

OFFICIAL COPY

**SUPERINTENDENT'S
EMPLOYMENT CONTRACT
(2017-2021)**

AGREEMENT made this 23rd day of January, 2018, between the **BOARD OF EDUCATION OF COMMUNITY HIGH SCHOOL DISTRICT NO. 155, MCHENRY COUNTY, ILLINOIS**, hereinafter referred to as the "Board," and **STEVE OLSON**, hereinafter referred to as the "Superintendent." Pursuant to Section 10-23.8 of the Illinois *School Code*, the Board hereby finds that the Superintendent has met the performance goals set forth in the 2017-2018 Interim Superintendent's Employment Contract. This Superintendent's Employment Contract ("Contract") hereby replaces and supersedes any contract of employment currently in effect between the parties as of the commencement date of this Contract as such date is set forth below in paragraph A.1.

A. EMPLOYMENT AND COMPENSATION

1. **Salary and Term of Employment.** The Board hereby employs the Superintendent for a multiyear period commencing on August 10, 2017, and terminating on June 30, 2021, at an annual salary for the 2017-2018 Contract Year of ONE HUNDRED EIGHTY-EIGHT THOUSAND SEVEN HUNDRED SEVENTY-THREE DOLLARS AND FORTY-FOUR CENTS (\$188,773.44), minus any salary already paid under the 2017-2018 Principal Employment Contract and 2017-2018 Interim Superintendent Employment Contract. The Superintendent's annual salary shall be increased by 6.0% in each of the ensuing Contract Years provided the Superintendent receives a performance evaluation rating of at least "Proficient" during the prior Contract Year.

The salary set forth herein shall be payable in near equal installments in accordance with the rules of the Board governing payments of other administrative staff members in the District. Notwithstanding the compensation amounts listed herein, under no conditions shall the Superintendent's total creditable earnings for any year be increased by an amount that will result in the Superintendent receiving an increase in total creditable earnings over the prior year (July 1 to June 30) that would result in the Board owing an increased contribution penalty to the Teachers' Retirement System (*i.e.*, receiving more than a six percent (6%) increase in creditable earnings). The Superintendent hereby accepts employment upon the terms and conditions hereinafter set forth. A "Contract Year" shall be each period of July 1-June 30 covered by this Contract.

2. **Teachers' Retirement System and Health Insurance Security Fund.** In addition to the annual salary stated in paragraph A.1 of this Contract, the Board shall pay on behalf of the Superintendent to the State of Illinois Teachers' Retirement System (TRS) and the

Teacher Health Insurance Security Fund (THIS) the Superintendent's required contributions to said pension system and health fund. The Superintendent shall not have any right or claim to said amounts, except as they may become available at the time of retirement or resignation from the State of Illinois Teachers' Retirement System and the Teacher Health Insurance Security Fund. Both parties acknowledge that the Superintendent did not have the option of choosing to receive the contributed amounts directly, instead of having such contributions paid by the Board to the Teachers' Retirement System and Teacher Health Insurance Security Fund, and further acknowledge that such contributions are made as a condition of employment to secure the Superintendent's future services, knowledge and experience.

However, if legislation is enacted that limits the employer's ability to perform its obligations under this paragraph, the Parties agree to reopen the contract, discuss and negotiate the impact thereof.

B. CONDITIONS OF EMPLOYMENT

1. **Licensure.** During the term of this contract, and as a condition of continued employment, the Superintendent shall hold and maintain a valid and properly registered professional educator license, issued by the Illinois State Educator Preparation Licensure Board, with appropriate endorsement qualifying him to act as a Superintendent in the School.

2. **Medical Examination.** The Superintendent shall submit, at Board expense, to a physical or mental examination by a physician licensed in Illinois to practice medicine and surgery in all its branches whenever the Board deems such examination necessary and in accordance with applicable law. As a condition of employment, the Superintendent also agrees to comply with all health requirements established by law.

