

**East Richland Community Unit School District No.1
Board of Education**

**Special Meeting
Tuesday, January 8, 2013
Unit Office Board Room
7:00 PM**

- I. Call to Order and Pledge of Allegiance
- II. Roll Call
- III. Communications
 - A. Thank You From A-Z Kindergarten Team
Joyce Anderson, Melissa Dunn, Cindy Grundon, Sherry Harmon, Brenda Hendrickson, Janice Pampe, the A-Z Kindergarten Team, sent a thank you for the rally towels. They promise to root the tigers on and greatly appreciate all that you do for teachers and students.
 - B. Thank You from Leah Willis
Leah sent a thank you for a memorial sent by the Board of Education and Administration for the death of her brother.
- IV. Recognition and Comments from Employees and Public
- V. Superintendent's Report
 - A. Presentation Regarding 1% Sales Tax 2
Thomas Crabtree, First Vice President - Public Finance of Stifel, Nicolaus & Company, Incorporated, will be here to present information regarding the 1% sales tax. I have also attached the PowerPoint presentation for your review.
 - B. Summary of East/West Richland Discussions 23
- VI. Executive Session
 - A. To Consider Information Regarding Collective Negotiations
In anticipation of TRS changes, we will review contracts for Suzanne Hahn, Chris Simpson, Larry Bussard and Marilyn Holt. Based on our discussion, I will make a recommendation for your approval.
 - B. To Consider the Purchase or Lease of Real Property
We can again discuss property for purchase and/or for sale.
- VII. Approval of Administrators Contracts 26
- VIII. Adjourn



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Presentation to East Richland CUSD #1 January 8, 2012

Illinois County School Facility Tax Public Act 97-0542

STIFEL
NICOLAUS

Presented by Stifel, Nicolaus & Co., Inc.

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Stifel Nicolaus

The Illinois K-12 Finance Resource

Who we are:

- It's pronounced **Stee-fuhl**
- Stifel Nicolaus is a national brokerage firm and a **leader** in Illinois bond underwriting with 24 offices in Illinois alone
- Stifel focuses on Illinois K-12 finance
- We provide full service financing from financial planning and referendum assistance to ultimately delivering the lowest cost financing on bond sales
- Expert resource on Illinois K-12 bond financing (Health Life Safety, General Obligation, Working Cash, etc.) including County School Facilities Sales Tax issues
- Stifel has created and produced a complimentary informational sales tax video for Illinois schools to help begin discussions on the topic in community forums

We hope that your District will allow Stifel Nicolaus the opportunity to prove our ability to better serve your District the next time you are considering a bond financing

Nontraditional Approach for Illinois Public Schools

- Sales tax vs. Real Estate tax for school capital
 - Allows county voters to approve a sales tax to fund school facility costs
 - **1% maximum** in ¼% increments
- Law went into effect October 2007
- Law was based on similar law that is currently in place in every county in Iowa
- Law was amended in August 2011
 - County Board no longer has to approve the tax

Illinois County School Facility Tax Act: Election Results and Future Votes

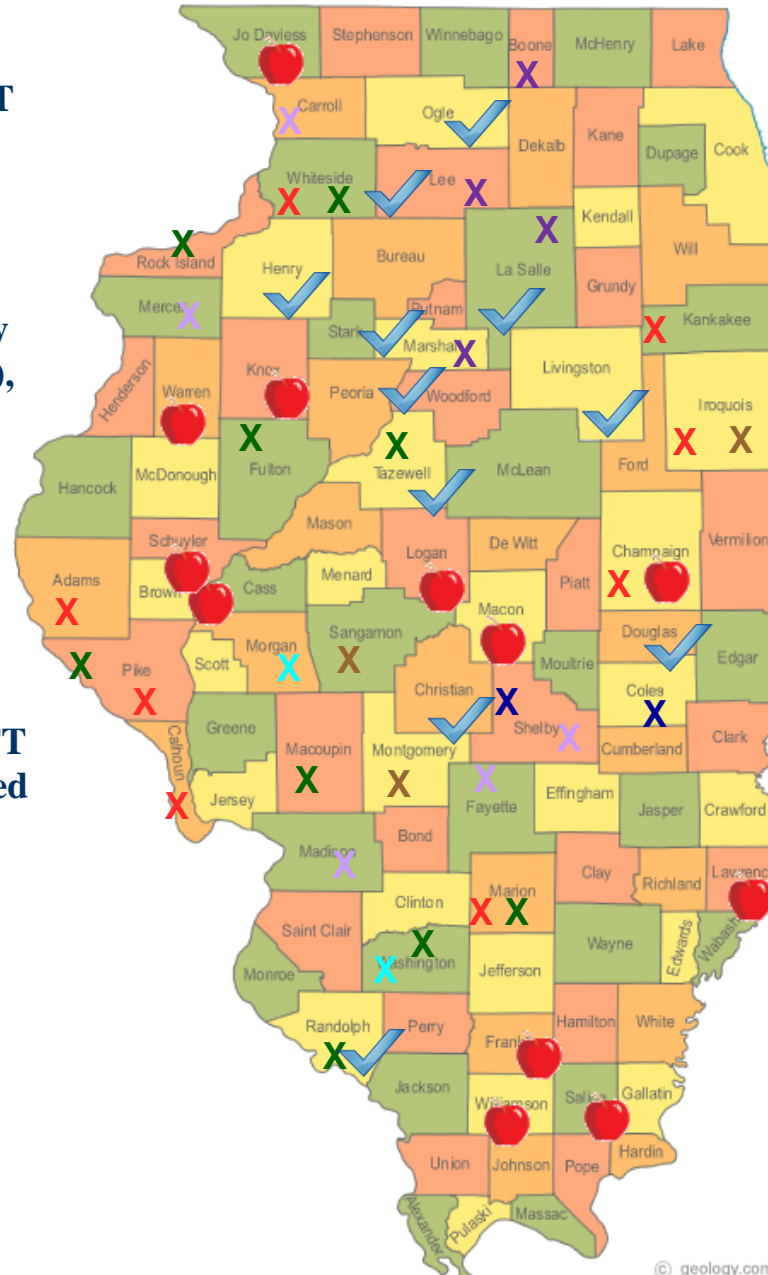


Counties where the CSFT has passed

Counties where the CSFT failed in the November 2008 (X), April 2009 (X), February 2010 (X), November 2010 (X), April 2011 (X) Elections, March 2012 (X) Elections and November 2012 (X) Elections



Counties where the CSFT election is being discussed for April 2013



Low Impact on Key Business and Fixed Income Persons

- Sales Tax Base:
 - Everything in the municipal and county sales tax base is included in the tax base **except for**:
 - Cars, Trucks, ATVs
 - Boats & RVs
 - Mobile homes
 - Unprepared Food
 - Drugs (including over-the-counter and vitamins)
 - Farm Equipment and Parts
 - Farm Inputs
 - “If it is not currently taxed, it will not be taxed”

Use of Sales Tax Revenues

Uses of Sales Tax	Ineligible Uses
New Facilities	Direct Instructional Costs
Additions & Renovations	Text Books
Land Acquisition	Buses
Ongoing Maintenance	Detached Furniture & Fixtures
Architectural Planning	Computers
Durable Equipment (non-moveable items)	Moveable Equipment
Fire Prevention and Life Safety	Operating Costs
Disabled Access & Security	Salaries and Overhead
Energy Efficiency	
Parking Lots	
Demolition	
Roof Repairs	
Abatement of Property Taxes Levied to Pay Bonds Issued for Capital Purposes	

How to Use Sales Taxes

- Pay as you go capital projects
 - Sales tax can be saved up over time
- Issue new bonds for current capital needs
 - Support bonds with sales tax
- Retire existing debt issued for capital purposes
 - Abate taxes
 - Refund qualifying debt
-Or any combination of the above

*Interest on money received on a monthly basis and reserved for bond payments or future construction projects may be transferred to the **General Fund...***

Education & Operation and Maintenance Fund

Benefit to Property Taxes

Two Ways to Decrease Property Taxes

1. **Reduce:** A district can abate or decrease existing property taxes by using sales tax funds to pay off outstanding building bonds.
 1. Property taxes reduced on residential, commercial and industrial properties
2. **Avoidance:** A district can avoid levying property taxes by using sales tax funds to pay for facility projects that would have been paid for with property taxes

