**Section 5200.APPENDIX A By Laws of the Illinois Educational Facilities Authority**

ARTICLE I

Name, Principal Office and Seal

Section 1. Name. The name of this Authority, a public body politic and corporate, shall be Illinois Educational Facilities Authority, as provided in Chapter 144, Section 1301 et seq., of the Illinois Revised Statutes.

Section 2. Principal Office. The principal office of the Authority shall be located at the City of Chicago, County of Cook, State of Illinois.

Section 3. Seal. The corporate seal of the Authority shall be a circular disk having inscribed around the periphery thereof the words "Illinois Educational Facilities Authority," and in the center, the word "Seal".

ARTICLE II

Membership

Section 1. Membership of the Authority. The Authority shall consist of 7 members, to be appointed by the governor, who shall be residents of the State, not more than 4 of whom shall be members of the same political party. At least one of the members shall be a trustee, director, officer or employee of an institution for higher education. At least one shall be a person having a favorable reputation for skill, knowledge and experience in the field of state and municipal finance, either as a partner, officer or employee of an investment banking firm which originates and purchases state and municipal securities, as an investment and to the management and control of a state and municipal securities portfolio. At least one shall be a person experienced in and having a favorable reputation for skill, knowledge and experience in the educational building construction field.

Section 2. Residence of Appointive Members. All appointive members of said Authority shall be residents of the State of Illinois.

Section 3. Terms of Office. The initial terms of the members shall be as provided by statute and the designations in their respective appointments; thereafter the terms of members who succeed those whose terms have expired shall be seven (7) years.

Section 4. Vacancies and Reappointment. Any person appointed to fill a vacancy on said Authority shall serve for the unexpired term of his predecessor. All members shall be eligible for reappointment.

Section 5. Removal. Any member of the Authority may be removed by the governor for misfeasance, malfeasance or willful neglect of duty or other cause after notice and a public hearing unless such notice and hearing shall be expressly waived in writing.

Section 6. Powers. The members of the Authority shall possess and exercise all of the powers granted in the Act of 1969, Chapter 144, Section 1301 et seq., as the same has been or hereafter may be amended, and by all other laws consistent with said Act as may be necessary to effectuate the purpose of said Act.

ARTICLE III

Officers of the Authority

Section 1. Chairman. The Chairman of the Authority shall be elected annually by the members of the Authority, and shall preside at all meetings of the Authority and perform such other duties as shall be necessary or desirable by reason of his position as Chairman, or as may be directed by resolution of the Authority, duly adopted by a majority of its members, at a meeting held pursuant to these By-laws.

Section 2. Vice Chairman. A Vice Chairman shall be elected annually by the members and shall perform all duties incumbent upon the Chairman during the absence or disability of the latter, and shall perform such other duties as shall be deemed desirable by resolution of the Authority, duly adopted by a majority of its members, at a meeting held pursuant to these By-laws.

Section 3. Powers of Chairman and Vice Chairman. When requested by an Institution which has received financial assistance from the Authority (an "institution"), the Chairman or Vice Chairman of the Authority shall have the power to approve, consent to and/or waive on behalf of the Authority ministerial, administrative or other non-substantive matters relating to bonds of the Authority or any documents related thereto ("Financing Documents"); provided, however, that (i) written notice of the intent to take any such action shall have been given to the other Members of the Authority by letter or telefax at least two (2) business days prior to the taking of the proposed action and (ii) general counsel to the Authority, bond counsel to the Authority and the financial advisor to the Authority shall have concurred in such officer's determination that the action to be taken is ministerial, administrative or otherwise non-substantive in nature. Written notice of the taking of such action shall be given to the other Members of the Authority at the next meeting of the Authority or within 60 days after such action is taken, whichever occurs earlier. Notwithstanding the foregoing provisions of this Section 3, the Chairman or Vice Chairman of the Authority may each, in his or her own discretion, decline to approve, consent to and/or waive any such ministerial, administrative or non-substantive matter on behalf of the Authority and may instead defer such matter to a meeting of the Authority for its consideration.

