

Fulton Elem – Teachers have access to computers, chromebooks, tablets, Smartboards, touch panel monitors, FM communication devices, and pen readers. Students have access to Chromebooks, tablets, FM communication devices and pen readers (as needed).

WC Primary – Teachers have access to smartboards and computers as well as GoGuardian to help monitor student usage. Students are 1-1 with Google Chromebooks, iPads available, and communication devices (as needed).

Statistics Per Illinois School Report Card (2022-23)

	Fulton Elem	WC Primary
Average Class Size	19	20
Pupil/Tchr. Ratio	18:1	18:1
Teachers FTE	28	25
Administrators	2	1

Middle School Level

The following table presents data showing the distribution of teachers across 6-8 grades:

River Bend Middle School		West Carrol Middle School	
<i>Grade</i>	<i>Enrollment</i>	<i>Grade</i>	<i>Enrollment</i>
6	77	6	65
7	78	7	64
8	80	8	55

Specials Teachers	
River Bend MS	West Carroll MS
Art	Art
Chorus	Chorus
Band	Band
PE/Health	PE/Health
STEAM Lab	
MTSS/RtI (Reading, Math, and Reading/Math)	MTSS/RtI (Reading & Math)

**At Fulton Elementary, Art, Music, and PE are offered, but are very limited on availability within the schedule as those teachers are shared with the middle school and/or district-wide. For example, the Health teacher is split between all three schools within River Bend.*

Special Education

Fulton Elementary – In K-5, 80 students are currently serviced in special education through cross-categorical self-contained classrooms. In addition to their classroom instruction, students also receive speech/language pathology, OT/PT, and social work/counseling minutes. For students who require alternative placement and/or services outside of what the school provides, River Bend is part of the Bi-County Special Education Cooperative.

West Carroll Primary – In K-5, 59 students are currently serviced in special education through cross-categorical self-contained classrooms as well as an Excel program designed for autism, low-cognitive, and other students with multiple disabilities. Students also receive speech/language pathology, OT/PT, and social work/counseling minutes. For students requiring alternative placement and/or services outside of what the school provides, West Carroll 314 is part of the Northwest Special Education Cooperative.

Curricular Resources

<i>Subject</i>	River Bend MS	West Carroll MS
ELA/Reading	Amplify	StudySync
Math	Amplify	Pearson - Savvas
Science	McGraw Hill	McGraw Hill
Social Studies	Online – MyWorld Interactive American History	Houghton Mifflin

Algebra 1

River Bend MS – Currently does not offer Algebra 1 for 8th grade students. However, all students who qualify are given the opportunity to take this class at the high school.

West Carroll MS – Does offer Algebra I with the use of Savvas Algebra. During the 2022-23 school year, 92.6% of WCMS 8th graders passed Algebra 1 (state average was only 31%).

Programs/Clubs/Extracurriculars

River Bend MS – Offers band, chorus, volleyball, boys and girls basketball, cheerleading, co-ed wrestling, track and field, and game club.

West Carroll MS – Offers band, chorus, volleyball, boys and girls basketball, football, co-ed wrestling, track and field, drama club, science club, STEAM club, Scholastic club, Quiz Bowl, and Thunder Club.

Professional Development Opportunities

River Bend MS - Capturing Kids Hearts, behavioral strategies, speech/language referral process, literacy structure, literacy, reading/ELA, IEP training, evacuation & reunification training, Crisis Prevention (CPI), homelessness and all the state-mandated trainings.

West Carroll MS – Similar to the primary center, the middle school has focused on curriculum integration. Also incorporated pd for: PLC formatting to include action plans; data analysis; test prep strategies; and PBIS/Rtl character and behavior interventions.

Technology Highlights

River Bend MS – Teachers have access to computers, Chromebooks, tablets, Smartboards, touch panel monitors, FM communication devices, and pen readers. Students have access to Chromebooks, tablets, FM communication devices and pen readers (as needed).

West Carroll MS – Teachers have access to smartboards in every classroom and computers as well as GoGuardian to help monitor student usage. Students are 1-1 with Google Chromebooks, iPads available, and communication devices (as needed). WCMS also has an array of STEAM materials that include 3D printing and robotics.

Statistics Per Illinois School Report Card (2022-23)

	River Bend MS	West Carroll MS
Average Class Size	24	20
Pupil/Tchr. Ratio	18:1	15:1
Teachers FTE	13	15
Administrators	1	1

High School Level

The following table presents data showing the distribution of teachers across 9-12 grades:

Fulton High School (RB 2)		West Carrol High School	
<i>Grade</i>	<i>Enrollment</i>	<i>Grade</i>	<i>Enrollment</i>
9	69	9	86
10	73	10	67
11	57	11	61
12	70	12	63

Graduation Requirements

Fulton High School (RB 2)		West Carroll High School (WC 314)	
<i>Course</i>	<i>Yrs</i>	<i>Course</i>	<i>Yrs</i>
English/Language Arts	4	English/Language Arts	4
Math – <i>4th year is highly recommended</i>	3	Math	4
Science	3	Science	3
Social Science	3	Social Studies	3
Intro to Computers	0.5	World/Foreign Language	1
College and Career Readiness	0.5	General Electives	5
Consumer Ed	0.5	Consumer Ed	0.5
Physical Ed/Health/Safety	4	Physical Ed/Health	4
*may include Driver's Ed		*may include Driver's Ed	
Total	28.0	Total	24.5

Course Catalog

Fulton High School (RB 2)		West Carroll High School (WC 314)	
<i>Subject Area</i>	<i>Course Offerings</i>	<i>Subject Area</i>	<i>Course Offerings</i>
English/Language Arts	11	English/Language Arts	11
Math	8	Math	11
Science	11	Science	11
Social Science	7	Social Studies	12
PE/Health	4	PE/Health	3
IT, Business, & Consumer Ed	9	Career & Tech Ed (Agriculture)	14
Foreign Language (Spanish)	3	Foreign Language (Spanish)	5
Family & Consumer Science	5	Family & Consumer Science	8
Music & Drama	3	Fine & Performing Arts	8
Art	3	Fine & Performing Arts (Art)	4
Construction Trades	7	Work Study Program	2
Driver's Education	Classroom & behind the wheel	Driver's Education	Classroom & behind the wheel

**Course offerings include honors, AP, and DC/DE sections as well*

Advanced Coursework

Fulton HS (RB 2):

- Honors and Advanced Placement sections are offered in various courses.
- Dual credit offered through Sauk Valley Community College and Clinton Community College.
- Dual enrollment opportunities are offered through Sauk Valley Community College, Eastern Iowa Community Colleges, Western Illinois University, Morrison Tech, and Whiteside Area Career Center.

West Carroll HS (WC 314):

- Honors and Advanced Placement sections offered in various courses.
- Dual credit offered through Sauk Valley Community College and Highland Community College.
- Dual enrollment offered through Highland Community College “CollegeNow” Program

Vocational and CTE Opportunities

Fulton HS (RB 2) – River Bend 2 is one of 19 area school districts who partners with the Whiteside Area Career Center (roughly 28 miles to the east in Sterling, IL) to provide offerings in the following areas:

- Allied Health (various medical fields)
- Automotive Tech
- Building and Construction Trades
- Creating Entrepreneurial Opportunities (CEO)
- Computer Tech
- Cosmetology
- Criminal Justice
- Early Childhood Education
- Digital Media Arts
- Culinary Arts
- Health Occupations
- Welding, Machining, and Manufacturing

Fulton HS also offers courses through Morrison Institute of Technology (12 miles away in Morrison, IL) in the areas of Engineering Technology and Network Administration.

West Carroll HS (WC 314) – West Carroll 314 is one of six area school districts that collaborate for the Jo Daviess Carroll CTE Academy (roughly 23 miles to the north in Elizabeth, IL) to provide offerings in the following areas:

- Automotive Tech
- Computer Networking and Security
- Construction Trades
- Criminal Justice/Law Enforcement
- Early Childhood Education
- Graphic Communications
- Health Occupations

Special Education

Fulton HS – currently serves 27 students with IEPs in settings that vary from push-in supports to pull-out classes. They also offer a Directed Studies Class to learn study and organizational skills. River Bend 2 is part of the Bi-County Special Education Cooperative.

West Carroll HS – currently serves 43 students with IEPs in settings that range from push-in services to pull-out and specialized classes. West Carroll 314 is part of the Northwest Special Education Cooperative.

Programs/Clubs/Extracurriculars

Afterschool Clubs & Activities

Fulton HS (River Bend 2)	Grades	West Carroll HS (WC 314)	Grades
Building Lasting Impressions that Never Die (BLIND)	9, 11-12	Drama Club	9-12
Sophomore Leadership	10	E-Sports	9-12
After School Tutoring	9-12	Quiz Bowl	9-12
Thespians	9-12	Servant Leadership	9-12
Color Guard	9-12	Band (Marching, Pep)	9-12

FFA	9-12	Chorus	9-12
Band (Orchestra, Jazz)	9-12	Drama	9-12
Chorus	9-12		

Athletics

Fulton HS (River Bend 2)	Boys/Girls	West Carroll HS (WC 314)	Boys/Girls
Basketball	Both	Basketball	Both
Football	Boys	Football	Boys
Volleyball	Girls	Volleyball	Girls
Track & Field	Both	Track & Field	Girls
Baseball	Boys	Baseball	Boys
Softball	Girls	Softball	Girls
Golf	Both	Golf	Both
Wrestling	Co-Ed	Wrestling	Co-Ed
Cheer	Co-Ed	Cross-Country	Both
Bowling	Both	Cheer (football and basketball)	Co-Ed

Technology Highlights

Fulton HS – Teachers have access to computers, chromebooks, and variety of large classroom display panels. Students are all 1-1 with Chromebooks.

West Carroll HS – Teachers have access to smartboards in every classroom and computers as well. All students are 1-1 with Chromebooks.

Professional Development

Fulton HS – Capturing Kids Hearts, behavioral strategies, speech/language referral process, literacy structure, literacy, reading/ELA, IEP training, evacuation & reunification training, Crisis Prevention (CPI), homelessness and all the state-mandated trainings.

West Carroll HS – Curriculum scope and sequence, State Test Prep, MAP testing, Skyward training, safety & intruder trainings, and reducing student behaviors to increase engagement.

Statistics Per Illinois School Report Card (2022-23)

	Fulton HS (RB 2)	West Carroll HS (WC 314)
Average Class Size	16	17
Pupil/Tchr. Ratio	15:1	17:1
Teachers FTE	21	20
Administrators	2	1

	Fulton HS (RB 2)	West Carroll HS (WC 314)
Graduation Rate	90%	79%
9 th Grade on Track	91%	71%

Part 2: Curriculum Alignment & Articulation

The purpose of curriculum mapping is to have a written document that presents the content and skills that students should know and be able to do as a result of learning (outcome or objective). It should be created and maintained by district staff in order to match the local outcomes and expectations with the expectations set within the Illinois Learning Standards. Curriculum maps can also serve to focus teaching, learning activities, assessment, and selection of instructional materials and should provide both horizontal and vertical alignment of the respective curriculum.

“The Illinois Learning Standards establish expectations for what all students should know and be able to do in each subject at each grade. The standards emphasize depth over breadth, building upon key concepts as students advance. The standards promote student-driven learning and the application of knowledge to real world situations to help

students develop deep conceptual understanding” (Illinois State Board of Education, retrieved, December 2, 2023).

