



Rep. Robert Rita

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LRB095 08544 RAS 35401 a

1 AMENDMENT TO HOUSE BILL 1466

2 AMENDMENT NO. _____. Amend House Bill 1466, AS AMENDED, by
3 replacing everything after the enacting clause with the
4 following:

5 "Section 5. The School Code is amended by adding Section
6 1A-12 as follows:

7 (105 ILCS 5/1A-12 new)

8 Sec. 1A-12. Powers of the State Board in assisting schools
9 and districts deemed in management difficulties.

10 (a) In this Section:

11 "Board" means a local board of education.

12 "Chairperson" means the Chairperson of the Panel
13 appointed pursuant to this Section.

14 "District" does not include a school district
15 organized under Article 34 of this Code.

16 "Management Oversight Panel" or "Panel" means a

1 Management Oversight Panel created under this Section.

2 "State Board" means the State Board of Education.

3 "State Superintendent" means the State Superintendent
4 of Education.

5 (b) To promote the managerial integrity of school
6 districts, the State Board shall have the necessary powers to
7 promote sound management of Illinois public schools. The State
8 Board, after the State Board's proper investigation of a school
9 district's condition, may certify that a district is in
10 management difficulty if the district has been engaged in a
11 continuing and repeated pattern of documented and
12 substantiated mismanagement, including without limitation all
13 of the following:

14 (1) The hiring of persons who do not hold the
15 qualifications required for their positions.

16 (2) Violations of State or federal law and laws
17 relating to the procurement of goods and services.

18 (3) Repeat audit findings.

19 (4) Building code and other health or life safety
20 issues.

21 (c) A district must not be certified to be in management
22 difficulty if the sole basis for mismanagement is the failure
23 of the county to make a distribution of property tax money due
24 to the district at the time the distribution is due.

25 (d) When a district is first certified to be in management
26 difficulty, the State Board may do each of the following:

1 (1) Require the school district to develop, adopt, and
2 submit a district management improvement plan within 45
3 days after certification. The plan must be developed to
4 address the acts of mismanagement that caused the district
5 to be certified in management difficulty. Within 14 days
6 after certifying a district to be in management difficulty,
7 the State Superintendent shall provide the board a summary
8 of management issues to be addressed in the plan. The plan
9 must be approved by the State Superintendent.

10 (2) Advise the district on recommended or suggested
11 methods of improving managerial success consistent with
12 the district's management improvement plan approved by the
13 State Board.

14 A district certified to be in management difficulty shall
15 report to the State Board, at such times and in such manner as
16 the State Superintendent may direct, concerning the district's
17 compliance with its approved management plan. The State Board
18 may review the district's operations and may obtain or require
19 the district to produce reports or any other information in the
20 possession of the district that it deems relevant. A district
21 shall remain certified in management difficulty until the
22 district clearly demonstrates to the satisfaction of the State
23 Board that the circumstances leading to the certification no
24 longer exist; or, if the State Board determines that a district
25 has failed to comply with its management plan, the State Board
26 may rescind approval of the plan and appoint a Management

1 Oversight Panel for the district. This action shall be taken
2 only after the district has been given notice and an
3 opportunity to appear before the State Board to discuss its
4 failure to comply with its management plan.

5 (e) Within 10 days after the State Board has placed a
6 district under a Management Oversight Panel, the State
7 Superintendent shall approve the appointment of 5 members to
8 serve at the State Superintendent's pleasure. One member shall
9 be appointed by the teachers' union representing a plurality of
10 the district employees; in the absence of a plurality, the
11 union appointment shall be filled by the State Superintendent.
12 Two members shall be appointed by the State Superintendent, one
13 of whom must be an attorney. Two members shall be appointed by
14 the Regional Superintendent of Schools with jurisdiction over
15 the district, both of whom must live in the school district.
16 The State Superintendent shall designate one of the members of
17 the Panel to serve as its Chairperson. In the event of vacancy
18 or resignation, the State Superintendent shall appoint a
19 successor within 10 days after receiving notice of the vacancy
20 or resignation.

21 Members of the Panel shall be selected on the basis of
22 their experience and education in areas identified as needed. A
23 member of the Panel may not be a board member or employee of
24 the district for which the Panel is constituted, nor may a
25 member have a direct financial interest in that district.