**County School Facility Tax
Worksheet for Richland County Schools
Debt Capacity and Abatement Impact Per District**

DRAFT

1	2	3	4	5	6	7	8	9	10	11	12	13
County	District	2011 District Total EAV (1)	% of EAV in the County (1)	2011-12 Housed Enrollment	Estimated 2010-11 Housed Enrollment adjusted for County Resident Students (2)	Percent of Total	Adjusted Annual CSFT per District (3)	Estimated Proposed Debt Issuance with 1% Annual Growth in Sales Tax, 1.25x Coverage @ 5% Rate for 20 Years (4)	Final Maturity of Existing Debt	2013 Debt Service per District from County Tax Rate Sheet	Potential Abatement Available Based on LESSER of CSFT Funds or 2013 Debt Service	Effective Abatement \$ Amount per \$100,000 House Value Based on column 12
Richland	East Richland CUSD 1	\$156,633,614	100%	2,098	2,097	85.4%	\$1,039,202	\$11,225,944	10/1/2028	\$1,045,843	\$0.66	\$221.15
Richland	West Richland CUSD 2	\$20,466,352	94%	372	351	14.3%	\$173,921	\$1,878,777		\$78,571	\$0.38	\$127.97
Clay	Clay City CUSD 10	\$21,437,730	0%	345	1	0.1%	\$738	\$7,969		\$268,595	\$0.00	\$1.15
Edwards	Edwards County CUSD 1	\$52,242,114	0%	956	2	0.1%	\$1,124	\$12,144		\$382,873	\$0.00	\$0.72
Jasper	Jasper County CUD 1	\$225,626,275	0%	1,399	4	0.2%	\$1,998	\$21,585		\$615,689	\$0.00	\$0.30
Total		\$476,406,085			2,456	100%	\$1,216,983	\$13,146,419				
Value of a Student		\$495										

Prepared by Stifel Nicolaus & Company, Inc. on:

December 17, 2012

For additional information please contact:

Tom Crabtree

at 1-800-230-5151 ext. 8457

(1) As reported by ISBE Annual Financial Reports and County

(2) Enrollment of County resident students as reported by ISBE Fall Housing Report "Housed" then adjusted by factor of % of EAV in the County

(3) Based on County Public Safety Sales Tax "CTPS" at 0.50% then multiplied by 2 to represent 1%, less 2% state fee

(4) Assumes 1% annual growth in sales tax

Jan-Dec	CTPS at .50%	CSFT at 1% (less 2% fee)	% Change
2002	\$496,998	\$974,117	
2003	\$504,912	\$989,627	1.59%
2004	\$523,705	\$1,026,463	3.72%
2005	\$540,635	\$1,059,645	3.23%
2006	\$550,372	\$1,078,728	1.80%
2007	\$564,110	\$1,105,655	2.50%
2008	\$586,528	\$1,149,595	3.97%
2009	\$558,298	\$1,094,264	-4.81%
2010	\$578,102	\$1,133,080	3.55%
2011	\$620,910	\$1,216,983	7.40%

The Money
Follows the
Student

Local Sales Tax Rates

<u>City</u>	<u>Sales Tax Rate</u>
Champaign*	8.75%
Decatur*	9.00%
El Paso	7.25%
Galena*	8.25%
Galesburg*	8.50%
Lacon	6.25%
Lawrenceville*	7.25%
Marion*	8.25%
Metamora	7.25%
Olney	6.75%
Peoria**	8.25-9.25%
Putnam	6.25%
Springfield	8.00-9.00%

*Includes new CSFT

** Hospitality Improvement Zone Business District 9.25%
all other 8.25%

Source: Illinois Department of Revenue

How to Place Before Voters?

- School boards pass a resolution
- When School Boards representing more than 50% of the resident student enrollment in the county adopt resolutions, the Regional Superintendent **must** certify the question to the County clerk
- County Clerk will place on the ballot at the next regularly scheduled election

Required Language on the Ballot

- Ballot Language (cannot change):

Shall a retailer's occupation tax and a service occupation tax (commonly referred to as a "Sales Tax") be imposed in (name of county) at a rate of (insert rate) to be used exclusively for school facility purposes?

Passing the Vote and Receipt of Revenues

- Simple majority of votes cast needed to pass
- After approval by the voters, the tax will be imposed
- The ordinance and the election results must
 - Be certified by the County Clerk
 - Filed with the Illinois Department of Revenue
- Money is received monthly beginning approximately four months after the tax goes into effect
- The money follows the student

Distribution of Sales Tax



R.O.E.

Distributed by R.O.E. on a per resident-pupil basis



2% withheld by IL Dept. of Revenue
- Same as all sales taxes

The money follows the student

Timeline is Critical

Election Date	April, 9, 2013	No Election Nov. 2013	Mar. 18, 2014
Pass Resolution (School Districts)	Jan. 22, 2013		Dec. 30, 2013
Certify the Resolution (County Clerk)	No later than Jan. 31, 2013		No later than Jan. 9, 2014
Election	Apr. 9, 2013		Mar. 18, 2014
File with IL Dept. of Rev. to Enact Tax	No later than Oct. 1, 2013		No later than April,1, 2014
Sales Tax Goes into Effect	Jan, 1, 2014		July 1, 2014
Regional Superintendent Receive Funds from State	Approximately 90 Days after Jan. 1, 2014		Approximately 90 Days after July 1, 2014
District Receives New Sales Tax Revenues	April 2014		October 2014

Keys to Success

- Time is your most important asset – don't waste it
- Unified support (as much as possible) for CSFT from all districts
- **ALL DISTRICTS** must communicate the message about what CSFT is and how it would benefit their district
- Someone has to take ownership and lead the effort
- Develop county-wide leadership and communication
- Putting the question on the ballot is not enough – must **EDUCATE** voters – **A LOT**

Introductory Video

Below is a link to a 10 minute video that gives a non-technical introduction to the basics of the County School Facilities Sales Tax and how it has been used across the State.

<http://www.youtube.com/watch?v=Mv9LmF6baMM>

Key Resources

<p>Lynda K. Given Kyle Harding Chapman and Cutler 111 West Monroe Street Chicago, IL 60603-4080 Phone: 312/845-3000 given@chapman.com harding@chapman.com</p>	<p>Jane Quinlan Regional Superintendent – Champaign County Regional Office of Education #9 200 South Fredrick Street Rantoul, IL 61866 Phone: 217/893-3219 jquinlan@roe9.k12.il.us</p>
<p>Dr. S. Gene Denisar Superintendent Galesburg CUSD #205 (Knox County) 932 Harrison Street Galesburg, IL 61401 Phone: 309/343-7907 gdenisar@galesburg205.org</p>	<p>Carol Baker Director of Business Urbana CUSD #116 205 N. Race Street Urbana, IL 61801 Phone: 217/384-3642 cbaker@usd116.org</p>
<p>Robert Bagby Superintendent Lincoln CUSD #404 1000 Primm Road Lincoln, IL 62656 Phone: 217/732-4131 lchssuperintendent@lchs.k12.il.us</p>	<p>Gloria Crook Revenue Tax Specialist Department of Revenue 101 West Jefferson Street Springfield, IL 62702 217/785-5970</p>

Important Disclosures and Certifications

Pursuant to revised Municipal Securities Rulemaking Board (“MSRB”) Rule G-23 (the “Rule”), in connection with new issues for which the Time of Formal Award occurs after November 27, 2011, a broker, dealer, or municipal securities dealer (“dealer”) is prohibited from acting as a Financial Advisor or Municipal Advisor, as defined in Section 15B of the Exchange Act of 1934 (as amended), to an issuer for a particular issue sold on a negotiated or competitive bid basis and subsequently switching roles to act as underwriter or placement agent with respect to the same issue. In compliance with the rules set forth by the MSRB, Stifel, Nicolaus & Company, Inc. (“Stifel”) is acting as an underwriter or placement agent and not a Financial Advisor or Municipal Advisor in connection with all services proposed and/or provided. MSRB Notice 2011-29 (the “Notice”) defines as “underwritings” both (i) the acquisition of all or any portion of an issue, directly or indirectly, from the issuer as principal, either alone or as a participant in a syndicate or other similar account formed for that purpose and (ii) acting as an agent for the issuer in arranging the placement of an issue. Additionally, the MSRB defines the role of an underwriter in the Notice, which states, “the primary role of an underwriter is to purchase securities in an arm’s-length commercial transaction between the issuer and the underwriter” and, “the underwriter has financial and other interests that differ from those of the issuer.” Furthermore, the Rule states that an underwriter may provide advice concerning the structure, timing, terms, and other similar matters related to the issuance of municipal securities to the extent the underwriter discloses that such advice is provided with respect to the underwriting and not in relation to a financial advisory relationship, as specifically defined in the Rule. Accordingly, any such services provided by Stifel as they relate to our role as underwriter or placement agent should not be construed as those of a Financial Advisor or Municipal Advisor and such notice, as described above, is hereby provided as set forth in the Rule.