Although curriculum development efforts and alignment to the IL Standards has taken place independently by both River Bend 2 and West Carroll 314, there have been no efforts at a shared curriculum between the two districts. This would typically be important under a traditional consolidation effort, but what is being proposed in dissolution of Thomson from WC 314 and annexation into RB 2 makes this less relevant.

Articulation is the opportunity for staff to meet with other teachers with the same or related responsibilities to discuss topics of mutual interest and concern about teaching and learning. In most cases, it will be formal articulation where specific groups of teachers meet for definite lengths of time with designated topics and a clearly identified purpose. It is the formal articulation, facilitated by a curriculum coordinator and the administration, which is most crucial to the development, improvement and consistent implementation of the curriculum across the grade levels of a district.

At this period in time, articulation efforts between River Bend and West Carroll have not taken place and for the purpose of this study, are less relevant to the districts as a whole. However, they are relevant to the students from Thomson that would be transitioning from West Carroll to River Bend. With the exception of Science, there is very little in terms of shared curriculum between River Bend and West Carroll. Regardless of grade level, students from Thomson would encounter a different set of curriculum resources.

In addition to curriculum alignment and lack of articulation between the two districts, it’s also important to note the differences within district cooperatives and partnerships. This includes both districts belonging to two separate special education cooperatives as well as separate CTE/Vocational cooperatives.

Part 3: Student Achievement

The performance of students on standardized achievement tests has long been held to be an important indicator of the quality and impact of a district's curriculum on learning. However, standardized test scores are not the only, nor single most critical, source of data that should be considered when measuring areas of academic strengths and areas for improvement. The following data sets will highlight currently used assessments within in Illinois for students in elementary through high school.

Grades 3-8 - Illinois Assessment of Readiness (IAR)

In Illinois, students in grades 3-8 are assessed annually in the areas of English/Language Arts and Mathematics. Currently, the *Illinois Assessment for Readiness (IAR)* is administered annually in the spring. The IAR assesses the Illinois

Learning Standards – which incorporates the Common Core Learning Standards - and is administered annually in the spring. Using the same content and measuring the same standards ensures comparability from year to year – an essential commitment to including growth in our support and accountability system (Illinois State Board of Education).

Illinois Assessment for Readiness
 Grades 3-8 in ELA and Math
Percent of All Students Meeting and Exceeding Standards

Grade 3	Fulton Elem (RB 2)	West Carroll Primary (WC 314)
<i>ELA</i>		
2023	27.8	20.0
2022	33.4	28.6
2021	27.5	13.8
<i>Math</i>		
2023	35.2	33.9
2022	30.2	35.7
2021	29.0	20

Grade 4	Fulton Elem (RB 2)	West Carroll Primary (WC 314)
<i>ELA</i>		
2023	20.6	37.8
2022	42.2	24.6
2021	27.5	10.6
<i>Math</i>		
2023	14.7	33.3
2022	23.9	14.8
2021	29.9	10.6

Grade 5	Fulton Elem (RB 2)	West Carroll Primary (WC 314)
<i>ELA</i>		
2023	33.8	19.1
2022	26.6	4.3
2021	16.7	24
<i>Math</i>		
2023	23.4	14.7
2022	32.8	4.3
2021	20.0	10.0

Grade 6	River Bend MS (RB 2)	West Carroll MS (WC 314)
<i>ELA</i>		
2023	41.7	7.7
2022	37.9	20.4
2021	33.3	25.4
<i>Math</i>		
2023	20.8	4.6
2022	13.5	14.8
2021	17.3	15.9

Grade 7	River Bend MS (RB 2)	West Carroll MS (WC 314)
<i>ELA</i>		
2023	29.5	34.5
2022	28.1	20.3
2021	25.4	17.1
<i>Math</i>		
2023	20.8	14.5
2022	23.5	12.5
2021	14.9	6.6

Grade 8	River Bend MS (RB 2)	West Carroll MS (WC 314)
<i>ELA</i>		
2023	34.4	44.5
2022	16.4	19.8
2021	19.0	27.8
<i>Math</i>		
2023	28.6	10.6
2022	19.4	3.7
2021	13.1	4.9

Grades 5, 8 and 11: The Illinois Science Assessment

In compliance with federal testing requirements, Illinois administers a science assessment annually in grades 5, 8, and 11. The test is given online and is aligned to Illinois Learning Standards for Science – which incorporates the Next Generation Science Standards (Illinois State Board of Education).

Illinois Science Assessment - Grades 5, 8, and 11
Percent of All Students Proficient and Exemplary

	GRADE 5	GRADE 8	Grade 11
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	Fulton Elem (RB 2)	WC Primary (WC 314)	RBMS (RB 2)	WCMS (WC 314)	Fulton HS (RB 2)	WCHS (WC 314)
2023	77.9	51.4	65.6	41.6	56.9	42.2
2022	70.3	37.6	65.6	32.1	64	54.4
2021	51.5	42	61.7	42.4	26.6	16.3

Grade 11 - SAT, PSAT 10, and PSAT 8/9

The Scholastic Aptitude Test (SAT) is currently the instrument used in Illinois to assess high school students. Beginning in spring 2017, ISBE began requiring all public-school students in grade 11 to take the SAT with Essay, unless the student takes the grade 11 DLM-AA instead. Additionally, some public-school students in grade 12 may also be required to take the SAT with Essay or DLM-AA, as appropriate (Illinois State Board of Education).

Scholastic Aptitude Test – Grade 11
Percent of All Students Meeting and Exceeding

	Fulton HS (RB 2)	West Carroll HS (WC 314)
<i>ELA</i>		
2023	36.2	20.0
2022	27.5	21.1
2021	41.8	17.3
<i>Math</i>		
2023	24.6	12.8
2022	25.8	19.2
2021	30.9	11.5

Summative Designations

Starting in 2018, every school in Illinois receives an annual Summative Designation, which is a measure of progress in academic performance and student success. Summative designations help families and communities understand how well schools are serving all students. Illinois has four summative designations within the statewide school accountability system: Exemplary, Commendable, Targeted, Comprehensive & Intensive.

Further information on how each designation is categorized can be found at : <https://www.isbe.net/Documents/2023-Annual-Summative-Designations.pdf>

	2023	2022
River Bend 2:		
Fulton Elem (RB 2)	Commendable	Commendable
RB Middle School	Commendable	Commendable
Fulton High School	Commendable	Commendable
West Carroll 314:		
WC Primary	Commendable	Targeted
WC Middle School	Commendable	Commendable
WC High School	Commendable	Commendable

Part 4: Effects of Reorganization on Curriculum & Learning Opportunities

- Reorganization of any type will require discussions on curriculum articulation, textbook conversion, and other special programs that are currently offered in each district. The loss of an estimated 120-140 students from West Carroll 314 and addition of those students into River Bend 2 will have an impact on curricular resources.

For River Bend 2, this would include the purchasing of additional textbooks, workbooks, and digital licenses for all applicable software programs (including all enrichment and student management programs). For West Carroll, they would see a savings in digital licenses, but would also see a large number of textbooks that go unused unless they can partner with a vendor and sell those resources.

- Both districts have aligned their curriculum to the Illinois Learning Standards. If reorganization were to take place, that will help prepare all students for the Illinois state assessments, including those transferring from Thomson. However, it may take some time for those students to adapt to new curriculum resources in terms of the language and expectations used by various curricula.
- For West Carroll, the loss of Thomson would have little to no impact on their cooperatives. However, River Bend would likely require increased costs related to additional services and programming within the Bi-County Special Ed Cooperative. River Bend would also potentially require more seats within the Whiteside Area Career Center and/or Morrison Institute of Tech.
- The loss of students to West Carroll would potentially have the opposite effect as above and could mean the loss of sections/courses. This would be particularly concerning at the high school level, where student enrollment in sections will dictate whether that course can be offered or not.
- River Bend would see an increase in cost to send students to Whiteside Area Career Center.
- West Carroll would see a decrease in their vocational expenses for the Joe Davies Center.

Physical Learning Environment

The impact of space and classrooms should be considered as they do impact learning opportunities. The addition of an estimated 120-140 students across all grade levels within River Bend will impact student-to-teacher ratios, numbers of sections offered, number of teachers, number of support staff and student services (ie – speech, social work, nursing, specials teachers). This would reasonably translate into the need for more classrooms, office areas and/or space to house those additional services.

In touring the facilities and speaking with both building level administration and Superintendent Hogue, River Bend is very tight on space. Using an estimate figure of 120-140 students, Sup. Hogue estimates at least 7 sections would need to be added on K-8. The elementary is set to expand by 4 classrooms, but that is in response to current

circumstances and not considering absorbing additional students from Thomson. Classrooms at Fulton Elementary are on the smaller side and were very tight on space with numbers in the low 20's, so creating class sizes in the mid to upper 20's within the current setup would create definite challenges to the learning environment.

At River Bend Middle School, space continued to be a key challenge that was highlighted. Classrooms are also on the smaller side and there are no available classrooms to expand sections if/when needed. The gym is small and scheduling is already limited due to having a shared PE teacher - the gym is used by the elementary school in the afternoons. Also shared with the elementary is the cafeteria space, creating additional scheduling/space problems.

The construction of 4 classrooms at the high school and 3 classrooms at the middle school would be necessary.

The West Carroll physical learning environment has the board-approved 25-26 plan which includes:

1. closure of current HS 9-12 at current Middle School in Mt Carroll
2. K-8 at current Primary in Savanna
3. Possibly Pre-K at re-purposed HS building in Savanna

SCHOOL ENROLLMENT HISTORY AND FORECAST

Introduction

School enrollment history and a forecast for future enrollment are important factors to calculate when a district is considering the viability of reorganization. For this particular study, the schools are not considering consolidation which changes the way the information is presented. The potential impact of the detachment is that the receiving district needs to be able to accommodate the numbers. The projected increase in enrollment for River Bend will impact the number of teachers and classrooms required and the transportation needs. The breadth of the curriculum and the level of financing that will be required are also a critical issue. Transportation can be impacted as the number of buses and routes required to meet the student needs is directly related to the size and location of the student population. The building and transportation needs will be addressed in separate sections later.

Census Bureau Data

In developing this study, data from the U.S. Census Bureau and student enrollment provided by each of the districts was used. While the census data is relatively accurate, it is compiled by counties and not by school districts and this

requires analysis and manipulation of the data so it will be meaningful. Table 1 displays the Census Bureau population figures for Whiteside and Carroll Counties, 2010 - 2030.

The county populations decreased by 8,879 during this time frame which is reflected by the student enrollments of the districts in this study with the combined five-year decrease of 87 Pre-K to 5 students from 2019-20 to 2023-24, 42 at the Middle School (6-8) level and 49 students at the combined 9 - 12 levels.

It is important to note that the student populations of River Bend/Fulton increased at the elementary and middle school sites and the population at the high school increased by 2 during this time. The transfer of the Thomson students from West Carroll would further reduce their overall population while increasing the growing numbers for Fulton/River Bend.

TABLE 1
Census Bureau County Population
2010-2030

County Name	Year					Loss
	2010	2015	2020	2025	2030	
Whiteside	58498	57079	54326	52395	50519	7979
Carroll	15400	14600	15700	15100	14500	900
Total	73898	71679	70026	67495	65019	8879

<https://worldpopulationreview.com/us-counties/il/whiteside-county-population>

<https://worldpopulationreview.com/us-counties/il/carroll-county-population>

Table 2 provides a more focused picture of the population trends for the individual communities in this study. As shown in Table 2, from 2010 to 2025 the population decreased by 4 for all of the communities combined. When disaggregated by communities, the West Carrol communities show a loss of 825 while the Fulton/River Bend communities show a gain of 829. This gain was the result of an increase in the population of Thomson between 2015 and 2020.