C. BENEFITS

1. Automobile Allowance/Business Expenses.

The Board shall reimburse the Superintendent during the term of this Contract for necessary automobile travel incurred in connection with the Superintendent's employment responsibilities which are outside the District, at the highest permissible mileage allowance permitted under the Internal Revenue Code and the regulations promulgated thereunder. The Superintendent shall, at least quarterly, provide the Board with proper itemization and substantiation of all allowable reimbursable mileage.

The Board shall reimburse the Superintendent for reasonable monthly expenses incurred in the performance of his duties. Itemization shall be made by the Superintendent of all expenses incurred.

It is understood by both Parties that the Board has substantial reasons relating to District business for providing the Superintendent with a cellular telephone such that the provision of such telephone and service is primarily for non-compensatory business reasons. Those reasons include: (1) the ability of the Board and District staff to reach the Superintendent at all times for work-related emergencies; (2) the Board's requirement that the Superintendent be able to speak with the Board and District staff and consultants at times when he is away from the office; and (3) the Board's expectation that the Superintendent will need to contact the District while in another time zone before and after normal work hours. Therefore, for each Contract Year, the Board shall select and provide a cellular phone or pda and corresponding service for the use by the Superintendent.

2. Insurance. The Board will provide the Superintendent with the following benefits:

- a. 90% of the premium for single hospitalization/medical insurance as provided under any group program effective in the District;
- b. Liability indemnification and protection, as provided under the District's liability insurance policies;
- c. Term life insurance, in the amount equal to twice the total compensation and benefits payable to the Superintendent under Sections A.1, A.2 and C.2 of this Agreement, subject to all eligibility conditions of the District's group program carrier.

If, at any time during the term of this Contract, the Board's payment of insurance premiums or any other stipend or benefit under this Contract is deemed to constitute a discriminatory benefit under law or regulation or other official guidance subjecting the Board to potential penalties or increased tax payments, then the Board may, in its discretion, determine to decrease its payment for such insurance and make a corresponding increase in the Superintendent's salary or other compensation to offset the cash value of the reduction in such insurance premium benefit. In the event the Board makes an increase in compensation or benefit pursuant to this paragraph, it shall be deemed to be in implementation of this Contract provision and shall not require or constitute an amendment to this Contract. The Board and Superintendent shall work with the Illinois TRS if it determines said revision is necessary. The Board and Superintendent shall work with the Illinois TRS if it determines said revision is necessary.

3. Vacation. The Superintendent shall be entitled to a paid vacation of twenty-five (25) working days in each contract year, provided, however, that vacation days in excess of (3) school days shall be agreed upon by the Superintendent and the Board President. Vacation must be taken within the twelve-month period, provided, however, vacation days may be carried over with the approval of the Board. Vacation days not used or carried over at the end of each Contract Year shall be lost with the exception of the final Contract Year of this Contract. At the end of the final Contract Year (2020-2021), up to ten (10) unused vacation days may be bought

back by the Board, in the discretion of the Superintendent at a daily rate determined by dividing the paragraph A.1 salary for the Contract Year in which the payment is made by 260. Such payment shall be made after the Superintendent's receipt of his last paycheck for regular earnings and is not intended to constitute reportable earnings to TRS. Vacation days not used during the 2020-2021 Contract Year or not bought back by the Board at the end of the final Contract Year shall be lost. The Superintendent shall also be entitled to all legal and school holidays as designated on the District calendar. Winter, Spring, and Summer recess periods shall constitute working days unless specifically scheduled and credited toward the vacation days listed above.

4. **Sick Leave.** The Superintendent shall be granted sick leave, as defined in Section 24-6 of the *School Code*, of twelve (12) working days annually, which may be accumulated to a maximum of 270 days or such other maximum number of days the Board makes available to the certified professional staff.

5. **Professional Meetings and Civics Organizations Attendance.** The Superintendent shall be encouraged to attend appropriate professional meetings at the local, state, and national levels. All reasonable expenses, including but not limited to, registration fees, transportation, lodging and meals, incurred by and for the Superintendent shall be paid by the Board. Transportation expenses shall be reimbursed at the IRS rate in effect at the time the mileage is incurred.

In addition, subject to prior Board approval, the Board shall pay for all dues and membership fees for the Superintendent's membership in a maximum of two (2) professional or civic organizations.