Additional information is available upon request

Stifel, Nicolaus & Company, Inc., 501 N. Broadway, St. Louis, MO 63102

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Please call Tom Crabtree

for permission at

1(800) 230 5151

Extension 8457

THANKS

East and West Richland District Discussions

1. On December 17, 2012 ER Board Members Ben Anderson and Jeff Wilson met with WR Board members Carolyn Brooks and Steve Kincaid. Superintendents Marilyn Holt and Gary Miller were also in attendance.
2. The purpose of the meeting was to discuss reorganization considerations for the districts.
3. **Deactivation** was discussed whereby West Richland would deactivate their high school and establish a contract with one or more neighboring districts. West Richland would need to place this option on the ballot and a majority of those voting would have to vote in favor of the proposition.

Tenured teachers at the West Richland High School would be transferred to the control of the receiving board or boards and they would be treated in the same manner as if they had earned tenure in the receiving district.

The Boards would remain the same in each district and there would be no change in the tax structure.

If East Richland approved a contract to accept West Richland students, then the high school would receive students and teachers. If more than one high school has a contract with West Richland, then East Richland would receive the percentage of teachers in accordance with the number of students from West Richland that choose to attend East Richland.

With deactivation, West Richland would receive savings in a closing of a building as well as the reduction in teacher salaries. West Richland would be required to pay tuition for students and for transportation to and from the school.

East Richland would have an increase in the number of teachers and would pay the difference in the teachers' salaries. If East Richland received all students and teachers, the incentive dollars would be approximately \$260,000 over a four year time period. The cost for East Richland for salaries and benefits would be approximately \$600,000. Tuition cost for the 2012-2013 school year at East Richland is \$7,892.93 per student. This figure is a result of the Annual Financial Audit and provided each year by the Illinois State Board of Education.

4. **Annexation** is the incorporation of an entire school district into another district. West Richland could choose this option and could ask voters of both districts to approve the annexation or because they are a community under 5,000, they are not required to have a vote. If they chose to not vote, then the board would do a petition, have a local public hearing, gain approval from the Regional Superintendent, the State Superintendent, and the Regional Board of Trustees.

If West Richland chose this option and chose to annex to East Richland district, then all tenured teachers and staff would be transferred to East Richland. The districts would combine under the governance of the East Richland Board of Education. West Richland board of education members would be invited to serve as ex-officio board members until the next election at which time candidates from the combined district could run for open seats on the board.

Discussion focused on the importance of a time for transition and planning which would involve board members, teachers, staff, students, parents, and community members. The goal would be **What is Best for Kids!** Questions and answers would have to be formulated for Finances/Facilities/Transportation; Academics/Athletics/Extra-curricular; Opportunities and Challenges; and consideration of the Emotional Impact for all concerned. Both Boards expressed great respect and admiration for their teachers and staff members. The preferred method of reduction in force would be through retirements and resignations. However, it is important to note that some teachers and staff could be RIFFED or reduced in force.

There would be a need to have the East Richland architect recommend the building that would house preK-5 students or a combination of grade levels at Noble as well as how to repurpose the other building for income or sale. Visits to both school districts and tours of buildings would be hosted. An inventory of buildings and resources would be completed. Staffing would be determined.

The total incentive dollars that would be received (hopefully) over a four year period would be \$2,743,656.00. The closing of a facility would benefit the combined district. Transportation and all expenses would be assumed by the combined district.

Annexation is the most timely and cost effective way to combine the districts. The concern would be identity issues.

5. **Consolidation** is when two or more contiguous unit districts form a new unit district. With this option, the proposition must pass by a majority of those voting in each affected district. The incentive dollars are the same as with annexation (\$2,743,656.00 over 4 years). The tenured teacher and staff positions are transferred just as they are with annexation. One difference is that a Committee of Ten is appointed and makes the decisions regarding the transition of the districts. In addition, a new tax rate is determined by the committee of ten and is approved at the referendum at the time of consolidation.

Consolidation is not the best option for East Richland School District #1.

6. **Summary:**

The Board members and Superintendents appreciated meeting and talking about the future for students in Richland County. While preferring that things remain the same, they are all very

aware of the changes in school funding, curriculum, and the requirements for a 21st Century education. Mr. Miller, Mrs. Holt, and Mr. Bussard will meet with bookkeepers and Mark Mullen from the Illinois State Board of Education on March 5 and 6 to review current and future budget projections relating to deactivation and/or annexation.

PRINCIPAL EMPLOYMENT CONTRACT

THIS CONTRACT, made the 8th day of January, 2013 by and between BOARD OF EDUCATION OF EAST RICHLAND COMMUNITY UNIT SCHOOL DISTRICT NO. 1 (hereinafter referred to as "THE BOARD"), and SUZANNE HAHN (hereinafter referred to as "THE PRINCIPAL"), pursuant to a Motion of THE BOARD at a meeting of THE BOARD held January 8, 2013, as found in the Minutes of that meeting,

WITNESSETH:

For and in consideration of the mutual promises hereinafter contained, it is covenanted and agreed by and between the parties as follows:

1. **EMPLOYMENT.** THE BOARD hereby employs SUZANNE HAHN as a Principal in and for East Richland Community Unit School District No. 1 for a period of two (2) years, commencing July 1, 2012 and ending June 30, 2014. This is a multi-year contract. By entering into a multi-year contract, THE PRINCIPAL waives all rights granted her under sections 24-11 to 24-16 (105 ILCS 5/24-11 to 105 ILCS 5/24-16) of The School Code for the term of the multi-year contract. During the term of this contract, THE PRINCIPAL will not achieve teaching tenure, nor will she be deemed to be serving the required probationary period.

2. **WORK YEAR.** THE PRINCIPAL'S work year shall include work days as necessary to complete the work, eleven (11) months per year, for each year of this contract, except as otherwise provided herein and except that THE PRINCIPAL'S employment shall not require her to work on school holidays and recognized school vacation periods during the school year, and on national holidays during the summer months when school is not in session. Per diem rate shall be calculated using two hundred twenty (220) days.

3. **DUTIES.** The duties and responsibilities of THE PRINCIPAL shall be all those duties incident to the office of the Principal, as set forth in the job description for such position attached hereto and incorporated herein as Exhibit A. In addition, THE PRINCIPAL shall perform such other duties normally performed by an employee in like position as from time to time may be assigned to THE PRINCIPAL by the Superintendent or THE BOARD.

4. **COMPENSATION.** In consideration of the performance of the duties of THE PRINCIPAL, THE BOARD shall pay to THE PRINCIPAL as base annual salary, the total sum of **One Hundred Thirty-Two Thousand, Eight Hundred Ninety-One Dollars and 21/100 (\$132,891.21) for the period July 1, 2012 through June 30, 2013, One Hundred Forty Thousand, Eight Hundred Sixty-Four Dollars and 68/100 (\$140,864.68) for the period July 1, 2013 through June 30, 2014**, which shall be payable in twenty-four (24) equal installments.

5. **PENSION.** From and out of the annual salary set forth above, THE BOARD shall pay to the Illinois Teachers' Retirement System for THE PRINCIPAL the entire amount as required by law, of her annual salary in the form of an employer-paid pension contribution. The purpose of such direct payment is to defer federal income taxation of such amount consistent with the provisions of 40 ILCS 5/16-152, *et seq.*, Internal Revenue Code Section 414H(2) and tax opinions 81-35 and 81-36.

6. **T.H.I.S.** From and out of the annual salary set forth above, THE BOARD shall pay the entire amount as may be required by law, to the Teachers' Health Insurance Security Fund (T.H.I.S.) on THE PRINCIPAL'S behalf. Also, in addition to the annual salary of THE PRINCIPAL, THE BOARD shall pay THE PRINCIPAL'S contribution for Medicare in an amount as required by law.

7. **PERFORMANCE BASED CONTRACT.** This Contract is a performance-based contract linked to student performance and academic improvement of the schools within the district. THE PRINCIPAL shall strive to meet the goals during the term of this Contract. The parties agree the goals and indicators are linked to student performance and academic improvement of the schools within the district.

Annually, THE PRINCIPAL, with the assistance of her administrative team, shall (1) evaluate student performance, which shall include but not be limited to, student performance on standardized tests such as performance on the Illinois Goals and Assessment Program Tests, completion of the curriculum, attendance, and drop-out rates; (2) review the curriculum and instructional services; and (3) report to the school board on her findings as to (a) student performance and (b) recommendations, if any, for curriculum or instructional changes as a result of her evaluation of student performance. The presentation of the report shall constitute the achievement of the goals and indicators of student performance and academic improvement as required by Section 10-23.8a of the Illinois School Code.