TABLE 2
 Census Bureau
 City Populations
 2010 to 2025

VILLAGE	Population Estimates				
	2010	2015	2020	2025	LOSS/GAIN
Albany	903	889	859	824	-79
Fulton	3,500	3,400	3,600	3,400	-100
Garden Plain	1,044	973	965	959	-85
Mount Carroll	1,800	1,680	1,470	1,560	-240
Savanna	3,100	2,900	2,800	2,600	-500
Thomson	592	563	1,592	1,600	1,008
TOTAL	10,939	10,405	11,286	10,943	4

<https://worldpopulationreview.com/us-cities/albany-il-population/>
<https://worldpopulationreview.com/us-cities/fulton-il-population/>
<https://worldpopulationreview.com/us-cities/savanna-il-population/>
<https://worldpopulationreview.com/us-cities/thomson-il-population/>
<https://worldpopulationreview.com/us-cities/gardenplain-il-population/>
<https://worldpopulationreview.com/us-cities/mountcarroll-il-population/>

Using the number of live births in Whiteside and Carroll Counties provided a base from which to develop a percentage that helps predict the number of students who will enter Kindergarten and Pre-Kindergarten. These live birth numbers, shown in Table 3, are combined with other factors such as housing increases, industrial growth and the general economic status of the region to make Kindergarten projections.

TABLE 3
 Live County Births

COUNTY	LIVE BIRTHS	Projected
--------	-------------	-----------

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Whiteside	620	582	607	644	593	625	588	528	542	526	558	604
Carroll	139	156	138	143	127	134	135	133	132	135	128	131
Total	759	738	745	787	720	759	723	661	674	661	686	735

<http://www.dph.illinois.gov/data-statistics/vital-statistics/birth-statistics>

The number of live births in Table 3 were divided into the enrollments of each elementary school in these districts at the Kindergarten level five years later resulting in a ratio/percentage of births to Kindergarten population (Table 4). The five-year average was determined, and these percentages were applied to the live-birth statistics provided by the Census Bureau to project enrollment projections for 2024-25 to 2028-29 Kindergarten students.

TABLE 4
Ratio of Live Births to
Kindergarten Population

K projections from live birth		
YEAR	W Carroll	River Bend
2024-25	9.7%	5.9%
2025-26	8.9%	8.4%
2026-27	9.0%	10.2%
2027-28	8.1%	7.5%
2028-29	8.9%	9.7%
Mean	8.9%	8.4%

Enrollment

Enrollment history for the schools in this study is provided to determine the patterns of growth that have occurred over the past five years (Table 5). As previously noted, this data shows the student enrollments of the districts in this study with the combined five-year decrease of 87 Pre-K to 5 students from 2019-20 to 2023-24, 42 at the Middle School (6-8) level and 49 students at the combined 9 - 12 levels.

However, the student populations of River Bend/Fulton increased at the elementary and middle school sites and the population at the high school increased by

2 during this time. The transfer of the 134 Thomson students from West Carroll would further reduce their overall population while increasing the growing numbers for Fulton/River Bend.

**TABLE 5
STUDENT ENROLLMENT CHANGES**

Year	River Bend Elementary	W Carroll Primary	TOTALS
2019-20	394	518	912
2020-21	395	465	860
2021-22	398	460	858
2022-23	413	460	873
2023-24	412	417	829
PROJECTED			
2024-25	412	417	829
2025-26	428	398	827
2026-27	438	399	837
2027-28	413	384	797
2028-29	410	387	797

YEAR	W Carroll MS	River Bend MS	TOTAL
2019-20	248	209	457
2020-21	227	198	425
2021-22	222	204	426
2022-23	200	218	418
2023-24	179	236	415
PROJECTED			
2024-25	121	224	345

2025-26	95	202	297
2026-27	91	181	272
2027-28	102	198	300
2028-29	100	211	311

YEAR	W CARROLL H.S.	FULTON H.S.	TOTALS
2019-20	327	269	596
2020-21	297	288	585
2021-22	277	259	536
2022-23	301	253	554
2023-24	276	271	547
PROJECTED			
2024-25	241	275	517
2025-26	233	291	524
2026-27	222	301	523
2027-28	182	300	482
2028-29	187	275	462

The projections for the student population indicate that the negative trend for student enrollment will continue for both districts except for Fulton H. S. where it will increase by 5.

The methodology by which these projections were made will be discussed in the following section with data sheets and graphs provided for further clarification.

Cohort Survival Projection Methodology

A projection for future enrollments was made using the cohort survival method which has been shown to be the most reliable projection method and is the method used by the Census Bureau. This method uses the historical records for a cohort (e.g. first grade) and determines what percentage of this cohort survives (moves on) to the next cohort (e.g. second grade). Kindergarten projections were made using live birth data from five years earlier and comparing this to the number of children who registered for kindergarten five years later. The percentage factors used for each grade were determined by looking at the five-year growth percentages and are shown in the Table 6 grouping below. A percentage below 100% indicates the classes got smaller over the period of time the cohort was measured. Likewise, a percentage over 100% indicates that cohort (grade) increase in numbers as they moved to the next grade.

**TABLE 6
PERCENTAGE FACTORS FOR GROWTH PROJECTIONS**

K projections from live birth		
YEAR	W Carroll	River Bend
2024-25	9.7%	5.9%
2025-26	8.9%	8.4%
2026-27	9.0%	10.2%
2027-28	8.1%	7.5%
2028-29	8.9%	9.7%
Mean	8.9%	8.4%

ENROLLMENT PERCENTAGE PROJECTIONS FULTON ELEMENTARY					
K	K TO 1	1 to 2	2 to 3	3 to 4	4 to 5
8.38%	103.72%	104.00%	100.41%	106.30%	98.28%

WEST CARROLL ELEMENTARY PROJECTIONS					
K	K TO 1	1 to 2	2 to 3	3 to 4	4 to 5
8.94%	94.46%	91.89%	97.65%	92.86%	96.75%

River Bend M. S.		
5 to 6	6 to 7	7 to 8
95.24%	101.05%	101.82%

WEST CARROLL M. S.		
5 TO 6	6 TO 7	7 TO 8
98.17%	94.58%	97.91%

ENROLLMENT PROJECTIONS FULTON H. S.			
8 to 9	9 to 10	10 to 11	11 to 12
104.04%	95.7%	95.9%	96.7%

West Carroll H. S. Enroll Projections			
8 TO 9	9 TO 10	10 TO 11	11 TO 12
116.8%	78.9%	84.8%	91.7%

Once the growth percentage factors were determined, they were applied to the individual schools within the districts and the results of these projections are on the following pages. Table 7 shows the current and projected numbers for the schools/buildings in this study.

TABLE 7
CURRENT AND PROJECTED STUDENT POPULATIONS

RIVER BEND - FULTON ELEMENTARY								
YEAR	Pre-k	K	1	2	3	4	5	TOTAL
2019-20	9	45	63	69	66	79	63	394
2020-21	5	62	49	62	72	70	75	395
2021-22	12	76	58	53	62	73	64	398
2022-23	11	59	80	62	54	69	78	413
2023-24	8	71	64	83	59	58	69	412
PROJECTED								
2024-25	9	60	74	67	83	63	57	412
2025-26	8	64	63	77	67	89	62	428
2026-27	11	61	66	65	77	71	87	438
2027-28	9	55	63	69	65	82	70	413
2028-29	12	56	57	65	69	69	80	410

WEST CARROLL PRIMARY								
YEAR	Pre-K	K	1	2	3	4	5	TOTAL
2019-20	92	74	60	83	74	61	74	518
2020-21	78	66	68	55	69	75	54	465
2021-22	83	67	61	61	53	61	74	460
2022-23	80	64	70	56	70	49	71	460
2023-24	72	64	57	66	57	62	39	417
PROJECTED								
2024-25	68	59	60	52	64	53	60	417
2025-26	65	60	56	56	51	60	51	398
2026-27	72	59	57	51	54	47	58	399
2027-28	68	61	56	52	50	50	46	384
2028-29	66	66	58	51	51	47	49	387

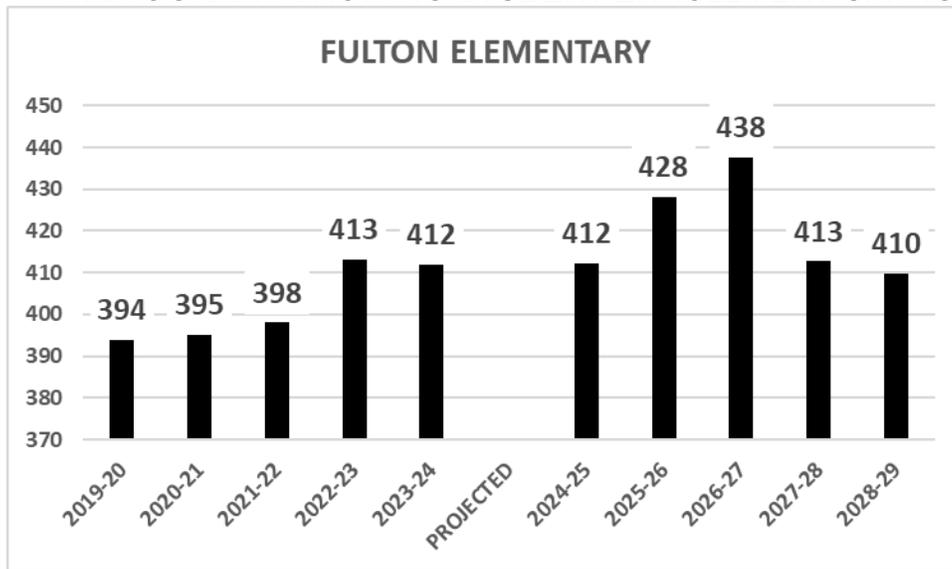
WEST CARROLL MIDDLE SCHOOL				
YEAR	6	7	8	Total
2019-20	90	71	87	248
2020-21	70	86	71	227
2021-22	63	71	88	222
2022-23	72	59	69	200
2023-24	63	63	53	179
PROJECTED				
2024-25	38.28571429	60	62	121
2025-26	59	36	58	95
2026-27	50	56	36	91
2027-28	57	48	55	102
2028-29	45	54	47	100