The Superintendent shall not be absent from his duties at the District for more than five (5) working days for attendance at such professional and/or civic organization activities without utilizing accumulated vacation. Further, the Superintendent shall notify the Board President of meetings for both professional and civic organizations at the local level, while attendance and payment for attendance at state and national professional activities shall be submitted by the Superintendent to the Board President for approval.

6. **Severance.** Upon the Superintendent's retirement from the Board's employment, the Board shall provide the Superintendent with a severance in the form of a non-elective, post-retirement, employer contribution on behalf of the Superintendent to a 403(b) eligible product as described in Section 403(b) of the *Internal Revenue Code* ("Code"), in accordance with the Board's 403(b) Plan, if offered, pursuant to the terms provided herein. The Superintendent has not had and shall not have the option to receive cash or any other form of compensation or benefit in lieu of this non-elective, post-retirement, contribution and such contribution shall not become due and payable until sixty (60) days have passed following the Superintendent's receipt of his final paycheck for regular earnings and his last day of service in the District. This contribution is not intended to constitute creditable earnings for the purpose of reporting to the Teachers' Retirement System. Accordingly, in the event the Superintendent fully serves each of

the Contract Years set forth in this Contract, the amount of the contribution for such Contract Year will be \$15,102.00 for the 2017-2018 Contract Year, \$24,000.00 for the 2018-2019 Contract Year, \$26,000.00 for the 2019-2020 Contract year and \$28,000.00 for the 2020-2021 Contract year (for a possible total of \$93,102.00).

The severance payment shall be made in one or multiple lump sum amounts. If the total contribution cannot be made in one lump sum within the timeframe set forth above due to contribution limitations set forth under Code Section 403(b) and the regulations promulgated thereunder, the remaining contribution amount shall be contributed by the Board in additional lump sum payment in the next available tax year following the Superintendent's retirement to the extent permitted by the Code and applicable rules and regulations governing such contributions and the Board's 403(b) Plan.

It is understood that the non-elective employer contribution outlined in this paragraph will be made only to the extent permitted by the contribution limitations set forth under Code Section 403(b) and the regulations promulgated thereunder as well as the Board's 403(b) Plan, if offered, and the terms and limitations set forth in this Contract; any amount not allowed to be contributed to the Superintendent's 403(b) due to any such conditions or limitations shall be forfeited to the Board.

7. **Annuities and Deferred Compensation.** From the annual salary stated in paragraph A.1 of this Contract, the Superintendent may authorize a salary reduction pursuant to and in accordance with the terms of the Board's 403(b) plan, if such plan is offered by the Board, in order that the Board may purchase an eligible 403(b) product for the Superintendent as described in Section 403(b) of the *Internal Revenue Code*.

D. POWERS AND DUTIES

1. **Duties.** The Superintendent shall have charge of the administration of the schools under the direction of the Board; he shall be the chief executive officer for the Board; he shall recommend the selection, retention and dismissal of, and direct and assign, teachers and other employees of the School District under his supervision; he shall organize and direct the administrative and supervisory staff; he shall make recommendations to the Board concerning the budget, building plans, location of sites, and the selection of textbooks, instructional material, and courses of study; he shall direct the keeping of all records and accounts, and aid in the making of all reports, as required by the Board; he shall recommend rules, regulations, and procedures deemed necessary for the welfare of the School District; and, in general, he shall perform all other duties incident to the office of the Superintendent as the Board may delegate to him or as required by law.

2. **Extent of Service.** The Superintendent shall devote his entire time, attention, and energy to the business of the School District and related professional activities. With the permission of the Board, the Superintendent may attend university courses, seminars, or other

professional growth activities; serve as a consultant to another district or educational agency for a short-term duration without loss of salary; lecture and engage in writing activities and speaking engagements. The Superintendent may not jeopardize the functioning of the School District by any lengthy and conspicuous absence for such professional activities.

3. **Performance Goals.** The Superintendent, with the assistance of his administrative team, shall: (1) evaluate student performance, including, but not limited to, student performance in standardized tests such as the Illinois sanctioned standardized assessments, successful completion of the curriculum, and attendance 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) his 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 of the Illinois *School Code*.