8. **EVALUATION.** Not later than February 1 of each year of this Contract, THE BOARD shall evaluate and assess in writing the performance and effectiveness of THE PRINCIPAL. The evaluation(s) and assessment(s) shall include, but not be limited to, the achievement of the performance goals required in Paragraph 7 hereof. The evaluation(s) and assessment(s) shall include recommendations as to areas of improvement where THE BOARD deems performance to be in need of improvement. It shall be the responsibility of THE PRINCIPAL to provide to THE BOARD written notice of THE BOARD'S obligation hereunder in a timely manner.

9. **EXTENSION AT END OF TERM.** At the end of any year of the Contract, the Board and PRINCIPAL may mutually agree to extend the employment of the PRINCIPAL for a multi-year period of up to five (5) years, provided the PRINCIPAL has met the Goals and Indicators of Student Performance and Academic Improvement as set forth in Paragraph 4 of this Contract. In such event, the Board shall take specific action to discontinue this Contract and enter into a new multi-year Contract of employment as allowed by law.

Notwithstanding the provisions above, prior to February 1 of the year in which this Contract expires, THE BOARD shall take action to extend or not extend the terms of this Contract for one additional year, and shall notify THE PRINCIPAL in writing of such action. Failure of THE BOARD to take such action shall extend this Contract for one (1) additional year. It shall be the responsibility of THE PRINCIPAL to inform the Superintendent of Schools for THE BOARD that his contract must be considered in a timely fashion in advance of the January regular board meeting.

10. **CRIMINAL RECORDS CHECK.** Pursuant to 105 ILCS 5/10-21.9, boards of education are prohibited from knowingly employing a person who has been convicted of committing or attempting to commit the named crimes therein. If a fingerprint-based criminal records check required by Illinois law is not completed at the time this Contract is signed, and the subsequent investigation report reveals there has been such a conviction, this Contract shall immediately become null and void.

11. **CERTIFICATION.** THE PRINCIPAL shall furnish THE BOARD, during the life of this Contract, a valid and appropriate certificate to perform duties as the PRINCIPAL in accordance with the laws of the State of Illinois and as directed by the Board.

12. **FRINGE BENEFITS.** THE PRINCIPAL shall be entitled to personal leave and other fringe benefits extended to certificated employees if not otherwise provided for herein. Use of said benefits shall be pursuant to the School District's policies, rules and regulations.

13. **SICK LEAVE.** THE PRINCIPAL shall be entitled to sick leave pursuant to the School District's policies, rules and regulations. Sick leave is currently **fourteen (14) days** annually and may be accumulated. Accumulated sick days will be transferred to her TRS account.

14. **MEDICAL INSURANCE.** THE BOARD shall pay the same premium for hospitalization, vision and major medical insurance for individual coverage for THE PRINCIPAL as the basic insurance coverage provided to all certificated members of the District.

15. **LIFE INSURANCE.** THE BOARD shall pay the full premium cost of the group life insurance in accordance with Board of Education Policy, or equal to the PRINCIPAL'S yearly salary, but not more than the cap established by the District's insurance carrier.

16. **PROFESSIONAL DUES.** THE BOARD shall pay the cost of THE ILLINOIS PRINCIPALS' ASSOCIATION annual membership dues and the cost of annual membership dues for THE NATIONAL ASSOCIATION FOR ELEMENTARY PRINCIPALS. THE BOARD shall reimburse THE PRINCIPAL for costs related to her attendance at meetings of the aforesaid Associations.

17. **OTHER WORK.** With THE BOARD'S prior approval, THE PRINCIPAL may undertake consultative work, speaking engagements, writing, lecturing or other professional duties and obligations so long as the same do not interfere with the performance of her duties as THE PRINCIPAL.

18. **DISABILITY.** Should THE PRINCIPAL be unable to perform the duties and obligations of this Contract by reason of illness, accident or other cause beyond THE PRINCIPAL'S control and such disability exists for a period of more than thirty (30) days after the exhaustion of THE PRINCIPAL'S accumulated sick leave days and vacation days, THE BOARD, in its discretion, may terminate this Contract, whereupon the respective duties, rights and obligations of the parties shall terminate.

19. **MILEAGE REIMBURSEMENT.** THE BOARD shall pay mileage expenses incurred by THE PRINCIPAL while using THE PRINCIPAL'S personal vehicle for the conduct of School District business pursuant to the School District's policies, rules and regulations.

20. **DISCHARGE FOR CAUSE.** Throughout the term of this Contract, THE PRINCIPAL shall be subject to discharge for breach of contract or for just cause, provided, however, THE BOARD does not arbitrarily or capriciously call for dismissal. THE PRINCIPAL shall have the right to service of written charges, notice of hearing and a hearing before THE BOARD. If THE PRINCIPAL chooses to be accompanied by counsel at any hearing, all such personal expenses shall be paid by THE PRINCIPAL.

21. **TERMINATION OR RECLASSIFICATION AT END OF CONTRACT TERM.** The termination and/or reclassification at the end of the term of this contract shall be as provided by law.

22. **NOTICE.** Any notice required under this Contract shall be in writing and shall become effective on the day of mailing hereof by First Class Mail, registered or certified mail, postage prepaid, addressed:

To THE BOARD:

President, Board of Education
East Richland Community Unit School No. 1
1100 – 1200 East Laurel
Olney, IL 62450

To THE PRINCIPAL

Suzanne Hahn
1103 Imperial Drive
Olney, IL 62450

23. **CONTENT OF AGREEMENT.** This Contract contains all the terms agreed upon by the parties with respect to the subject matter of this Contract and supersedes all prior agreements, arrangements and communications between the parties concerning such subject matter whether oral or written. Except as may otherwise be provided herein, no subsequent alteration, amendments, change or addition to this

contract shall be binding upon the parties unless reduced in writing and duly authorized and signed by each of the parties.

24. **AGREEMENT GOVERNED BY ILLINOIS LAW.** This Contract is executed in Illinois, and shall be governed in accordance with the laws of the State of Illinois in every respect.

25. **RELEVANT LAW.** This Contract is authorized under the provisions of 105 ILCS 5/10-23.8.

26. **SURVIVAL OF CONTRACT.** This Contract shall be binding upon the parties hereto, their successors and assigns.

27. **SAVINGS CLAUSE.** If any portion of this Contract is deemed to be illegal or enforceable, the remainder hereof shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed in their respective names; and in the case of THE BOARD, by its President and Secretary, on the day and year first written above.

THE PRINCIPAL

**EAST RICHLAND COMMUNITY UNIT
SCHOOL DISTRICT NO. 1**

By: _____
President, Board of Education

ATTEST:

Secretary, Board of Education

SUPERINTENDENT EMPLOYMENT CONTRACT

THIS CONTRACT, made the 8th day of January, 2013 by and between BOARD OF EDUCATION OF EAST RICHLAND COMMUNITY UNIT SCHOOL DISTRICT NO. 1 (hereinafter referred to as "THE BOARD"), and MARILYN HOLT (hereinafter referred to as "THE SUPERINTENDENT"), pursuant to a Motion of THE BOARD at a meeting of THE BOARD held January 8, 2013, as found in the Minutes of that meeting,

WITNESSETH:

For and in consideration of the mutual promises hereinafter contained, it is covenanted and agreed by and between the parties as follows:

1. **TERM.** THE BOARD hereby employs MARILYN HOLT as THE SUPERINTENDENT of East Richland Community Unit School District No. 1 for a period of three consecutive years, commencing July 1, 2012 and ending June 30, 2015.

2. **DUTIES.** The duties and responsibilities of THE SUPERINTENDENT shall be those duties incident to the office of THE SUPERINTENDENT as promulgated by THE BOARD and all duties and responsibilities imposed by the laws of the State of Illinois upon THE SUPERINTENDENT; and in addition, THE SUPERINTENDENT shall serve as the Chief Administrative Officer of THE BOARD and shall perform such other administrative duties from time to time as may be assigned to THE SUPERINTENDENT by THE BOARD.