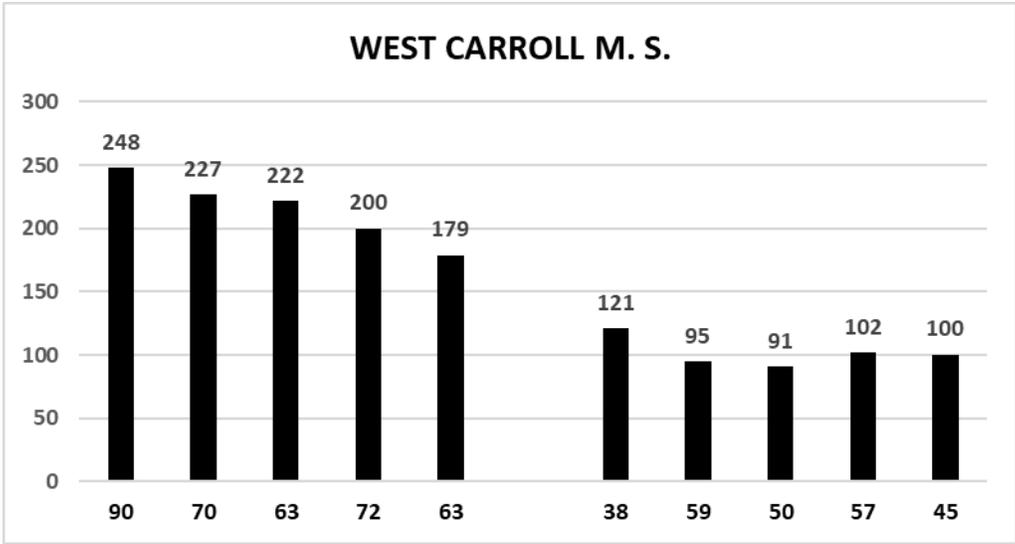
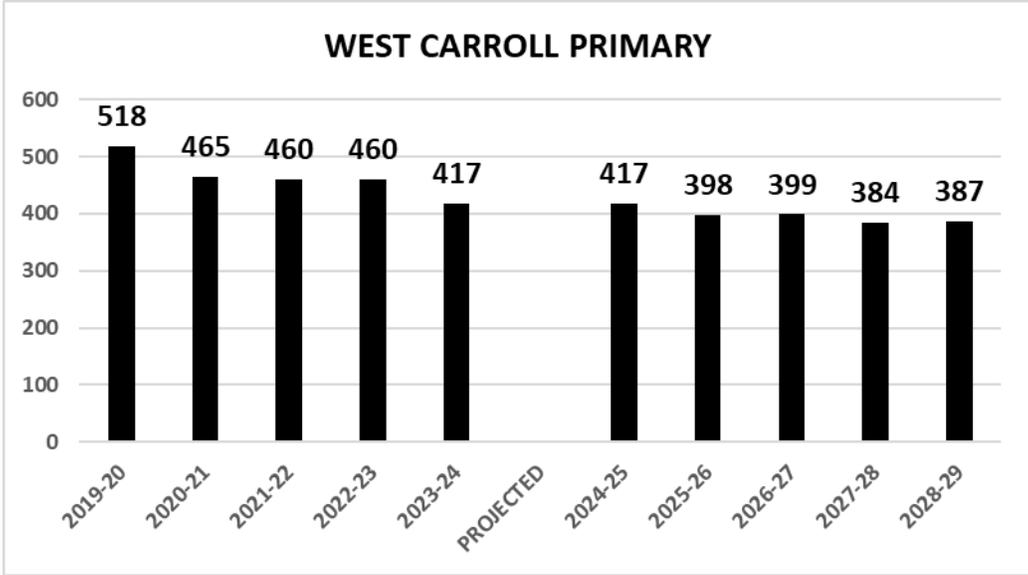
FULTON HIGH SCHOOL (RB)					
YEAR	9	10	11	12	TOTAL
2019-20	67	72	72	58	269
2020-21	86	66	70	66	288
2021-22	57	75	62	65	259
2022-23	70	56	67	60	253
2023-24	68	71	59	70	268
PROJECTED					
2024-25	83	65	68	57	273
2025-26	80	79	62	66	287
2026-27	82	77	76	60	295

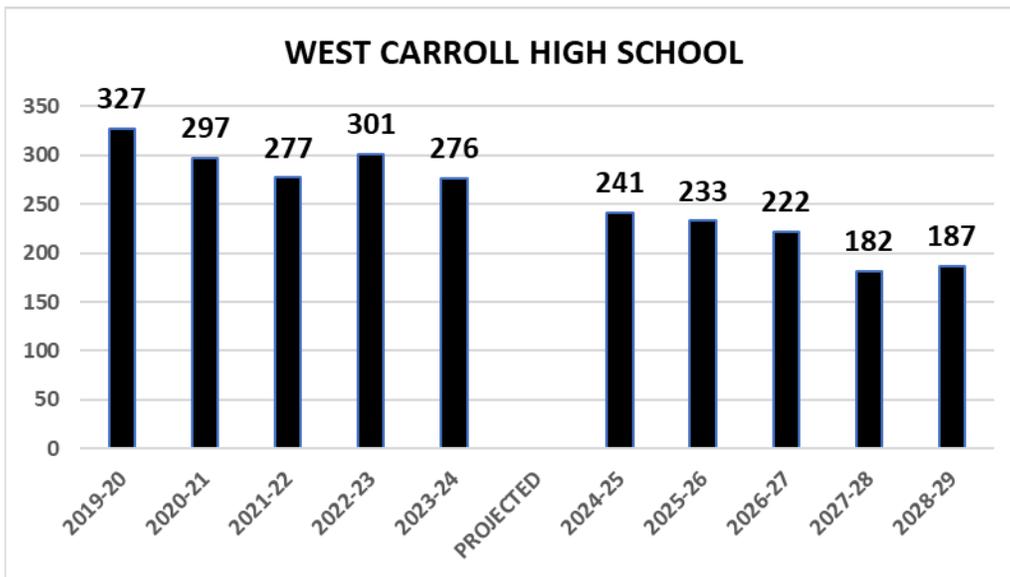
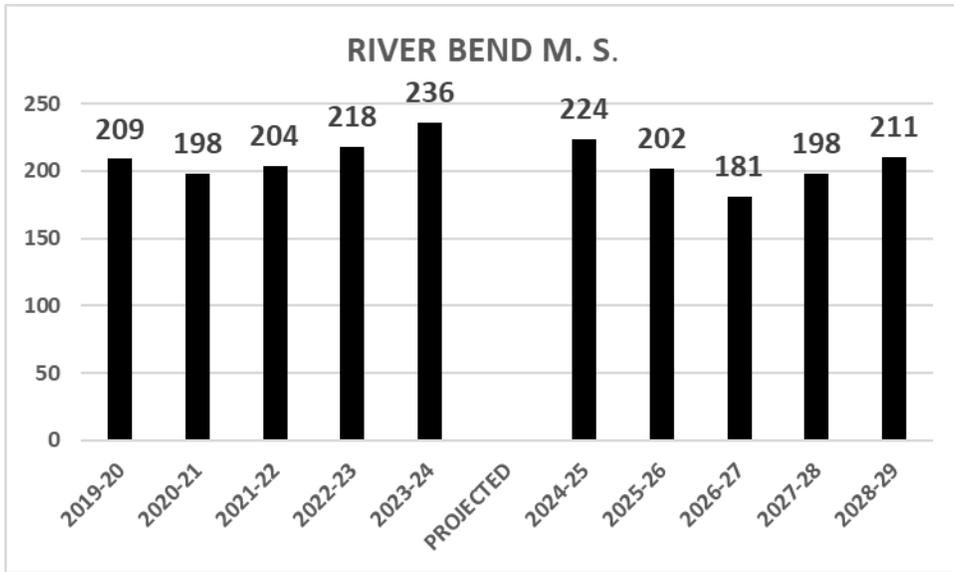
2027-28	70	79	73	73	295
2028-29	57	67	75	71	270

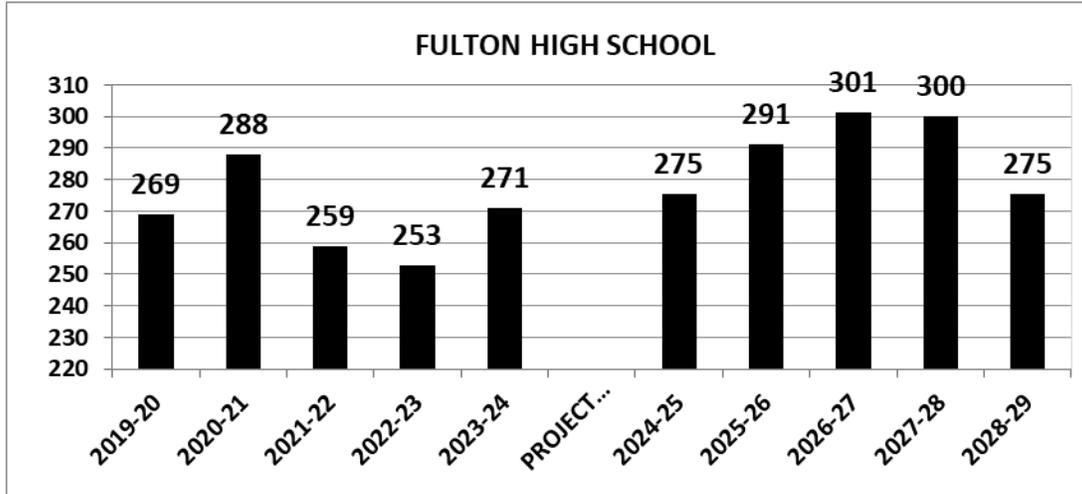
WEST CARROLL HIGH SCHOOL					
YEAR	9	10	11	12	TOTAL
2019-20	82	71	89	85	327
2020-21	94	72	57	74	297
2021-22	87	74	56	60	277
2022-23	97	72	75	57	301
2023-24	90	66	57	63	276
PROJECTED					
2024-25	62	71	56	52	241
2025-26	72	49	60	51	233
2026-27	68	57	41	55	222
2027-28	42	54	48	38	182
2028-29	64	33	46	44	187

FIGURES 1 - 6
HISTOGRAMS SHOWING STUDENT ENROLLMENT CHANGES









Enrollment Summary

Enrollment is a critical factor as one looks at these two school districts and the impact the detachment could have on each district. As previously noted, the student populations of River Bend/Fulton increased at the elementary, middle school and high school sites. The transfer of the Thomson students from West Carroll would further reduce the student population at West Carroll while increasing the growing numbers for Fulton/River Bend.

The impact that moving the Thomson students would have on the cost to the River Bend district on buildings and transportation of the students will be addressed in the following sections. The current number of students in each grade are listed below.

1: 12 2: 10 3:10 4: 7 5: 7 6:14 7: 12 8: 11 9:16 10: 12 11: 15 12: 8 Total: 134

DISTRICT FACILITIES

This section will review and summarize these areas by district and building in order to provide this information to the boards and voters. Given this study is looking at a detachment rather than a consolidation, the focus will be on the current facilities, the classroom space available and any additional housing needs that would arise when 140 students leave one district and go to another.

WEST CARROLL SCHOOL DISTRICT #314

West Carroll School District consists of West Carroll Primary and West Carroll High School located in Savanna, Illinois and West Carroll Middle School located in Mt.

Carroll. The high school was built in 1954 and has several construction issues. Because of the age and these issues, the intent is to close this building and move the high school to, what is now, the middle school at the start of the 2025-26 school year. Three science labs at the middle school will be remodeled during the summer of 2024 in preparation for this move. If classroom space permits, the Pre-kindergarten class will be moved to the high school. If the detachment is approved, the loss of 51 high school students would likely provide additional classroom space.

The current primary school in Savanna will house the K-8 student population and a multipurpose room and four classrooms will be added. **Funds are available for the district to make these additions.**

Dr. Gilliland created and shared these schematics for the proposed changes to the buildings which will be ready for the 2025-26 school year. The pictures were taken by the author.

The River Bend school district consists of four buildings located in Fulton, Illinois. These are Fulton Blended Pre-school, Fulton Elementary School (FEW) River Bend Middle School (RBMS) and Fulton High School. The district has spent \$277,298 on identified health life safety issues with \$27,962 items remaining. A new health life safety survey will be completed in 2024. The roofs are the next item to be addressed and the parking areas need to be resurfaced.