26 Panel members shall serve without compensation, but may be

1 reimbursed for travel and other necessary expenses incurred in
2 the performance of their official duties by the State Board.
3 The amount reimbursed to Panel members for their expenses shall
4 be charged to the school district.

5 The first meeting of the Panel shall be held at the call of
6 the Chairperson. The Panel may elect such other officers as it
7 deems appropriate. The Panel shall prescribe the times and
8 places for its meetings and the manner in which regular and
9 special meetings may be called and shall comply with the Open
10 Meetings Act. Three members of the Panel shall constitute a
11 quorum, and the affirmative vote of 3 members shall be
12 necessary for any decision or action to be taken by the Panel.

13 The Panel and the State Superintendent shall cooperate with
14 each other in the exercise of their respective powers. The
15 Panel shall report not later than September 1 annually to the
16 State Superintendent with respect to its activities and the
17 condition of the school district for the previous school year.

18 The Panel may exercise veto power over board decisions
19 concerning the district, in an effort to ensure that the
20 district management improvement plan is implemented as needed.

21 The purposes of the Panel shall be to exercise control over
22 the district and to furnish management assistance so that the
23 district can provide public education within the district's
24 jurisdiction while permitting the district to meet its
25 obligations for sound management practice. Except as expressly
26 limited by this Section, the Panel shall have those powers

1 necessary to meet its responsibilities and to carry out its
2 purposes and the purposes of this Section, including without
3 limitation all of the following powers, provided that the Panel
4 shall have no power to violate any statutory provision, to
5 impair any contract or obligation of the district, or to
6 terminate any employee without following the statutory
7 procedures for such terminations set forth in this Code and the
8 relevant rules of the State Board:

9 (1) To sue and to be sued.

10 (2) To make and execute contracts, leases, subleases,
11 and all other instruments or agreements necessary or
12 convenient for the exercise of the powers and functions
13 granted by this Section.

14 (3) To purchase real or personal property necessary or
15 convenient for its purposes; to execute and deliver deeds
16 for real property held in its own name; and to sell, lease,
17 or otherwise dispose of such of its property as, in the
18 judgment of the Panel, is no longer necessary for its
19 purposes.

20 (4) To appoint officers, agents, and employees of the
21 Panel, including all of the following, to administer and
22 manage, under the direction of the Panel, the operations
23 and educational programs of the district, in accordance
24 with this Section and all other provisions of this Code; to
25 define their duties and qualifications; and to fix their
26 compensation and employee benefits.

1 (A) Chief executive officer. The Panel may appoint
2 a chief executive officer who, under the direction of
3 the Panel, shall supervise the Panel's staff,
4 including the chief educational officer and the chief
5 fiscal officer, and shall have ultimate responsibility
6 for implementing the policies, procedures, directives,
7 and decisions of the Panel.

8 (B) Chief educational officer. The Panel may at a
9 regular or special meeting find that cause exists to
10 cancel the contract of the school district's
11 superintendent who is serving at the time the Panel is
12 established. If there is no superintendent, then the
13 Panel shall, following consultation with the district,
14 employ a chief educational officer for the district,
15 who shall have all of the powers and duties of a school
16 district superintendent under this Code and such other
17 duties as may be assigned by the Panel in accordance
18 with this Code. The chief educational officer shall
19 report to the Panel or the chief executive officer
20 appointed by the Panel. The district shall not employ a
21 superintendent during the period that a chief
22 educational officer is serving in the district. The
23 chief educational officer shall hold a certificate
24 with a superintendent's endorsement issued pursuant to
25 Article 21 of this Code.

26 (C) Chief fiscal officer. The Panel may appoint a

1 chief fiscal officer who, under the direction of the
2 Panel, shall have all of the powers and duties of the
3 district's chief school business official and any
4 other duties regarding budgeting, accounting, and
5 other financial matters that are assigned by the Panel,
6 in accordance with this Code. The district may not
7 employ a chief school business official during the
8 period that the chief fiscal officer is serving in the
9 district. The chief fiscal officer may, but is not
10 required to, hold a certificate with a chief school
11 business official's endorsement issued under Article
12 21 of this Code.