3. **COMPENSATION.** In consideration of the performance of the duties of THE SUPERINTENDENT, THE BOARD shall pay to THE SUPERINTENDENT as base annual salary, the total sum of **One Hundred Sixty-Six Thousand, Seven Hundred Fifty-Four Dollars and 64/100 (\$166,754.64) for the period July 1, 2012 through June 30, 2013, One Hundred Seventy-Six Thousand, Seven Hundred Fifty-Nine Dollars and 92/100 (\$176,759.92) for the period July 1, 2013 through June 30, 2014, and One Hundred Eighty-Seven Thousand, Three Hundred Sixty-Five Dollars and 51/100 (\$187,365.51) for the period July 1, 2014 through July 1, 2015**, which shall be payable in twenty-four (24) equal installments.

4. **PENSION.** Out from the annual salary set forth above, THE BOARD shall pay to the Illinois Teachers' Retirement System for THE SUPERINTENDENT the entire amount as required by law, of his annual salary in the form of an employer-paid pension contribution. The purpose of such direct payment is to defer federal income taxation of such amount consistent with the provisions of 40 ILCS 5/16-152, *et seq.*, Internal Revenue Code Section 414H(2) and tax opinions 81-35 and 81-36. In the event of an increase in the TRS required contribution level, the Board shall pay the increase out of the Principal's salary set forth in Paragraph 3 hereinabove.

5. **T.H.I.S.** Out from the annual salary set forth above, THE BOARD shall pay the entire amount as may be required by law, to the Teachers' Health Insurance

Security Fund (T.H.I.S.) on THE SUPERINTENDENT'S behalf. Also, in addition to the annual salary of THE SUPERINTENDENT, THE BOARD shall pay THE SUPERINTENDENT'S contribution for Medicare in an amount as required by law.

6. **PERFORMANCE BASED CONTRACT.** This Contract is a performance-based contract linked to student performance and academic improvement of the schools within the district. THE SUPERINTENDENT shall strive to meet the goals during the term of this Contract. The parties agree the goals and indicators are linked to student performance and academic improvement of the schools within the district.

Annually, THE SUPERINTENDENT, with the assistance of her administrative team, shall (1) evaluate student performance, which shall include but not be limited to, student performance on standardized tests such as performance on the Illinois Goals and Assessment Program Tests, completion of the curriculum, attendance, and drop-out rates; (2) review the curriculum and instructional services; and (3) report to the school board on her findings as to (a) student performance and (b) recommendations, if any, for curriculum or instructional changes as a result of her evaluation of student performance. The presentation of the report shall constitute the achievement of the goals and indicators of student performance and academic improvement as required by Section 10-23.8 of the Illinois School Code.

7. **EVALUATION.** Not later than February 1 of each year of this Contract, THE BOARD shall evaluate and assess in writing the performance and effectiveness of THE SUPERINTENDENT. The evaluation(s) and assessment(s) shall include, but not be limited to, the achievement of the performance goals required in Paragraph 4 hereof. The evaluation(s) and assessment(s) shall include recommendations as to areas of improvement where THE BOARD deems performance to be in need of improvement. It shall be the responsibility of THE SUPERINTENDENT to provide to THE BOARD written notice of THE BOARD'S obligation hereunder in a timely manner.

8. **EXTENSION AT END OF TERM.** At the end of any year of this Contract, the Board and Superintendent may mutually agree to extend the employment of THE SUPERINTENDENT for a multi-year period of up to five (5) years, provided the Superintendent has met the Goals and Indicators of Student Performance and Academic Improvement as set forth in Paragraph 4 of this Contract. In such event, the Board shall take specific action to discontinue this Contract and enter into a new multi-year Contract of employment as allowed by law.

Notwithstanding the provisions above, prior to February 1 of the year in which this Contract expires, the Board shall take action to extend or not extend the terms of this Contract for one additional year, and shall notify THE SUPERINTENDENT in writing of such action. Failure of THE BOARD to take such action shall extend this Contract for one (1) additional year. It shall be the requirement of THE SUPERINTENDENT to place consideration of her contract on the agenda for the January meeting.

9. **CRIMINAL RECORDS CHECK.** Pursuant to 105 ILCS 5/10-21.9, boards of education are prohibited from knowingly employing a person who has been convicted of committing or attempting to commit the named crimes therein. If a fingerprint-based criminal records check required by Illinois law is not completed at the time this Contract is signed, and the subsequent investigation report reveals there has been such a conviction, this Contract shall immediately become null and void.

10. **CERTIFICATION.** THE SUPERINTENDENT shall furnish THE BOARD, during the life of this Contract, a valid and appropriate certificate to perform duties as the Superintendent in accordance with the laws of the State of Illinois and as directed by the Board.

11. **MEDICAL EXAMINATION.** As a material condition of this contract, at least once a year during the term of this Contract, THE SUPERINTENDENT shall obtain a comprehensive medical examination. The cost of such examination shall be paid by THE BOARD. A copy of the certificate of physician certifying the physical competency of THE SUPERINTENDENT shall be given to the President of THE BOARD. This Contract is specifically contingent upon proof of physical competency to perform the duties of Superintendent.

12. **VACATION.** THE SUPERINTENDENT shall be entitled to **2.5** working days of vacation per month, for a total of thirty (30) working days of vacation annually, in each year of this Contract, exclusive of the school holidays provided to 12-month employees of the Board. THE SUPERINTENDENT shall take vacation days within the twelve (12) months of the year in which they are earned. No more than ten (10) days may be carried over into any subsequent year

13. **FRINGE BENEFITS.** THE SUPERINTENDENT shall be entitled to personal leave and other fringe benefits extended to certificated employees if not otherwise provided for herein. Use of said benefits shall be pursuant to the School District's policies, rules and regulations.

14. **SICK LEAVE.** THE SUPERINTENDENT shall be entitled to sick leave pursuant to the School District's policies, rules and regulations. Sick leave is currently **fifteen (15) days** annually and may be accumulated. Accumulated sick days will be transferred to her TRS account.

15. **MEDICAL INSURANCE.** THE BOARD shall pay the same premium for hospitalization, vision and major medical insurance for individual coverage for THE SUPERINTENDENT as the basic insurance coverage provided to all certificated members of the District.

16. **LIFE INSURANCE.** THE BOARD shall pay the full premium cost of the group life insurance in accordance with Board of Education Policy, or equal to the SUPERINTENDENT'S yearly salary, but not more than the cap established by the District's insurance carrier.

17. **PROFESSIONAL DUES.** THE BOARD shall pay the cost of THE SUPERINTENDENT'S annual membership dues in the American Association of School Administrators, the Illinois Association of School Administrators and up to **Seven Hundred and Fifty and 00/100 dollars (\$750.00)** for membership dues in one local service organization. THE BOARD shall reimburse THE SUPERINTENDENT for costs related to her attendance at meetings of the aforesaid Associations.

18. **RESIDENCY.** As a condition of employment, THE SUPERINTENDENT shall maintain residency in the District.

19. **OTHER WORK.** With THE BOARD'S prior approval, THE SUPERINTENDENT may undertake consultative work, speaking engagements, writing, lecturing or other professional duties and obligations so long as the same do not interfere with the performance of her duties as THE SUPERINTENDENT.

20. **DISABILITY.** Should THE SUPERINTENDENT be unable to perform the duties and obligations of this Contract by reason of illness, accident or other cause beyond THE SUPERINTENDENT'S control and such disability exists for a period of more than thirty (30) days after the exhaustion of THE SUPERINTENDENT'S accumulated sick leave days and vacation days, THE BOARD, in its discretion, may terminate this Contract, whereupon the respective duties, rights and obligations of the parties shall terminate. Prior to termination for disability, THE SUPERINTENDENT may request a hearing before THE BOARD in closed session.

21. **MILEAGE REIMBURSEMENT.** THE BOARD shall pay mileage expenses incurred by THE SUPERINTENDENT while using THE SUPERINTENDENT'S personal vehicle for the conduct of School District business pursuant to the School District's policies, rules and regulations.

22. **DISCHARGE FOR CAUSE.** Throughout the term of this Contract, THE SUPERINTENDENT shall be subject to discharge for breach of contract or for just cause, provided, however, THE BOARD does not arbitrarily or capriciously call for dismissal. THE SUPERINTENDENT shall have the right to service of written charges, notice of hearing and a hearing before THE BOARD. If THE SUPERINTENDENT chooses to be accompanied by counsel at any hearing, all such personal expenses shall be paid by THE SUPERINTENDENT.