The financial impact of having the Thomson students enter the River Bend District is the main focus of this study. Dr. Hogue and Principal Jeffrey Hoese provided the following highly detailed list of needs should the detachment be approved.

- Per Illinois State Board of Education (ISBE) guidelines, the recommended school counselor to student ratio is 250:1. FES is currently at 403:1 while anticipating the addition of 60-70 students. No counseling services are currently provided for preschool students. With an enrollment of 460+ in grades K-5, **the district would need to add another counselor at FES.**
- With an additional counselor added, the district would need an office location. The only available space would be the room designated as the SEL calm down space for students in crisis. This could potentially be negated with the additional counseling services available.
- Per ISBE guidelines, the caseload cap for a Speech Language Pathologist (SLP) is 60. The current SLP has a caseload of 47. The district is doubling the enrollment at the preschool, where SLP services are frequently needed. **The district may approach or exceed the caseload cap.**
- FES, would be able to shift the proposed *Outside Services* room to become a classroom. Doing so would limit where they can host staff from Bi-County, Sinnissippi, etc.
- **The district would still need another classroom space with increased enrollment. The cost for this would need to be determined by the district through a bidding process.**
- **The district would need to add two new teachers (and potentially paras - \$15/hour each)* as well.**
- **The addition of at least four (4) classrooms would be necessary at the high school.**

The assessment of the **middle school** is that they would need multiple classroom spaces built in order to accommodate the increased enrollment. **The middle school will need to add a minimum of three classrooms for the additional sections in 6th, 7th and 8th grade.** With only one set of restrooms for students another set of male and female bathrooms be needed. **A new gym will be needed to accommodate the additional students.** The current gym is small and additional students participating in activities will require a space. Special education spaces may be needed to be added as well. **(Cost to be determined through the bidding process).**

The assessment of Fulton High School is that with the addition of an English, Math, history and ½ Spanish and potential special education staff. Three existing rooms could be converted to classrooms. Additional staff would need to share rooms. Fulton High School as very little ability to add classrooms. The library could be reduced in size to add a classroom.

SUMMARY

A summary of the instructional needs indicates **adding 8 new teachers at Fulton Elementary School and River Bend Middle School and Fulton HS will also need 3-5 new staff members in the English, Math, history, special education, health/driver's ed, and foreign language departments. If each of these new hires were first year teachers, the cost including salary and benefits, would be \$50,000/teacher. This base salary (which will likely be low since finding first year teachers is very difficult) would result in an initial MINIMUM cost to the River Bend district of \$650,000/year (12 teachers + 1 counselor). Again, this is based**

on all new-hires being first year teachers and is the MINIMUM increase for the district. This would be an annual cost that would increase with each year. The additional cost for the paras would depend on the final determination of how many are needed. This would equal \$16.00/hour for each para needed. Finally, the construction of at 4 classrooms at the high school and 3 classrooms at the middle school would be necessary. The cost for this construction depends on the bidding process which looks at the size of the classroom, the needs of the students within that classroom, state mandates for construction and the cost of materials.

The construction would require the district to issue bonds to pay for these additional classrooms. Should the detachment be approved, the housing of the additional students would be an issue for the district and the board to resolve.

TRANSPORTATION

This study will address changes in transportation that would occur should the detachment of the Thomson community districts in this study be approved. The complete summary is found in Table 6 which immediately follows this section.

Table 1 shows the cost for the regular route transportation for the 2022-23 school year. There would be an increase for River Bend and a decrease for West Carroll should the detachment be approved. This regular route cost per mile was used to determine any additions or reductions in cost for the districts.

TABLE 1
REGULAR ROUTE EXPENDITURES

Regular Route Information		
	River Bend	West Carroll
# Students Transported	780	488
Cost	\$387,013	\$215,933

Cost/student	496	442
Regular Route Miles	113,416	52,105
Cost/mile	\$3.41	\$4.14

**TABLE 2
REGULAR ROUTE INCREASE FOR FULTON/RIVER BEND
IF DETACHMENT APPROVED**

Thomson to Fulton Increase					
		Miles between Thomson and Fulton	Number of busses required	Additional cost (Miles between schools x 2 x average cost/mile x # busses x 176 days)	TOTAL EXTRA COST
Total Cost	\$387,013				
Total Miles	\$113,416				
Average/mile	\$3.41				
		10*	3	\$36,009.60	\$36,010

- Distance is 8 miles. Added 2 miles to account for students needing to get to school.
- Would need to purchase (\$145,000 each) or lease (\$27,000 each) 3 buses
- Hire 3 drivers (\$37,000 each) = total \$111,000
- Build bus garage for new buses – would bid this.
- Need van for new Pre-K students (\$46,000)
- TOTAL ADDITIONAL FUNDS NEEDED: \$274,010 (Not including bus garage)

**TABLE 3
REGULAR ROUTE DECREASE FOR WEST CARROLL
IF DETACHMENT APPROVED**

(\$77,314)

Thomson to Savannah Savings					
		Miles Thomson to Savannah	Number of busses	Reduction (Miles to Savanna x 2 x average cost/mile x # busses)	TOTAL SAVINGS
Total Cost	\$215,933				
Total Miles	52,105				
Average/mile	\$4.14				
	351086	10	2	\$55,433	\$55,433

Thomson to Mt. Carroll Savings					
		Miles between Thomson and Mt. Carroll	Number of busses required	Additional cost (Miles between schools x 2 x average cost/mile x # busses x 176 days)	TOTAL EXTRA COST
Total Cost	\$215,933				
Total Miles	52,105				
Average/mile	\$4.14				
		15	1	\$21,881.32	\$21,881

Approval of the detachment would result in an increase in transportation expenses for the River Bend School District of \$274,010 as shown in Table 1. This detachment would result in a reduction of transportation costs of \$77,314 for the West Carroll District as shown in Table 2. The differences between the increase and decrease are a result of differences between the distances traveled, the number of busses required and the per mile cost.

The total cost of transportation for the Special Education Students (Table 3) will not change for either district. The lack of change occurs because the increase or decrease in transporting these students does not require an additional bus.

TABLE 3
SPECIAL EDUCATION TRANSPORTATION

Special Education Information		
	River Bend	West Carroll
# Students Transported	30	53
Cost	\$440,525	\$246,453

Total miles	147,252	82,760
Cost/student	\$14,684.17	\$4,650.06
Cost/mile	\$2.99	\$2.98

Table 4 shows the non-reimbursable costs for transportation. These costs include transporting students who reside beyond the defined regulations provided by the state. This would include transporting students who live less than 1.5 miles from a school when there is no identified danger or hazard for those students who walk to school. No significant change is anticipated in this fund.

Table 5 shows the current transportation costs for the vocational students. It is projected that there would be no additional cost in this fund since the additional students would not result in the need for an additional bus.

**TABLE 4
NONREIMBURSABLE TRANSPORTATION COST**

Non-reimbursable Transportation Information		
	River Bend	West Carroll
Transportation costs	\$52,473	\$106,021
Transportation miles	\$59,454	\$46,179
Cost/mile	\$0.88	\$2.30
TOTAL COST - ALL AREAS	\$52,474	\$106,023

**TABLE 5
VOCATIONAL TRANSPORTATION COST**

Vocational Transportation Information		
	River Bend	West Carroll
# Students	21	22
Total Miles	7404	5972
Total Cost	\$32,443	\$23,137
Cost/mile	\$4.38	\$3.87
Cost/student	\$1,545	\$1,052

- River Bend would see an increase of \$1,200 for each student from Thomson who uses the vocational services. This increase would vary with each year depending on the number of students who access these services.

TRANSPORTATION SUMMARY

Approval of the detachment would result in an increase in transportation expenses for the River Bend School District of \$274,010 as shown in Table 1. This detachment would result in a reduction of transportation costs of \$77,314 for the West Carroll District as shown in Table 2. The differences between the increase and decrease are a result of differences between the distances traveled, the number of busses required and the per mile cost. There are no anticipated increases or decreases in transportation costs for special education, vocational or non reimbursed expenses should the detachment be approved. There could be an increase in student cost associated with those students who access the Vocational Program at \$1,200/student.

Financial Considerations and Comparisons

In this part of the report the consultants have attempted to provide the readers with all the pertinent data necessary to make judgments about the impact the detachment of Thomson would have on both school districts. This part of the report will have a number of tables showing comparative data. Occasionally space requirements made it necessary to use just the official number designation of the districts as follows:

River Bend CUSD #2

West Carroll CUSD #314

Section 1

This section of the report will address comparative financial data between the districts. An attempt has been made to draw analogous data between the school

districts, which might become issues for discussion by the respective Boards of Education and/or citizens in the communities involved in the study.

This section will separate the financial issues, conclusions and comments regarding the impact of the detachment on both school districts.

General District Comparisons 2021-2022

	River Bend CUSD #2	West Carroll CUSD #314
Average Daily Attendance	889	916
Evidence Based Funding Revenue	111,131	27,434
EBF Revenue/Per Student	125	30
Total District Expenditures	17,334,411	17,713,554
Operating Expense Per Pupil	11,537.65	15,183.29
Assessed Valuation Per Pupil	149,845	160,020
EAV 2020-2021	133,212,379	146,579,227

- The average daily attendance indicates the two districts are similar in the enrollment size.
- The very important Operating Expense Per Pupil varies between River Bend and West Carroll. This is an extremely important variable and indicates the average cost to educate a student per district. River Bend has a lower Operating Expense Per Student. This relative cost to educate a student annually is generally reflective of the ability of a district to generate more revenue per student.
- The Assessed Valuation Per Pupil indicates that West Carroll has a higher EAV/per pupil. This figure normally denotes the relative reliance on local property taxes per student enrollment.

- EBF funds for the districts are significantly disparate with River Bend getting more in EBF annually but they have a lower student enrollment. EBF will be recalculated after a successful detachment. It is unknown at this time the actual amounts of change that will occur if the detachment is approved.

Evidence Based Funding Comparisons (2020-21)

	River Bend CUSD #2	West Carroll CUSD #314
EBF 22-23	111,131	27,434
Average Daily Attendance 2022-2023	889	916
ADA 2021-2022	871	967
ADA 2020-2021	915	1024
Personal Property Replacement Tax 2022-23	464,532.43	786,092.35
Operating Tax Expense Per Pupil	11,537.65	15,183.29

- The student populations of River Bend/Fulton increased at the elementary and middle school and high school sites. The transfer of the approximate 134 Thomson students from West Carroll would further reduce their overall population while increasing the growing numbers for Fulton/River Bend.
- Both districts receive revenue from the Personal Property Replacement Tax with West Carroll getting the higher amount. The following is a definition of Personal Property Replacement Tax; “The Illinois Constitution of 1970 abolished the corporate personal property tax in Illinois as of January 1, 1979, and provided for the replacement of revenues derived from this tax by creation of the Personal Property Replacement Tax. The Department of Revenue certifies each taxing district’s share of the replacement revenues collected by the state at that date. Payments are made eight times per year to approximately 6,700 units of local government and school districts.”
- The relative share of the state revenue continues to be the same percentage as allocated in 1979. Therefore, districts having a larger allocation at that time will continue to receive that percentage of the annual state revenue regardless of a loss in EAV. *Until the State of Illinois changes its formula for this revenue source, these districts will continue to receive the same combined revenue from this source.* This annual amount would not be affected by consolidation and should continue to be allocated to the new district in the same amounts as they were allocated individually.