The following types of matters relating to bonds of the Authority or Financing Documents are generally considered to be ministerial, administrative or otherwise non-substantive in nature: (i) the approval of a renewal, or of an extension of the scheduled expiration date, of an existing credit and/or liquidity facility that supports Authority bonds without any substantive changes to any related Financing Documents, (ii) the approval of an Institution's replacement of a current credit and/or liquidity facility involving a new bank or other financial institution when such new facility will not result in a decline or withdrawal of any rating on such bonds and no substantive amendments will be made to any related Financing Documents, (iii) the approval of an amendment to a document between an Institution and a bank or other financial institution providing a credit and/or liquidity facility for Authority bonds where the Authority is not a party to such document and the Authority's interests are not adversely affected by such amendment, (iv) the approval of an Institution's replacement of a professional or financial firm or institution previously approved by the Authority which performs services regulated by Financing documents with another firm or institution which has comparable knowledge, experience and capability to that of the firm or institution being replaced, (v) approving an Institution's selection of a professional or financial firm or institution to perform services regulated by Financing Documents where no such firm or institution has been previously approved by the Authority for such purpose, if such firm or institution reasonably appears to have sufficient knowledge, experience and capability to perform such services, (vi) the approval of an amendment to a remarketing agreement relating to Authority bonds where the Authority's interests are not adversely affected by such amendment, (vii) the approval of the substitution of new collateral of equal or greater value for existing collateral securing Authority bonds, (viii) the approval of an escrow restructuring when moneys made available from the restructuring are either (a) to be applied to finance costs of projects previously approved by the Authority, (b) to be held by the bond trustee or other escrow agent to be disbursed for projects which the Authority may thereafter approve or (c) to be applied to pay principal of or interest on bonds of the Authority, (ix) the waiver of all or a portion of the number of days prior notice that an Institution is required to give the Authority of various events, including the prepayment of its note or the conversion of the interest rate mode on variable rate bonds to another interest rate mode, (x) the approval of the execution of documentation to effect the defeasance of Authority bonds in accordance with the provisions of the related Financing Documents and (xi) the approval of a supplement or amendment to, or a restatement of, an official statement or other offering document relating to Authority bonds where such approval by the Chairman or Vice Chairman is limited to information contained in such supplement, amendment or restatement specifically describing the Authority, its membership and organization, its powers, its outstanding bonds, its advisors or litigation involving the Authority.

ARTICLE IV

Meetings

Section 1. Annual Meetings. The annual meeting of the Authority shall be held in the City of Chicago, Cook County, Illinois, or such other place in the State of Illinois as may be designated by the Chairman of the Authority, at 2:00 o'clock P.M., on the first Friday of each October in each year; provided, however, that said annual meeting may be held on any other day of such month if all the members of the Authority consent to such other date.

Section 2. Regular Meetings. Regular meetings of the Authority shall be held at the principal office of the Authority on the first Thursday of each month at such time as is designated by the Chairman, subject to change of date if all members consent.

Section 3. Special Meetings. A special meeting of the Authority may be held upon call by the Chairman or any four (4) members of the Authority at least forty-eight (48) hours' notice to each member of the Authority. Such notice shall specify the time and place and general purpose of the meeting and shall be given to each member, either personally or by telegram or by mail (if by mail, notice shall be deemed adequate if deposited in the U.S. mail 96 hours or more before the meeting); provided, however, that at any meeting at which all of the members of the Authority are present, notice of the time and place and purpose of the meeting shall be deemed waived.

Section 4. Quorum. Four members of the Authority shall constitute a quorum. A majority vote of the members of the Authority shall be necessary for any action taken by the Authority. A vacancy in the membership of the Authority shall not impair the right of a quorum to exercise all the rights and perform all the duties of the Authority.

ARTICLE V

Administrative Personnel

Section 1. Executive Director. The Authority may employ an Executive Director and Assistant Executive Director upon such terms and conditions as the Authority shall deem proper. The Executive Director shall have general and active supervision, control and management of the affairs and business of the Authority, subject to the orders, resolutions of the Authority, and supervision of the Chairman; he shall have general supervision and direction of all agents and employees of the Authority and shall see that all orders and resolutions of the Authority are carried into effect.