23. **NOTICE.** Any notice required under this Contract shall be in writing and shall become effective on the day of mailing hereof by First Class Mail, registered or certified mail, postage prepaid, addressed:

To THE BOARD:

To THE SUPERINTENDENT

President, Board of Education
East Richland Community Unit School No. 1
1100 – 1200 East Laurel
Olney, IL 62450

MARILYN HOLT
517B Fountain Place
Olney, IL 62450

24. **CONTENT OF AGREEMENT.** This Contract contains all the terms agreed upon by the parties with respect to the subject matter of this Contract and supersedes all prior agreements, arrangements and communications between the parties concerning such subject matter whether oral or written. Except as may otherwise be provided herein, no subsequent alteration, amendments, change or addition to this contract shall be binding upon the parties unless reduced in writing and duly authorized and signed by each of the parties.

25. **AGREEMENT GOVERNED BY ILLINOIS LAW.** This Contract is executed in Illinois, and shall be governed in accordance with the laws of the State of Illinois in every respect.

26. **RELEVANT LAW.** This Contract is authorized under the provisions of 105 ILCS 5/10-23.8.

27. **SURVIVAL OF CONTRACT.** This Contract shall be binding upon the parties hereto, their successors and assigns.

28. **SAVINGS CLAUSE.** If any portion of this Contract is deemed to be illegal or enforceable, the remainder hereof shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed in their respective names; and in the case of THE BOARD, by its President and Secretary, on the day and year first written above.

THE SUPERINTENDENT

**EAST RICHLAND COMMUNITY UNIT
SCHOOL DISTRICT NO. 1**

By: _____
President, Board of Education

ATTEST:

Secretary, Board of Education

PRINCIPAL EMPLOYMENT CONTRACT

THIS CONTRACT, made the 8th day of January, 2013 by and between BOARD OF EDUCATION OF EAST RICHLAND COMMUNITY UNIT SCHOOL DISTRICT NO. 1 (hereinafter referred to as "THE BOARD"), and CHRIS SIMPSON (hereinafter referred to as "THE PRINCIPAL"), pursuant to a Motion of THE BOARD at a meeting of THE BOARD held January 8, 2013, as found in the Minutes of that meeting,

WITNESSETH:

For and in consideration of the mutual promises hereinafter contained, it is covenanted and agreed by and between the parties as follows:

1. **EMPLOYMENT.** THE BOARD hereby employs CHRIS SIMPSON as a Principal in and for East Richland Community Unit School District No. 1 for a period of five (5) years, commencing July 1, 2012 and ending June 30, 2017. This is a multi-year contract. By entering into a multi-year contract, the Principal waives all rights granted his under sections 24-11 to 24-16 (105 ILCS 5/24-11 to 105 ILCS 5/24-16) of The School Code for the term of the multi-year contract. During the term of this contract, THE PRINCIPAL will not achieve teaching tenure, nor will she be deemed to be serving the required probationary period.

2. **WORK YEAR.** THE PRINCIPAL'S work year shall include work days as necessary to complete the work, eleven (11) months per year, for each year of this contract, except as otherwise provided herein and except that THE PRINCIPAL'S employment shall not require his to work on school holidays and recognized school vacation periods during the school year, and on national holidays during the summer months when school is not in session. Per diem rate shall be calculated using two hundred twenty (220) days.

3. **DUTIES.** The duties and responsibilities of THE PRINCIPAL shall be all those duties incident to the office of the Principal, as set forth in the job description for such position attached hereto and incorporated herein as Exhibit A. In addition, THE PRINCIPAL shall perform such other duties normally performed by an employee in like position as from time to time may be assigned to THE PRINCIPAL by the Superintendent or THE BOARD.

4. **COMPENSATION.** In consideration of the performance of the duties of THE PRINCIPAL, THE BOARD shall pay to THE PRINCIPAL as base annual salary, the total sum of **One Hundred Fourteen Thousand, Three Hundred Twenty-Eight Dollars and 71/100 (\$114,328.71) for the period July 1, 2012 through June 30, 2013, One Hundred Seventeen Thousand, One Hundred Eighty-Six Dollars and 93/100 (\$117,186.93) for the period July 1, 2013 through June 30, 2014, One Hundred Twenty Thousand, One Hundred Sixteen Dollars and 60/100 (\$120,116.60) for the period July 1, 2014 through June 30, 2015**, which shall be payable in twenty-four (24) equal installments.

Upon retirement of the current Superintendent, THE BOARD hereby agrees to consider to promote THE PRINCIPAL to the position of Assistant Superintendent. THE BOARD shall not be required to promote THE PRINCIPAL, but in the event it does, may consider additional benefits by addendum. The remainder of the terms of this contract shall remain unless otherwise negotiated.

5. **PENSION.** From and out of the annual salary set forth above, THE BOARD shall pay to the Illinois Teachers' Retirement System for THE PRINCIPAL the entire amount as required by law, of his annual salary in the form of an employer-paid pension contribution. The purpose of such direct payment is to defer federal income taxation of such amount consistent with the provisions of 40 ILCS 5/16-152, *et seq.*, Internal Revenue Code Section 414H(2) and tax opinions 81-35 and 81-36. In the event of an increase in the TRS required contribution level, the Board shall pay the increase out of the Principal's salary set forth in Paragraph 3 hereinabove.

6. **T.H.I.S.** From and out of the annual salary set forth above, THE BOARD shall pay the entire amount as may be required by law, to the Teachers' Health Insurance Security Fund (T.H.I.S.) on THE PRINCIPAL'S behalf. Also, in addition to the annual salary of THE PRINCIPAL, THE BOARD shall pay THE PRINCIPAL'S contribution for Medicare in an amount as required by law.

7. **PERFORMANCE BASED CONTRACT.** This Contract is a performance-based contract linked to student performance and academic improvement of the schools within the district. THE PRINCIPAL shall strive to meet the goals during the term of this Contract. The parties agree the goals and indicators are linked to student performance and academic improvement of the schools within the district.

Annually, THE PRINCIPAL, with the assistance of his administrative team, shall (1) evaluate student performance, which shall include but not be limited to, student performance on standardized tests such as performance on the Illinois Goals and Assessment Program Tests, completion of the curriculum, attendance, and drop-out rates; (2) review the curriculum and instructional services; and (3) report to the school board on his findings as to (a) student performance and (b) recommendations, if any, for curriculum or instructional changes as a result of his evaluation of student performance. The presentation of the report shall constitute the achievement of the goals and indicators of student performance and academic improvement as required by Section 10-23.8a of the Illinois School Code.

8. **EVALUATION.** Not later than February 1 of each year of this Contract, THE BOARD shall evaluate and assess in writing the performance and effectiveness of THE PRINCIPAL. The evaluation(s) and assessment(s) shall include, but not be limited to, the achievement of the performance goals required in Paragraph 7 hereof. The evaluation(s) and assessment(s) shall include recommendations as to areas of improvement where THE BOARD deems performance to be in need of improvement. It shall be the responsibility of THE PRINCIPAL to provide to THE BOARD written notice of THE BOARD'S obligation hereunder in a timely manner.

9. **EXTENSION AT END OF TERM.** At the end of any year of the Contract, the Board and PRINCIPAL may mutually agree to extend the employment of THE PRINCIPAL for a multi-year period of up to five (5) years, provided THE PRINCIPAL has met the Goals and Indicators of Student Performance and Academic Improvement as set forth in Paragraph 4 of this Contract. In such event, the Board shall take specific action to discontinue this Contract and enter into a new multi-year Contract of employment as allowed by law.

Notwithstanding the provisions above, prior to February 1 of the year in which this Contract expires, THE BOARD shall take action to extend or not extend the terms of this Contract for one additional year, and shall notify THE PRINCIPAL in writing of such action. Failure of THE BOARD to take such action shall extend this Contract for one (1) additional year. It shall be the responsibility of THE PRINCIPAL to inform the Superintendent of Schools for THE BOARD that his contract must be considered in a timely fashion in advance of the January regular board meeting.

10. **CRIMINAL RECORDS CHECK.** Pursuant to 105 ILCS 5/10-21.9, boards of education are prohibited from knowingly employing a person who has been convicted of committing or attempting to commit the named crimes therein. If a fingerprint-based criminal records check required by Illinois law is not completed at the time this Contract is signed, and the subsequent investigation report reveals there has been such a conviction, this Contract shall immediately become null and void.

11. **CERTIFICATION.** THE PRINCIPAL shall furnish THE BOARD, during the life of this Contract, a valid and appropriate certificate to perform duties as the PRINCIPAL in accordance with the laws of the State of Illinois and as directed by the Board.

12. **FRINGE BENEFITS.** THE PRINCIPAL shall be entitled to personal leave and other fringe benefits extended to certificated employees if not otherwise provided for herein. Use of said benefits shall be pursuant to the School District's policies, rules and regulations.