Tax Year 2022 Property Tax Rates/Extensions

Fund	River Bend CUSD 2	Rate	West Carroll CUSD 314	Rate
Ed.	3,424,787	2.60	4,704,702	3.25
OBM	658,611	0.50	715,010	0.49406
Trans.	263,446	0.2	286,013	0.19763
Sp. Ed.	52,690	0.03955	57,208	0.03953
Working Cash	65,861	0.05	71,507	0.04941
Bonds	687,763	0.5163	1,400,570	0.96777
IMRF	132,449	0.09942	340,008	0.23494
Social Security	163,050	0.12239	260,513	0.18001
TORT	463,640	0.3480	455,004	0.3144
Lease	65,861	0.05	71,507	0.04941
Life Safety	65,861	0.05	71,507	0.04941
Total	6,044,019	4.57566	8,434,058	5.83

- In comparing the tax rates and extensions of the school districts, there are several trends and factors that are evident from the chart. All levies for the major funds are similar except West Carroll levies much more in the Ed Fund than River Bend. The only other significant levy difference worth mentioning is the Bonds levy with West Carroll higher.
- Each district has a bond levy rate to pay off its outstanding bonds of various varieties. It can also be inferred from this that the districts have sold bonds of a variety of authorized sources, working cash, construction, life safety, etc. If the detachment is approved Thomson would be responsible for the bond rates for both West Carroll and River Bend.

- Current tax rates become an important variable that will be used to determine the increase in revenue for River Bend and decrease in revenue for West Carroll should the detachment be approved. Keep in mind that tax rates of the detached constituents will revert to the current tax rates of each district.

Audit Comparisons: Education Fund

	2021-22	2020-21
River Bend CUSD #2	3,192,448	2,642,896
West Carroll CUSD #314	7,929,683	5,361,752

This section of the financial report will deal with the audited fund balances of the districts in all funds for the last two years. These figures should be illustrative of the relative financial strength of the individual districts by fund and provides a brief illustration of past fund balances.

The education fund is by far the most important of all funds utilized by a school district. Within this fund are usually up to 80% of the revenue and expenditures for a school district. The strength of this fund will be of paramount importance in determining the financial stability of a school district.

- The education fund balances for both districts indicate that West Carroll has quite a substantial fund balance compared to River Bend. Both districts have a surplus in this most important fund over the three-year period indicating fiscal stability.

Audit Comparisons: Operations Fund

	2021-22	2020-21
River Bend CUSD #2	937,478	872,232
West Carroll CUSD #314	798,626	654,644

The Operations, Building & Maintenance Fund is the second largest and most important fund for a school district. The OBM fund and Life Safety are the funds that are utilized to maintain the district's facilities. The reader needs to keep in mind that the OBM fund normally has only one source of revenue, local property taxes, unless unrestricted funds like EBF or CPPRT are inserted into the OBM fund. Normally, with no source of state revenue as the Education and Transportation fund have, it routinely is a fund with small or negative fund balances.

- Both districts have balances in this fund. The fund balances in the OBM fund for both districts are symptomatic of districts with considerable local assessed valuation per capita. Most of its expenditures in this fund are also of a recurring nature and rise without any decision-making by the school district such as utility costs

Audit Comparisons: Transportation Fund

	2021-22	2020-21
River Bend CUSD #2	261,186	291,899
West Carroll CUSD #314	837,633	796,162

The transportation fund for the districts appears to be different scenarios for the districts in this study. The districts are experiencing a varying pattern with West Carroll increasing its surplus in the transportation fund over a three-year period, while River Bend is holding steady. It should be noted that the State of Illinois is “supposed” to pay for 80% of the annual authorized transportation costs for each school district in Illinois. Therefore, the local transportation levy normally is not required to pay for the majority of the transportation costs. Normally, the transportation fund for most school districts in Illinois does not experience the financial stress as the other major operating funds due to this “state financial assistance.” Reduced funding levels from ISBE have altered the position of the transportation fund for school districts throughout Illinois.

- Reimbursement for authorized transportation costs have been prorated at a dramatically reduced rate for past years. It has varied from about 60-80% of what the state has promised according to current state law.
- The transportation fund will undoubtedly face more fiscal stress in the future with a new transportation formula being utilized and past transportation payments lagging far behind in their reimbursement to districts. This factor alone will cause stress for all Illinois school districts
- It will be inherent that transportation funds for each district will be altered in the changing of student populations and distances, etc. It is unknown the relative financial effect of these alterations due to a detachment.

Audit Comparisons: IMRF / SS Fund

	2021-22	2020-21
River Bend CUSD #2	736,751	680,167
West Carroll CUSD #314	368,667	298,653

The Illinois Municipal Retirement Fund pays for the retirement expenses of all qualifying non-certified employees. Districts may make an “unlimited levy” to pay for concurrent Social Security costs for non-certified employees or make separate IMRF and Social Security levies for these retirement costs. Districts normally make a separate levy for Social Security. The IMRF/Social Security levy is an “unlimited levy.” That is to mean that the costs for the retirement program can be levied relative to the individual requests of the school districts. The levy amounts can be varied from year to year since the principal and interest from these funds cannot be transferred to any other fund.

Audit Comparisons: Bond & Interest Fund

	2021-22	2020-21
River Bend CUSD #2	449,930	482,497
West Carroll CUSD #314	527,403	533,548

The Bond & Interest Fund is another “unlimited levy.” It has also been described as a “self-liquidating fund” as school districts sell bonds of various kinds. The County Clerks are given, after the successful sale of the bonds, the schedule of payments for the principal and interest to pay off the bonds regardless of the amount. The only mitigating factor is the bonded debt limit, which is 13.8% of a unit-district current EAV. Generally, there are only modest surpluses in these funds as the levy is restricted by the County Clerk to the amount necessary to pay off all outstanding principal and interest on bonds. Since the EAV of each district will be affected by the Thomson detachment the bonding capacity of both districts will be altered. This will be addressed at the conclusion of this section.

Audit Comparisons: Working Cash Fund

	2021-22	2020-21
River Bend CUSD #2	856,136	787,648
West Carroll CUSD #314	2,275,188	2,192,400

Districts may sell Working Cash Bonds and then “abate” which means partially transfer working cash funds during a fiscal year or totally abolish the fund and put the balance into the educational fund in the month of June. The amount of bonds, bonded debt limit for the working cash fund, is 85% of the education fund extension from the previous year plus 85% of the amount received in personal property replacement taxes from the previous year. Thus, there is a separate bond limit for working cash bonds in this fund comparison.

In addition to serving as a “loaning fund” for the other operating funds, the Working Cash fund is a method to generate operating revenue for the other operating funds with its independent bond sale authority plus its ability to permanently transfer all (abolish) or part (abate) of its fund balance during the fiscal year.

The working cash fund is essentially a “loaning fund” for other district funds in financial need. It appears that both districts levy in this fund and both have allowed their balances to accrue.

Audit Comparisons: Tort Fund

	2021-22	2020-21
River Bend CUSD #2	440,259	448,804
West Carroll CUSD #314	538,120	463,117

The Tort Fund is a levy in which payments for district insurance coverage is usually paid as well as costs for Unemployment Compensation and Workman’s Compensation coverage. In addition, it is here that many districts utilize a Risk Management Plan to cover costs related to maintaining the safety and security of the facilities and staff.

Audit Comparisons: Capital Projects Fund

	2021-22	2020-21
River Bend CUSD #2	1,049,614	808,250
West Carroll CUSD #314	4,316	3,813

The Site & Construction Fund encompasses funds sold for the construction of school district facilities. It does not appear that West Carroll uses this fund or has any capital projects prepared for the near future.

Audit Comparisons: Fire and Safety Prevention Funds

	2021-22	2020-21
River Bend CUSD #2	383,990	362,749
West Carroll CUSD #314	403,933	369,816

This fund is maintained by the annual levy of \$.05 for all districts or by the sale of bonds up to an individual district's bonded debt limit and approval by the architect, ROE and ISBE. This fund is used to renovate district facilities and complete required alterations from the Ten Year Life Safety Survey. All expenditures from the Fire and Safety fund must be approved by a licensed architect/engineer, the Regional Office of Education as well as the Illinois State Board of Education.

It appears that both districts have utilized this fund.

Comparison of Equalized Assessed Valuations

The author will examine the EAV of each of the districts over the last three years. Normally, the EAV of a school district will not make dramatic increases or decreases without special circumstances. However, as the author will point out, the districts have realized a steady increase in EAV in the recent past.

Equalized Assessed Valuations

	2022	2021
River Bend CUSD #2	133,212,379	130,815,934
West Carroll CUSD #314	146,579,227	141,177,116

2022 Equalized Assessed Valuation

River Bend CUSD #2	133,212,379
West Carroll CUSD #314	146,579,227

	Total	Total Extension
River Bend CUSD #2	4.57566	\$6,095,345
West Carroll CUSD #314	5.83	\$8,545,568

Other Financial Considerations

Another area that needs to be explained is the current bonded debt of the districts. In the case of detachment, will taxpayers in the community that is detaching be responsible for the debt that has been previously accumulated in the district they will attach to? **THAT ANSWER IS YES.** (SEE LETTER FROM CHAPMAN AND CUTLER)

The county clerk will continue to levy enough funds to pay the principal and interest of the previous bonded debt until it is paid in full.

Conclusions

This is a detachment of territory which moves students from one district another. The consultants have addressed the net effect of this transfer and the changes in revenue are shown in the Tables below. **The consultants do not believe that the detachment is in the best interests of the districts or its constituents.**

The resulting detachment would require the River Bend School District to incur additional capital costs to accommodate the influx of new students and hire additional staff that, as explained in the Facilities Section, would result in a minimum increase of \$650,000/year just for the addition of the additional staff. This amount would continue to rise and, while there is a projected balance of \$958,720.35, the balance of funds would not cover the cost of adding four more classrooms OR a bus garage for the new buses. These factors create financial challenges for River Bend and West Carroll with West Carroll losing \$2,321,535 based on the 2022 data. This loss would increase annually.

TABLE 1
CURRENT RATES AND EXTENSIONS

	EAV 2022	Tax Rate	Extension
River Bend CUSD #2	133,212,379	4.57566	\$6,095,345.54
West Carroll CUSD #314	146,579,227	5.83	\$8,545,568.93

TABLE 2
RATES AND EXTENSIONS IF DETACHMENT OCCURRED

	2022 EAV with Detachment of \$41,146,640		Extension
River Bend CUSD #2	174,359,019	4.57566	\$7,978,075.89
West Carroll CUSD #314	105,432,587	5.83	\$6,146,719.82

TABLE 3
FINAL LOSS/GAIN IF DETACHMENT APPROVED

(LOSS)/GAIN	
\$ 1,232,730.35	RB new extension minus teacher salaries
\$ 958,720.35	RB new extension minus teacher salaries AND transportation
\$(2,321,535.11)	Reduction to WC with transportation removed reduction removed

MEMORANDUM

August 11, 2023

TO: Darryl Hogue, River Bend School District #2
Bob Lewis, PMA Securities, LLC

FROM: Kyle Harding, Chapman and Cutler LLP
Cedric Gordon, Chapman and Cutler LLP

RE: Bonded Indebtedness and Annexation

The purpose of this memorandum is to discuss the current School Code provisions which govern the treatment of bonded indebtedness following an annexation/detachment of a portion of one school district to another school district. As used herein, the territory that is being detached is referred to as the "*Detached Territory*"; the school district from which Detached Territory is derived is referred to as the "*Detaching District*"; and the school district which is gaining the Detached Territory is referred to as the "*Annexing District*". The treatment of bonded indebtedness following a dissolution (an annexation of all the territory of one district to another district) is not discussed in this memorandum.