E. RENEWAL, EXTENSION, AND AMENDMENT OF CONTRACT

1. **Non-Renewal.** Notice of intent not to renew this contract shall be given to the Superintendent by the Board by February 1 of the Contract Year in which the contract expires. Said notice shall be in writing and state the specific reason for non-renewal. Failure to provide timely notice of non-renewal shall extend this contract for one (1) additional year. The Superintendent shall notify the President and Secretary of the Board by December 1 of the Contract Year in which the contract expires that failure of the Board to give the Superintendent said notice of intent not to renew shall extend this contract for one (1) additional year. The failure of the Superintendent to give the required reminder notice to the Board shall waive the obligation of the Board hereunder to give its notice of intent by February 1. Within ten (10) days after receipt of a notice of intent not to renew this contract, the Superintendent may request a closed session hearing on the dismissal.

2. **Renewal and Extensions.** Prior to the end of any year of this contract, the Board and Superintendent may mutually agree to renew or extend the employment of the Superintendent for a multi-year period, provided that the performance goals and indicators set forth in paragraph D.3 of this Contract have been met. In such event, the Board shall take specific action to discontinue this contract and enter into a new multi-year contract of employment.

3. **Amendment.** Any salary or other adjustment or modification made during the life of this contract shall be in the form of a written amendment and shall become a part of this contract, but such adjustment or modification shall not be construed as a new contract with the Superintendent, nor as an extension of the termination date of this contract.

F. TERMINATION

1. **Grounds for Termination.** This employment contract may be terminated by:

- a. Mutual agreement;
- b. Permanent disability (inability to perform essential job functions with or without accommodation);
- c. Discharge for cause; or
- d. Death.
- e. Failure to meet the student performance and academic goals set forth in paragraph D.3 of this Contract.

2. **Cause.** Discharge for cause shall be for any conduct, act, or failure to act by the Superintendent which is detrimental to the best interests of the School District. Reasons for discharge for cause shall be given in writing to the Superintendent, who shall be entitled to notice and a hearing before the Board to discuss such causes. If the Superintendent chooses to be accompanied by legal counsel, he shall bear any costs therein involved. The Board hearing shall be conducted in executive session.

G. EVALUATION

The Board and Superintendent agree that annually they shall mutually discuss and evaluate their working relationship, rapport, and understanding. By July 1 of each year of the contract, the Superintendent's performance shall be appraised by the Board and a written evaluation of that performance given to the Superintendent, except that, in the last year of this contract, the Superintendent shall also be evaluated in January. As required under the *School Code*, the Board shall evaluate the Superintendent in his administration of school board policies and his stewardship of the assets of the District. The Superintendent's progress toward and attainment of the performance goals set forth in paragraph D.3 of this contract shall also be assessed. After such evaluation, the parties may schedule a meeting to review the evaluation and determine, if necessary, the terms and conditions of, and the performance goals for, the continued future employment of the Superintendent.

H. MISCELLANEOUS

1. Any notice required to be given under this contract shall be deemed sufficient if it is in writing and sent by mail to the last known residence of the Superintendent or the President of the Board.

2. This contract has been executed in Illinois and shall be governed in accordance with the laws of the State of Illinois in every respect.
3. Paragraph headings and numbers have been inserted for convenience of reference only and, if there shall be any conflict between such headings or numbers and the text of this contract, the text shall control.
4. This contract may be executed in one or more counterparts, each of which shall be considered an original, and all of which taken together shall be considered one and the same instrument.
5. 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.
6. This contract shall inure to the benefit of and be binding upon the Board and its successors and assigns.


IN WITNESS WHEREOF, the parties have executed this Agreement this 23rd day of January, 2018, upon formal approval by the Board at a duly convened meeting held this same date.

SUPERINTENDENT

By: 
Steve Olson
Superintendent

**BOARD OF EDUCATION
COMMUNITY HIGH SCHOOL
DISTRICT NO. 155,
MCHENRY COUNTY, ILLINOIS**

By: 
Adam Guss
President, Board of Education

ATTEST:
By: 
Mary Sutfin
Secretary, Board of Education