13. **SICK LEAVE.** THE PRINCIPAL shall be entitled to sick leave pursuant to the School District's policies, rules and regulations. Sick leave is currently **fourteen (14) days** annually and may be accumulated. Accumulated sick days will be transferred to his TRS account.

14. **MEDICAL INSURANCE.** THE BOARD shall pay the same premium for hospitalization, vision and major medical insurance for individual coverage for THE PRINCIPAL as the basic insurance coverage provided to all certificated members of the District.

15. **LIFE INSURANCE.** THE BOARD shall pay the full premium cost of the group life insurance in accordance with Board of Education Policy, or equal to the

PRINCIPAL'S yearly salary, but not more than the cap established by the District's insurance carrier.

16. **PROFESSIONAL DUES.** THE BOARD shall pay the cost of THE NATIONAL ASSOCIATION OF SECONDARY SCHOOL PRINCIPALS' ASSOCIATION annual membership dues and the ILLINOIS PRINCIPALS' ASSOCIATION annual membership dues. THE BOARD shall reimburse THE PRINCIPAL for costs related to his attendance at meetings of the aforesaid Associations.

17. **OTHER WORK.** With THE BOARD'S prior approval, THE PRINCIPAL may undertake consultative work, speaking engagements, writing, lecturing or other professional duties and obligations so long as the same do not interfere with the performance of his duties as THE PRINCIPAL.

18. **DISABILITY.** Should THE PRINCIPAL be unable to perform the duties and obligations of this Contract by reason of illness, accident or other cause beyond THE PRINCIPAL'S control and such disability exists for a period of more than thirty (30) days after the exhaustion of THE PRINCIPAL'S accumulated sick leave days and vacation days, THE BOARD, in its discretion, may terminate this Contract, whereupon the respective duties, rights and obligations of the parties shall terminate.

19. **MILEAGE REIMBURSEMENT.** THE BOARD shall pay mileage expenses incurred by THE PRINCIPAL while using THE PRINCIPAL'S personal vehicle for the conduct of School District business pursuant to the School District's policies, rules and regulations.

20. **DISCHARGE FOR CAUSE.** Throughout the term of this Contract, THE PRINCIPAL shall be subject to discharge for breach of contract or for just cause, provided, however, THE BOARD does not arbitrarily or capriciously call for dismissal. THE PRINCIPAL shall have the right to service of written charges, notice of hearing and a hearing before THE BOARD. If THE PRINCIPAL chooses to be accompanied by counsel at any hearing, all such personal expenses shall be paid by THE PRINCIPAL.

21. **TERMINATION OR RECLASSIFICATION AT END OF CONTRACT TERM.** The termination and/or reclassification at the end of the term of this contract shall be as provided by law.

22. **NOTICE.** Any notice required under this Contract shall be in writing and shall become effective on the day of mailing hereof by First Class Mail, registered or certified mail, postage prepaid, addressed:

To THE BOARD:

President, Board of Education
East Richland Community Unit School No. 1
1100 – 1200 East Laurel

To THE PRINCIPAL

Chris Simpson
1307 Cypress Road
Olney, IL 62450-4340

Olney, IL 62450

23. **CONTENT OF AGREEMENT.** This Contract contains all the terms agreed upon by the parties with respect to the subject matter of this Contract and supersedes all prior agreements, arrangements and communications between the parties concerning such subject matter whether oral or written. Except as may otherwise be provided herein, no subsequent alteration, amendments, change or addition to this contract shall be binding upon the parties unless reduced in writing and duly authorized and signed by each of the parties.

24. **AGREEMENT GOVERNED BY ILLINOIS LAW.** This Contract is executed in Illinois, and shall be governed in accordance with the laws of the State of Illinois in every respect.

25. **RELEVANT LAW.** This Contract is authorized under the provisions of 105 ILCS 5/10-23.8.

26. **SURVIVAL OF CONTRACT.** This Contract shall be binding upon the parties hereto, their successors and assigns.

27. **SAVINGS CLAUSE.** If any portion of this Contract is deemed to be illegal or enforceable, the remainder hereof shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed in their respective names; and in the case of THE BOARD, by its President and Secretary, on the day and year first written above.

THE PRINCIPAL

**EAST RICHLAND COMMUNITY UNIT
SCHOOL DISTRICT NO. 1**

By: _____
President, Board of Education

ATTEST:

Secretary, Board of Education

ASSISTANT SUPERINTENDENT EMPLOYMENT CONTRACT

THIS CONTRACT, made the 8th day of January, 2013 by and between BOARD OF EDUCATION OF EAST RICHLAND COMMUNITY UNIT SCHOOL DISTRICT NO. 1 (hereinafter referred to as "THE BOARD"), and LARRY BUSSARD (hereinafter referred to as "THE ASSISTANT SUPERINTENDENT"), pursuant to a Motion of THE BOARD at a meeting of THE BOARD held January 8, 2013, as found in the Minutes of that meeting,

WITNESSETH:

For and in consideration of the mutual promises hereinafter contained, it is covenanted and agreed by and between the parties as follows:

1. **TERM.** THE BOARD hereby employs LARRY BUSSARD as THE ASSISTANT SUPERINTENDENT of East Richland Community Unit School District No. 1 for a period of five (5) consecutive years, commencing July 1, 2012 and ending June 30, 2017.

2. **DUTIES.** The duties and responsibilities of THE ASSISTANT SUPERINTENDENT shall be those duties incident to the office of THE ASSISTANT SUPERINTENDENT as promulgated by THE BOARD and all duties and responsibilities imposed by the laws of the State of Illinois upon THE ASSISTANT SUPERINTENDENT; he shall perform such other administrative duties from time to time as may be assigned to THE ASSISTANT SUPERINTENDENT by THE BOARD.

3. **COMPENSATION.** In consideration of the performance of the duties of THE ASSISTANT SUPERINTENDENT, THE BOARD shall pay to THE ASSISTANT SUPERINTENDENT as base annual salary, the total sum of **One Hundred Thirty-Six Thousand, Five Hundred Fifty-Nine Dollars and 68/100 (\$136,559.68) for the period July 1, 2012 through June 30, 2013, One Hundred Forty Four Thousand, Seven Hundred Fifty Three Dollars and 26/100 (\$144,753.26) for the period July 1, 2013 through June 30, 2014, One Hundred Fifty Three Thousand, Four Hundred Thirty Eight Dollars and 46/100 (\$153,438.46) for the period July 1, 2014 through June 30, 2015, One Hundred Sixty Two Thousand, Six Hundred Forty-Four Dollars and 76/100 (\$162,644.76) for the period July 1, 2015 through June 30, 2016, One Hundred Seventy-Two Thousand, Four Hundred Three Dollars and 45/100 (\$172,403.45) for the period July 1, 2016 through June 30, 2017**, which shall be payable in twenty-four (24) equal installments.

Upon retirement of the current Superintendent, THE BOARD hereby agrees to consider to promote THE ASSISTANT SUPERINTENDENT to the position of Superintendent. If said promotion occurs within the term of this Agreement, THE BOARD hereby agrees to provide the ASSISTANT SUPERINTENDENT the salaries as provided herein unless otherwise negotiated between the Parties. In addition, the Board shall provide ten (10) additional vacation days and pay for the same professional and

other local and civic organizations as were provided to the previous Superintendent. All other terms of this Contract shall remain in effect, however, the reference to THE ASSISTANT SUPERINTENDENT shall be replaced with THE SUPERINTENDENT, and the references to THE SUPERINTENDENT shall be replaced with THE BOARD.

4. **PENSION.** From and out of the annual salary set forth above, THE BOARD shall pay to the Illinois Teachers' Retirement System for THE ASSISTANT SUPERINTENDENT the entire amount as required by law, of his annual salary in the form of an employer-paid pension contribution. The purpose of such direct payment is to defer federal income taxation of such amount consistent with the provisions of 40 ILCS 5/16-152, *et seq.*, Internal Revenue Code Section 414H(2) and tax opinions 81-35 and 81-36. In the event of an increase in the TRS required contribution level, the Board shall pay the increase out of THE ASSISTANT SUPERINTENDENT'S salary set forth in Paragraph 3 hereinabove.

5. **T.H.I.S.** From and out of the annual salary set forth above, THE BOARD shall pay the entire amount as may be required by law, to the Teachers' Health Insurance Security Fund (T.H.I.S.) on THE ASSISTANT SUPERINTENDENT'S behalf. Also, in addition to the annual salary of THE ASSISTANT SUPERINTENDENT, THE BOARD shall pay THE ASSISTANT SUPERINTENDENT'S contribution for Medicare in an amount as required by law.