Annexation of school district territory is governed by Article 7 of the School Code. Section 7-14(a) of that Article provides that whenever the boundaries of any school district are changed by the attachment or detachment of territory, the Detached Territory remains liable for its proportionate share of the bonded indebtedness of the Detaching District. Section 7-14(a) further provides that, absent the approval of the school board of the Annexing District prior to the effective date of the annexation, the Annexing District will not assume or be responsible for any of the bonded indebtedness of the Detaching District. In other words, taxpayers in the Detached Territory will continue to be responsible for a portion of the pre-annexation bonded indebtedness of the Detaching District and the county clerk or clerks will continue to extend taxes for each bond outstanding on the effective date of the annexation against all the taxable property situated within the Detached Territory and the territory remaining in the Detaching District. In addition, assuming the school board of the Annexing District determines to not assume that portion of the bonded indebtedness of the Detaching District allocable to the Detached Territory, the annexation will have no impact on the available legal debt margin of the Annexing District or the Detaching District, other than reducing the EAV for the Detaching District and increasing the EAV for the Annexing District pursuant to which such legal debt margins are calculated.

Taxpayers in the Detached Territory will pay the tax rates of the Annexing District, including a tax rate for debt service, if applicable. Section 7-14(a) provides that after the effective date of the annexation, all the property situated within the Annexing District, including the

Detached Territory, will be liable for the bonded indebtedness of the Annexing District as it exists on the effective date of annexation and on any date thereafter. This means that taxpayers in the Detached Territory will be liable for both the pre-annexation bonded indebtedness of the Detaching District and the pre-annexation bonded indebtedness of the Annexing District.

SCHOOL DISTRICT REORGANIZATION HISTORY 1983 - 2008

School District Reorganization in Illinois 1983-2008: Where Are We Now?

During the last twenty years, many school districts in Illinois have changed the size of the geographic area that they serve and in the manner in which they are organized. Although today, it seems that Illinois has an extremely large number of districts, it should be remembered that a few decades ago, this state had an even larger number of districts. Before the end of the second world war, Illinois had nearly 12,000 school districts. Through an evolutionary process, that number has decreased to the point where the current number of school district in Illinois is 889.

During the early 1980's the concept and problems dealing with school district reorganization were extensively studied by ISBE and others not only in Illinois but throughout the USA. In 1983, the first three "financial incentives" were offered to school districts that reorganized. They included incentive money that guaranteed the equalization of salaries of all full-time certified staff of a newly reorganized district for three (now four) years. General State Aid was "held harmless", in that a duplicate calculation was made by ISBE for the initial three (now four) years of a newly reorganized district. If General State Aid was calculated to be a higher amount separately than a newly reorganized district, the best of the calculations were given to the district for three (now four) years. The third incentive was a one-time payment to a newly reorganized district to erase the "operational deficit" of combining districts. Over the years this has evolved into a complicated formula that essentially allows combining districts to start with at least a "zero deficit" in its major operating funds. Lastly, in 1985, the so-called \$4,000 incentive was enacted by the General Assembly. This incentive guaranteed an annual payment of \$4,000 per full-time certified staff member for a period of from one to three years

based upon a formula called the “quintile system” which essentially gives more payments to smaller, poorer in EAV per student districts that reorganize.

There has been increasing emphasis in recent years on reducing the total number of school districts and on increasing the geographic area served by districts in order to increase district’s student enrollment and gain economic efficiency. In May of 1985, the State Board of Education published a study on school district organization. The report found that there was evidence that student’s “in the hundreds of very small districts were receiving a significant loss in opportunity to learn when the courses available to them are compared with those available in students in high schools with enrollments of over 500 pupils.” That study concluded that the current system of organization meant that “uniform access to both adequate financial support and reasonable educational quality is not permitted by the present organization of our school districts.”

Public Act 84-126 made sweeping changes and *mandated* the school reorganization of many smaller districts into larger districts through an elaborate set of procedures. However, due in no small part to tremendous political pressure, shortly after that law was passed, the General Assembly modified the law by Public Act 84-115 which became effective, March 20, 1986. That law effectively eliminated the mandatory reorganization procedures which had been created by the earlier law. One of the requirements of the original law however was that each Regional Office of Education conduct a “required study of reorganization.” It is with this beginning that currently ISBE awards districts interested in studying reorganization a payment for a feasibility study.

Notwithstanding the General Assembly amendment which caused Illinois to step back from mandated reorganization, there still exists strong interest and concern about what has

come to be called “school consolidation.” This article will deal briefly with some of the major issues involved in reorganization, how it has evolved in Illinois since 1983 and to highlight some of the issues to be analyzed and the strategies which can be developed when the opportunity and challenge of school district reorganization arises in Illinois. As a consultant that discusses consolidation with a great many school boards, I am often asked about the financial incentives and their reliability. With two exceptions, one in 1996 in which the ISBE line item was not sufficient to pay all of the incentives for that year and last year in which the incentives were entirely eliminated by the Governor then later restored, the financial incentives have played a significant role in districts considering consolidation. The following chart indicates that since 1986, \$120, 376, 373 were spent as incentives for school district reorganization. *

Legislation since 1983 has removed many of the “disincentives” discouraging reorganization. Included in those disincentives are the equalization of taxing power of dual districts in the education and building fund. However, “disincentives” continue to exist in the transportation, working cash, life safety and lease fund authorized levies for dual districts as compared to a unit district. The following chart will illuminate some of the existing taxing “disincentives.” **

While the mandated avenue of reorganization at the state level has met with a great deal of resistance by the local school districts, the legislature and ISBE has attempted to encourage further reorganization by enacting legislation favorable to districts contemplating reorganization and increasing the time that financial incentives are available for newly combined districts. This variety of methods has sparked a renewed interest with generally smaller unit districts in dealing with their sparse high school populations and also small districts in general are looking at reorganization simply because the “economy of size” has caught up with their districts and

they are finding it increasingly more difficult to fund the quality education of their students in an equitable and efficient manner. The following chart indicates the general requirements and allowable methods for school district reorganization currently. ***

In any discussion of the variety of methods that are currently available in Illinois for consolidation, the methods have shown a continued strong interest and support by ISBE and the General Assembly to encourage school district to consider school district consolidation. Over the last twenty years, there have several task forces discussing reorganization culminating with EFAB of 2003 in which sweeping changes were recommended. With this variety of methods, there exists a veritable “potpourri” of allowable methods for all three kinds of school districts.



Illinois State Board of Education

July 31, 2006

CITIZENS' GUIDANCE TO SCHOOL DISTRICT REORGANIZATION

This document is intended to provide non-regulatory guidance on the subject matter listed above. For specific questions, please contact the person(s) identified in the document.

Rod R. Blagojevich, Governor

Illinois State Board of Education

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Dr. Randy J. Dunn, State Superintendent

Printed by AFL-CIO (AFSCME Local #288 and IFSOE Local #3236) Employees

Note: The process described below is intended as general guidance and not legal advice.

SCHOOL DISTRICT REORGANIZATION EFFORT BY CITIZENS

A. How do I start?

School district reorganization efforts sometimes begin with citizens rather than school boards. The community might have discussed this idea for years before any action occurs. Citizens will need to consider many factors to determine whether reorganization is a good option for their school district, as discussed in Question C below. If a group of citizens concludes that a reorganization should move forward, a petition will need to be filed.

B. What are the school district reorganization options?

There are several types of school district reorganization. They are:

1. Deactivation
2. Cooperative high school
3. Detachment/annexation
4. Dissolution/annexation
5. High School-Unit conversion
6. Unit district formation (Consolidation)
7. Combined school district
8. Unit to dual conversion
9. Optional elementary unit district (new)
10. Combined high school-unit district (new)
11. Multi-unit conversion (new)

The Illinois State Board of Education has a more comprehensive guidance document, available at www.isbe.net/sfms/html/pa_94-1019.htm, which describes in greater detail the available options.

C. What information should I gather?

To determine whether reorganization is in the best interest of your school district, its students, and the community as a whole, you will need to assess curriculum, finances, school buildings, student transportation, extra-curricular activities, community feelings, and interest from neighboring school districts.

D. What is a Committee of Ten, and do I need one?

A Committee of Ten is a group of ten petitioners that has authority to act as attorney in fact for all petitioners. Such a committee may amend the petition and make binding stipulations on behalf of all petitioners. A Committee of Ten must be designated in all petitions filed under the new Article 11E. However, for detachment and dissolution, only those petitions that contain more than 10 signatures

must designate a Committee of Ten. Deactivations and cooperative high schools may go to referendum through school board resolution; a Committee of Ten is not needed.

E. Will I need the services of an attorney?

Typically, an attorney is hired to draft the petition for the group of citizens or the school board(s). While an attorney is not required, hiring one can be beneficial because to be valid, a petition must comply with several statutory provisions. Additional information must be included if the district is subject to a tax cap. In addition, the petitioners often enlist the help of an attorney for the hearing.

F. What are the petition requirements?

There are no statutorily required forms for petitions, other than that petitions must include certain minimum requirements as listed below.

Minimum requirements for an Article 11E petition are:

1. A request to submit the proposition at a regular scheduled election,
2. A description of the territory comprising the districts proposed to be dissolved and those to be created,
3. A specification of the maximum tax rates for various purposes the proposed district or districts shall be authorized to levy for various purposes, and if applicable, the specifications related to the Property Tax Extension Limitation Law,
4. A description of how supplementary State deficit difference payments will be allocated,
5. Where applicable, a division of assets and liabilities to be allocated,
6. A designation of a committee of ten of the petitioners as attorney in fact,
7. Voter signatures with residence address, including those of the committee of ten of the petitioners, or board resolutions,
8. Sheets of uniform size,
9. Heading (prayer) on each sheet which includes the question to be submitted, where it will be submitted, and the election at which it will be submitted,
10. Signature of a circulator who has witnessed the signature of each petitioner on that page, and
11. Petition sheets that are bound securely and numbered consecutively.

Minimum requirements for a Section 7-1 petition are:

1. Full prayer on each page, and if a dissolution, the question to be submitted, where it will be submitted, and the election at which it will be submitted,
2. Board resolutions, or signatures that match the official signatures and addresses of the registered voters as recorded in the office of the election authority having jurisdiction over the county, including those of the committee of ten of the petitioners,
3. Date of signing recorded by each petitioner,
4. Assertion that the proposed district will have a population of at least 2,000 and an equalized assessed valuation of at least \$6 million,

5. Assertion that the districts after the granting of the petition will be compact and contiguous,
6. Description of the property to be dissolved and annexed, or if a detachment, a legal description of the property to be detached and annexed,
7. When the petition contains more than ten signatures, a designation of a committee of ten of the petitioners,
8. Sheets of uniform size,
9. Signature of a circulator who has witnessed the signature of each petitioner on that page, and
10. Petition sheets that are bound securely and numbered consecutively.