Section 2. Other Personnel. The Authority may employ consulting engineers, architects, attorneys, accountants, construction and financial experts, superintendents, managers, and such other employees and agents as may be necessary in its judgment, and fix their compensation.

Section 3. Bond. Before the issuance of any revenue bonds under this Act, the Chairman, Vice Chairman, Executive Director and Assistant Executive Director and any other member of the Authority authorized by resolution of the Authority to handle funds or sign checks of the Authority shall execute a surety bond in the penal sum of $100,000. Each such surety bond shall be conditioned upon the faithful performance of the duties of the office of the principal, shall be executed by a surety company authorized to transact business in the State as surety, shall be approved by the attorney general and shall be filed in the office of the Secretary of State. The cost of each such bond shall be paid by the Authority.

ARTICLE VI

Administration

Section 1. Annual Audit and Accounting Procedure. The Authority may cause an audit of its books to be made at least once each year by an independent certified public accountant and the cost thereof shall be treated as a part of the administrative costs of the Authority.

Section 2. Documents. The Executive Director or Assistant Executive Director or other person designated by resolution of the Authority shall keep a record of the proceedings of the Authority and shall be custodian of all books, documents and papers filed with the Authority, the minute book or journal of the Authority, and its official seal. Said Executive Director or Assistant Executive Director or other person may cause copies to be made of all minutes and other records and documents of the Authority and may give certificates under the official seal of the Authority to the effect that such copies are true copies, and all persons dealing with the Authority may rely upon such certificates.

Section 3. Execution of Documents. All contracts and agreements entered into by the Authority shall, unless the members by resolution otherwise direct, be executed on behalf of the Authority by the Chairman or Vice Chairman.

Nothing in these By-laws shall be deemed to limit in any manner the right of the members by resolution adopted at a meeting to designate other or different officers to execute a specified document or documents at any time.

Nothing in these By-laws shall be deemed to prohibit the use of facsimile signature where compliance has been had with the Uniform Facsimile Signature of Public Officials Act of the State of Illinois.

Section 4. Fiscal Year. The Authority shall operate on a fiscal year basis beginning July 1 of each year and ending June 30 of the next succeeding year.

Section 5. Payments. All bills, notes, checks or other instruments for the payment of money shall be signed and countersigned by such officers and in such manner as may be prescribed by resolution of the members.

Section 6. Authority Action. Any action taken by the Authority under this Act may be authorized by resolution at any regular or special meeting, and each such resolution shall, unless otherwise provided therein, take effect immediately and need not be published or posted.

Section 7. Federal Social Security Act. The Authority may take such action as it deems appropriate to enable its employees to come within the provisions and obtain the benefits of the Federal Social Security Act. If the employees of the Authority shall come within the provisions of said Social Security Act, their employment shall be included in the term "employment" as used in applicable laws of the State and shall apply to the Authority to the same extent and in the same manner as they are applicable to the State.

Section 8. Agent. The Executive Director, 333 West Wacker Drive, Chicago, Illinois, shall be, for all purposes, the agent of the Illinois Educational Facilities Authority upon whom any process, notice, or demand required or permitted by law to be served upon the Illinois Educational Facilities Authority may be served.

ARTICLE VII

Reports

Section 1. Annual Report. The Authority shall keep an accurate account of all its activities and of all its receipts and expenditures and shall annually in the month of January make a report thereof to its members, to the Governor and to the State Auditor of Public Accounts, such reports to be in a form prescribed by the members, with the written approval of the Auditor of Public Accounts.

ARTICLE VIII

Amendment

These By-laws may be amended by the affirmative vote of at least a majority of the members of the Authority at any regular meeting, provided ten (10) days' previous written notice of the proposed amendment has been given to all members. Such notice may, however, be waived if all members are present and if unanimous consent is given to the adoption of the amendment.

(Source: Amended at 19 Ill. Reg. 7335, effective May 23, 1995)