13 (5) To transfer to the district such sums of money as
14 are not required for other purposes.

15 (6) To procure all necessary goods and services for the
16 Panel in compliance with the purchasing laws and
17 requirements applicable to the district.

18 (7) To take action on behalf of the district, as the
19 Panel deems necessary and in accordance with this Section
20 and all other provisions of this Code, based on the
21 recommendation of, if applicable, the chief executive
22 officer, chief educational officer, or chief fiscal
23 officer; the district shall be bound by such action in all
24 respects as if the action had been approved by the district
25 itself.

26 (8) To do any and all things necessary or convenient to

1 carry out its purposes and exercise the powers given to it
2 by this Section.

3 (9) To provide for its organization and internal
4 management.

5 (10) To require and approve a school district financial
6 plan and academic plan, if the Panel deems it necessary,
7 and to monitor the school district's compliance with these
8 plans.

9 (11) To approve and require revisions of the school
10 district budget.

11 (12) To approve all contracts and other obligations, as
12 the Panel deems necessary and appropriate.

13 (13) To request that the Regional Superintendent of
14 Schools make appointments to fill all vacancies on the
15 board, as provided in Section 10-10 of this Code.

16 (14) To engage the services of consultants for
17 rendering professional and technical assistance and advice
18 on matters within the Panel's power.

19 (15) To contract for and to accept any gifts, grants,
20 or loans of funds or property or financial or other aid in
21 any form from the federal government, State government, a
22 unit of local government, a school district, or any agency
23 or instrumentality thereof or from any other private or
24 public source and to comply with the terms and conditions
25 thereof.

26 (16) To pay the expenses of its operations based on the

1 Panel's budget as approved by the State Superintendent from
2 the district's general State aid.

3 (17) To require a board member training plan, in
4 conjunction with one or more statewide school management
5 organizations.

6 (18) To require the development of a district
7 management improvement plan or revision of an existing
8 district management improvement plan if the Panel deems it
9 necessary and to monitor the district's compliance with the
10 management improvement plan.

11 (19) To provide assistance to the district with
12 developing a staffing needs analysis and plan, in
13 cooperation with the board, that can address (i)
14 performance of an analysis of critical staffing needs
15 within the district to support any district improvement
16 plans, (ii) development of a strategy for attracting
17 candidates and posting positions to meet the district's
18 critical staffing needs, and (iii) approving and
19 monitoring of the school district's policies and
20 procedures for conducting hiring.

21 (20) To develop a plan for maintenance, repair, and
22 improvement of district facilities (including, but not
23 limited to, buildings used for instructional and
24 administrative functions, indoor and outdoor recreational
25 facilities, landscaping, parking, and infrastructure
26 related to traffic circulation) and the correction of any

1 violations of the Health/Life Safety Code for existing
2 facilities.

3 (f) If the State Board has appointed a Financial Oversight
4 Panel to a school district and subsequently places the same
5 district under a Management Oversight Panel or if the State
6 Board has appointed a Management Oversight Panel for a district
7 and subsequently places the same district under a Financial
8 Oversight Panel, the State Superintendent shall create a new
9 Panel and appoint 5 members to serve at the State
10 Superintendent's pleasure. The Panel shall accrue all the
11 necessary powers and duties of a Financial Oversight Panel and
12 a Management Oversight Panel. The State Superintendent shall
13 designate one of the members of the Panel to serve as its
14 chairperson. In the event of vacancy or resignation, the State
15 Superintendent shall appoint a successor within 10 days after
16 receiving notice of the vacancy or resignation. Members of the
17 Panel shall be selected on the basis of their experience and
18 education in areas identified as needed. A member of the Panel
19 may not be a board member or employee of the district for which
20 the Panel is constituted, nor may a member have a direct
21 financial interest in that district.

22 Section 90. The State Mandates Act is amended by adding
23 Section 8.31 as follows:

24 (30 ILCS 805/8.31 new)

1 Sec. 8.31. Exempt mandate. Notwithstanding Sections 6 and 8
2 of this Act, no reimbursement by the State is required for the
3 implementation of any mandate created by this amendatory Act of
4 the 95th General Assembly."