6. **PERFORMANCE BASED CONTRACT.** This Contract is a performance-based contract linked to student performance and academic improvement of the schools within the district. THE ASSISTANT SUPERINTENDENT shall strive to meet the goals during the term of this Contract. The parties agree the goals and indicators are linked to student performance and academic improvement of the schools within the district.

Annually, THE ASSISTANT SUPERINTENDENT, with the assistance of his administrative team, shall (1) evaluate student performance, which shall include but not be limited to, student performance on standardized tests such as performance on the ISAT/PSAE, completion of the curriculum, attendance, and drop-out rates; (2) review the curriculum and instructional services; and (3) report to the Superintendent on his findings as to (a) student performance and (b) recommendations, if any, for curriculum or instructional changes as a result of his evaluation of student performance. The presentation of the report shall constitute the achievement of the goals and indicators of student performance and academic improvement as required by Section 10-23.8 or 10-23.8a of the Illinois School Code.

7. **EVALUATION.** Not later than February 1 of each year of this Contract, the SUPERINTENDENT shall evaluate and assess in writing the performance and effectiveness of THE ASSISTANT SUPERINTENDENT. The evaluation(s) and assessment(s) shall include, but not be limited to, the achievement of the performance goals required in Paragraph 6 hereof. The evaluation(s) and assessment(s) shall include recommendations as to areas of improvement where THE SUPERINTENDENT deems

performance to be in need of improvement. It shall be the responsibility of THE ASSISTANT SUPERINTENDENT to provide to THE SUPERINTENDENT written notice of THE SUPERINTENDENT'S obligation hereunder in a timely manner.

8. **EXTENSION AT END OF TERM.** At the end of any year of this Contract, THE BOARD and ASSISTANT SUPERINTENDENT may mutually agree to extend the employment of the ASSISTANT SUPERINTENDENT for a multi-year period of up to five (5) years, provided the ASSISTANT SUPERINTENDENT has met the Goals and Indicators of Student Performance and Academic Improvement as set forth in Paragraph 4 of this Contract. In such event, THE BOARD shall take specific action to discontinue this Contract and enter into a new multi-year Contract of employment as allowed by law.

Notwithstanding the provisions above, prior to February 1 of the year in which this Contract expires, the Board shall take action to extend or not extend the terms of this Contract for one additional year, and shall notify the ASSISTANT SUPERINTENDENT in writing of such action. Failure of the Board to take such action shall extend this Contract for one (1) additional year. It shall be the requirement of THE ASSISTANT SUPERINTENDENT to place consideration of his contract on the agenda for the January meeting.

9. **CRIMINAL RECORDS CHECK.** Pursuant to 105 ILCS 5/10-21.9, boards of education are prohibited from knowingly employing a person who has been convicted of committing or attempting to commit the named crimes therein. If a fingerprint-based criminal records check required by Illinois law is not completed at the time this Contract is signed, and the subsequent investigation report reveals there has been such a conviction, this Contract shall immediately become null and void.

10. **CERTIFICATION.** THE ASSISTANT SUPERINTENDENT shall furnish THE BOARD, during the life of this Contract, a valid and appropriate certificate to perform duties as the ASSISTANT SUPERINTENDENT in accordance with the laws of the State of Illinois and as directed by the Board.

11. **VACATION.** THE ASSISTANT SUPERINTENDENT shall be entitled to **1.67** working days of vacation per month, for a total of twenty (20) working days of vacation annually, in each year of this Contract, exclusive of the school holidays provided to 12-month employees of the Board. THE ASSISTANT SUPERINTENDENT shall take vacation days within the twelve (12) months of the year in which they are earned. No more than ten (10) days may be carried over into any subsequent year

12. **FRINGE BENEFITS.** THE ASSISTANT SUPERINTENDENT shall be entitled to personal leave and other fringe benefits extended to certificated employees if not otherwise provided for herein. Use of said benefits shall be pursuant to the School District's policies, rules and regulations.

13. **SICK LEAVE.** THE ASSISTANT SUPERINTENDENT shall be entitled to sick leave pursuant to the School District's policies, rules and regulations. Sick leave is currently **fifteen (15) days** annually and may be accumulated. Accumulated sick days will be transferred to his TRS account.

14. **MEDICAL INSURANCE.** THE BOARD shall pay the same premium for hospitalization, vision and major medical insurance for individual coverage for THE ASSISTANT SUPERINTENDENT as the basic insurance coverage provided to all certificated members of the District.

15. **LIFE INSURANCE.** THE BOARD shall pay the full premium cost of the group life insurance in accordance with Board of Education Policy, or equal to the ASSISTANT SUPERINTENDENT'S yearly salary, but not more than the cap established by the District's insurance carrier.

16. **PROFESSIONAL DUES.** THE BOARD shall pay the cost of THE ASSISTANT SUPERINTENDENT'S annual membership dues in the American Association of School Administrators and the Illinois Association of School Administrators. THE BOARD shall reimburse THE ASSISTANT SUPERINTENDENT for costs related to his attendance at meetings of the aforesaid Associations.

17. **RESIDENCY.** As a condition of employment, THE ASSISTANT SUPERINTENDENT shall maintain residency in the District.

18. **OTHER WORK.** With THE BOARD'S prior approval, THE ASSISTANT SUPERINTENDENT may undertake consultative work, speaking engagements, writing, lecturing or other professional duties and obligations so long as the same do not interfere with the performance of his duties as THE ASSISTANT SUPERINTENDENT.

19. **DISABILITY.** Should THE ASSISTANT SUPERINTENDENT be unable to perform the duties and obligations of this Contract by reason of illness, accident or other cause beyond THE ASSISTANT SUPERINTENDENT'S control and such disability exists for a period of more than thirty (30) days after the exhaustion of THE ASSISTANT SUPERINTENDENT'S accumulated sick leave days and vacation days, THE BOARD, in its discretion, may terminate this Contract, whereupon the respective duties, rights and obligations of the parties shall terminate. Prior to termination for disability, THE ASSISTANT SUPERINTENDENT may request a hearing before THE BOARD in closed session.

20. **MILEAGE REIMBURSEMENT.** THE BOARD shall pay mileage expenses incurred by THE ASSISTANT SUPERINTENDENT while using THE ASSISTANT SUPERINTENDENT'S personal vehicle for the conduct of School District business pursuant to the School District's policies, rules and regulations.

21. **DISCHARGE FOR CAUSE.** Throughout the term of this Contract, THE ASSISTANT SUPERINTENDENT shall be subject to discharge for breach of contract or for just cause, provided, however, THE BOARD does not arbitrarily or capriciously call for dismissal. THE ASSISTANT SUPERINTENDENT shall have the right to service of written charges, notice of hearing and a hearing before THE BOARD. If THE ASSISTANT SUPERINTENDENT chooses to be accompanied by counsel at any hearing, all such personal expenses shall be paid by THE ASSISTANT SUPERINTENDENT.

22. **NOTICE.** Any notice required under this Contract shall be in writing and shall become effective on the day of mailing hereof by First Class Mail, registered or certified mail, postage prepaid, addressed:

To THE BOARD:

President, Board of Education
East Richland Community Unit School No. 1
1100 – 1200 East Laurel
Olney, IL 62450

To THE ASSISTANT
SUPERINTENDENT

Larry Bussard
[address in district records]

23. **CONTENT OF AGREEMENT.** This Contract contains all the terms agreed upon by the parties with respect to the subject matter of this Contract and supersedes all prior agreements, arrangements and communications between the parties concerning such subject matter whether oral or written. Except as may otherwise be provided herein, no subsequent alteration, amendments, change or addition to this contract shall be binding upon the parties unless reduced in writing and duly authorized and signed by each of the parties.

24. **AGREEMENT GOVERNED BY ILLINOIS LAW.** This Contract is executed in Illinois, and shall be governed in accordance with the laws of the State of Illinois in every respect.

25. **RELEVANT LAW.** This Contract is authorized under the provisions of 105 ILCS 5/10-23.8.

26. **SURVIVAL OF CONTRACT.** This Contract shall be binding upon the parties hereto, their successors and assigns.

27. **SAVINGS CLAUSE.** If any portion of this Contract is deemed to be illegal or enforceable, the remainder hereof shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed in their respective names; and in the case of THE BOARD, by its President and Secretary, on the day and year first written above.

THE ASSISTANT SUPERINTENDENT

**EAST RICHLAND COMMUNITY UNIT
SCHOOL DISTRICT NO. 1**

By: _____
President, Board of Education

ATTEST:

Secretary, Board of Education