Minimum requirements for a Section 7-2 petition are:

1. Assertion that the proposed district will have a population of at least 2,000 and an equalized assessed valuation of at least \$6 million,
2. Assertion that the districts after the granting of the petition will be compact and contiguous,
3. Description of the property to be dissolved and annexed, or if a detachment, a legal description of the property to be detached and annexed,
4. When the petition contains more than ten signatures, a designation of a committee of ten of the petitioners,
5. Voter signatures with residence address, including those of the committee of ten of the petitioners, or board resolutions,
6. Signature of a circulator who has witnessed the signature of each petitioner on that page,
7. Sheets of uniform size,
8. Heading (prayer) on each sheet, and if a dissolution, the question to be submitted, where it will be submitted, and the election at which it will be submitted, and
9. Petition sheets that are bound securely and numbered consecutively.

A subsection 7-2a(a) petition will always be either a Section 7-1 or 7-2 petition. However, subsection 7-2a(a) further requires that the district to which the dissolving district shall be annexed be specified in the petition.

The only express statutory requirement for a subsection 7-2a(b) petition is that it include voter signatures, including those of the committee of ten of the petitioners if applicable, or a board resolution. However, a description of the property to be dissolved is necessary for a determination by the regional board of school trustees about where to annex the dissolving district.

G. What is included on the signature pages of a petition?

Where voter signatures are a required part of a petition, signature sheets must be prepared prior to circulation. Each signature sheet must include a heading (prayer) and space for petitioner signatures and residence addresses (except for a subsection 7-2a(b) dissolution). At the bottom of each signature sheet, a circulator's statement must be included. The circulator's statement must be signed by a person 18 years of age or older who is a citizen of the United States, stating the street address or rural route number, as

well as the county, city, village or town, and state. The statement shall certify that the signatures on that sheet of the petition were signed in the circulator's presence and are genuine. The statement shall further certify that to the best of the circulator's knowledge and belief the persons so signing were at the time of signing the petition registered voters of the political subdivision in which the question of public policy is to be submitted and that their respective residences are correctly stated therein. Such statement shall be sworn to before some officer authorized to administer oaths in this State.

H. How do I circulate the petition for signatures?

Volunteers typically walk door-to-door or set up in a public location to ask registered voters to sign. As circulators, such volunteers must certify that they personally witnessed the voters sign.

I. How many signatures do I need?

If the petition is for a reorganization option under Article 11E of the School Code, you will need it signed by at least 50 legal resident voters or 10% of legal resident voters, whichever is less, from each affected district, or approved by the boards of each affected district.

Article 7 reorganizations generally require that a petition be submitted by the boards of each district affected or by a majority of the registered voters in each district affected or by two-thirds of the registered voters in any territory proposed to be detached from one or more districts or in each of one or more districts proposed to be annexed to another district. If there are no registered voters within the territory proposed to be detached from one or more districts, then the petition may be signed by all of the owners of record of the real estate of the territory. An exception is a dissolution petition filed pursuant to Section 7-2a. A subsection 7-2a(a) petition may be made by the board of education or a majority of the legal voters residing in the district proposed to be dissolved. No petition from any other district affected shall be required. A subsection 7-2a(b) petition may be adopted by resolution of the board of education or signed by a majority of registered voters of the district seeking the dissolution.

No petition is required for a deactivation or cooperative high school. Instead, the question can be put on a ballot through school board resolution.

J. Where do I file the petition?

For an Article 11E reorganization where the territory described in the petition lies entirely within one educational service region, the petition is filed with the regional superintendent of schools for that region. Where the territory described in the petition lies within two or more educational service regions, the petition is filed with the regional superintendent who has supervision over the greater or greatest percentage of equalized assessed valuation. For an Article 7 reorganization, the petition is filed with the regional superintendent of schools of the regional office of education in which the territory described in the petition is situated. Information about regional offices is available at www.isbe.net/regionaloffices.

K. What happens after I file a petition?

The regional superintendent will determine whether the petition is valid. If so, he or she will publish notice of a public hearing on the petition.

L. Who is responsible for paying the costs associated with a reorganization?

The petitioners are responsible for paying the costs of publishing the hearing notices and the costs of the transcript of the public hearing. Most regional superintendents require a deposit to cover these costs at the time of filing the petition. Additionally, the petitioners are responsible for their expenses to draft the petition and any attorney fees they incur.

M. What is the purpose of the hearing?

With the exception of a subsection 7-2a(b) dissolution where the regional board of school trustees shall hear evidence only to decide where to annex the dissolving district, a hearing is conducted to determine whether there is adequate evidence that the petition should proceed to the next step of the process. Where a detachment petition is approved, the districts involved may begin the transition. Where a dissolution petition is approved, the regional superintendent will forward the public policy question to the clerk to be placed on the ballot. Where an 11E petition is approved, the regional superintendent will forward the petition to the State Superintendent for review.

N. Who conducts the hearing?

The regional superintendent or the regional board of school trustees, depending on what type of reorganization is sought, conducts the hearing. In certain cases, a joint hearing will be held with another region.

O. What happens during the hearing?

The regional superintendent listens to oral testimony and reviews evidence in the record from those in favor of and those opposed to the petition to reorganize the school districts. Anyone in any affected district may attend the hearing to testify or submit written testimony.

P. Who makes the final decision about whether a dissolution or Article 11E reorganization is put on the ballot?

For a dissolution, the regional board of school trustees will make a final determination. For an Article 11E reorganization, the regional superintendent of schools approves or denies the petition. The State Superintendent of Education reviews the petition to make a final decision. Decisions by a regional board or the State Superintendent may be appealed through the Administrative Review Law.

Q. How does the question get placed on the ballot?

If approved, the regional superintendent submits the question to the county clerk(s) to be printed for the appropriate election.

R. If the referendum fails, may I try again?

Yes, however, you may have to wait **up to two years before submitting a petition that covers the same territory.**

S. If the referendum is successful, what is the next step?

The school districts involved will need to plan for the transition.

T. Where can I look for more information?

Three helpful resources are:

1. The Illinois School Code, Article 7, Article 11E, Section 10-22.22 b and Section 10-22.22c (105 ILCS 5/7, 105 ILCS 5/11E, 105 ILCS 5/10-22.22b, and 105 ILCS 5/10-22.22c),
2. Brochures on http://www.isbe.net/sfms/html/reorg_school.htm, and
3. The Public Act 94-1019 Guidance Document

Glossary of Terms

Assessed Value: The amount entered on the assessment rolls as a basis for division of the tax burden. This amount is subject to the State equalization factor and the deduction of the homestead exemptions.

Average Daily Attendance (ADA): The aggregate number of pupil days in attendance divided by the number of days in the regular school session. A pupil who attends school for five or more clock hours while school is in session constitutes one pupil day of attendance. The average daily attendance used to determine General State Aid is the three months of the most recent school year with the highest average daily attendance.

Categorical Aid: Money from the State or Federal government that is allocated to local school districts for special children or special programs.

Corporate Personal Property Replacement Funds: A state tax on the net income of corporations, partnerships and other businesses was enacted in 1979 to replace the local tax on the assessed value of corporate personal property. These are taxes paid in lieu paid on 1978 and prior years Corporate Personal Property assessed valuation.

Dual School System: The situation in which a separate elementary district (grades pre-k-8) and a high school district (grades 9-12) serve the same geographical area.

Equalization Factor (State multiplier): The factor that must be applied to local assessments to bring about the percentage increase or decrease that will result in an equalized assessed valuation equal to one-third of the market value of taxable property in a school district (other than farm acreage and buildings).

Equalized Assessed Valuation: The assessed value of real property multiplied by the State equalization factor; this gives the value of the property from which the tax rate is calculated after deducting homestead exemptions, if applicable. For farm acreage and buildings, the final assessed value is the equalized value. In determining a district's wealth for General Stated Aid purposes, a district's corporate personal property replacement funds are divided by a total tax rate to generate a corporate personal property replacement equalized assessed valuation. This computed amount is combined with a district's real property equalized assessed valuation to determine its wealth for computing Evidence-Based Funding Entitlement and Regular Pupil Transportation Claims.

Evidence-Based Funding for Student Success: This law enacts evidence-based funding (EBF) and comprehensively changes the way that school districts receive the bulk of state funds. EBF sends more resources to Illinois' most under-resourced students. EBF takes the necessary first steps toward ensuring all schools have the resources they need to provide a safe, rigorous, and well-rounded learning environment for all students. EBF demonstrates new mindsets for understanding the relationship between equity, adequacy, and student outcomes.

Extension: The process by which the County Clerk determines the tax rate needed to raise the revenue certified to the County Clerk by each school district in the county. The extension is the actual dollar amount billed to the property taxpayers.

Foundation Level: A dollar level of financial support per student representing the combined total of state and local resources available as a result of the state aid formula. The General State Aid Formula for 1989-90 provides a foundation level of \$2,384.25 per weighted pupil, provided the district has an operating tax rate equal to or in excess of 1.28 percent, 1.10 percent or 2.18 percent for elementary, high school, and unit districts, respectively. The foundation level is dependent upon the State appropriation for General State Aid.

Joint Agreement and/or Cooperative: An educational program or programs in which two or more local education agencies and/or eligible institutions of higher education agree to participate by uniting efforts in accordance with a written agreement and by designating a fiscal and legal agent.

Levy: The amount of money a school district certifies to be raised from the property tax.

Operating Expense Per Pupil: The gross operating cost of a school district (excepting summer school, adult education, bond principal retired, and capital expenditures) divided by the average daily attendance for the regular school term,

Operating Tax Rate: A school district's total tax rate less the tax rates for bond and interest, rent, and vocational and junior colleges. Districts may include tax rates extended for the payment of principal and interest on bonds issued for Fire Prevention, Safety, Environmental, Energy, and Working Cash at the rate of .05 percent per year for each purpose or the actual tax rate extended, whichever is less.

Per Capita Tuition Charge: The amount of local school district charges as tuition to nonresident students as defined by Section 18-3 of The School Code of Illinois. This amount represents expenditures from local taxes and common school fund monies and is generated by deducting revenues for various state categorical programs, local user fees, and federal receipts from the operating expenses. The divisor is the average daily attendance during the regular school term.

Regional Superintendent: The chief school officer for the county or counties that comprise an educational service region. The Regional Superintendent exercises supervision and control over school districts and cooperatives within that region. There are 57 Regional Superintendents in Illinois.

State Aid Formulas: The formulas legislated by the General Assembly for apportioning General State Aid and certain categorical aids.

Tax Effort: The extent to which a local school district levies local taxes for schools.

Tax-Rate Limit: The tax-rate limit is the maximum tax rate that the county clerk may extend. Illinois law authorizes maximum tax rates without referendum, but districts may increase tax rates, within limits, subject to voter approval. A limited number of tax rates exist without a tax-rate limit.

Unit District: A school district that encompasses all grade level (Pre-K-12). A term used interchangeably with a 12-grade district.

Weighted Pupils: General State Aid is provided to districts in Illinois based upon average day attendance (ADA). The ADA figure used is subject to the use of weights and adjustments designed to enhance funding levels for pupils with varying educational needs. In the General State Aid law, grade Pre-K-6 pupils are weighted 1.00, grade 7-8 pupils are weighted 1.05, and grade 9-12 pupils are weighted 1.25. These weightings provide a Weighted Average Daily Attendance (WADA) figure. Pupils from families with low incomes provide an additional type of weighting to attendance, one that adjusts average attendance upwards. The additional formula adjustment for low-income pupils in a district ranges from zero to a maximum of .625. In combination, the grade-level weighting and the poverty count adjustment create a district's "CWADA" or Chapter I Weighted Average Daily Attendance figure.