

**COMMUNITY HIGH SCHOOL DISTRICT NO. 128
DIRECTOR OF COMMUNITY EDUCATION AND GRANTS CONTRACT**

THIS AGREEMENT is made this 24th day of May, 2010, by and between the BOARD OF EDUCATION, COMMUNITY HIGH SCHOOL DISTRICT NO. 128, LAKE COUNTY, ILLINOIS (*hereinafter the "BOARD"*), and Diane Phillips, Director of Community Education and Grants (*hereinafter the "Administrator"*).

IT IS AGREED:

1. **EMPLOYMENT** – **Diane Phillips** is hereby hired and retained from JULY 1, 2011 through and including JUNE 30, 2012, and, as it may be later agreed to by the parties, thereafter, as Director of Community Education and Grants.

2. **DUTIES** - The duties and responsibilities of the Administrator shall be those incidental to the office of the Director of Community Education and Grants, those set forth in the job description (*or, those duties contained in Board Policy, as adopted, and which may be amended from time to time*), those obligations imposed by the laws of the State of Illinois upon the Administrator, and to perform other professional duties customarily performed by a Director of Community Education and Grants as from time to time may be assigned to the Administrator by the BOARD or the Superintendent. The BOARD reserves the right to reassign the Administrator to different administrative duties from time to time during the term of this Agreement, without a loss of pay.

3. **COMPENSATION** – For the 2011-2012 Contract Year, in consideration of the annual compensation of One Hundred Thirty Six Thousand Five Hundred Fifty One Dollars (\$136,551), the Administrator agrees to devote such time, skill, labor and attention to her employment, during the term of this Agreement, in order to faithfully perform the duties of Administrator. Compensation shall be paid in equal installments in accordance with the BOARD policy governing payment of salary to other certificated members of the professional staff, less such amounts as provided for in this Agreement, and other amounts required by law.

In addition, the Administrator shall receive, separate and apart from, and not to be included in her base salary, an annual payment of Three Hundred Fifty Dollars (\$350) to be paid by the BOARD in two equal installments on December 1st and June 1st of each contract year.

4. **DEFERRED COMPENSATION** - The Administrator may, at her option, elect to take a reduction in her current salary, or forego a portion of any increase to the compensation paid to her under this Agreement, and have those amount(s) contributed by the BOARD on his/her behalf to a tax sheltered annuity qualified under Section 403(b) of the *Internal Revenue Code of 1986* (the "Code"), as amended, and/or contributed to an eligible deferred compensation plan pursuant to Code Section 457. The amount contributed by the BOARD shall not exceed an amount equal to the maximum allowable contribution under the Code. This provision is intended to be a Salary Reduction Agreement as defined by the Code.

5. **EVALUATION** - The BOARD and the Administrator agree that during each year of this Agreement, on or before June 30, 2012, and each June 30 thereafter, there shall be an evaluation of the Administrator's performance under this Agreement in accordance with the *Illinois School Code* as clarified by the established administrative evaluation plan of the BOARD. Failure of the BOARD to complete an evaluation does not preclude dismissal or nonrenewal of this Agreement.

6. **CERTIFICATE** - The Administrator shall furnish to the BOARD, at the start of this Agreement and during the term of this Agreement, a valid, appropriate, and properly registered certificate to act as Director of Community Education and Grants, in accordance with the laws of the State of Illinois and as directed by the BOARD.

7. **TERMINATION OF AGREEMENT** - This Agreement may be terminated by:

- A. Mutual agreement of the parties.
- B. Retirement.
- C. Resignation, provided, however, the Administrator gives the BOARD at least ninety (90) school days written notice of the proposed resignation.
- D. Disability of the Administrator. Should the Administrator be unable to perform the duties and obligations of this Agreement, by reason of illness, accident, or other causes, and such disability exists for a period of more than 180 calendar days or until the Administrator's accumulated sick and vacation leave is exhausted, whichever is later, the BOARD, at its option, may terminate this Agreement, whereupon the respective rights, duties, and obligations of the parties shall thereby terminate. This provision shall not in any way derogate from any long-term disability benefits that apply by operation of other provisions of this Agreement.
- E. Discharge for Cause. Discharge for cause shall constitute conduct which is prejudicial to the School District; including but not limited to neglect of duty or breach of contract. Reasons for a proposed discharge for cause shall be given in writing and the Administrator shall be entitled to appear before the BOARD to discuss such causes. If the Administrator chooses to be accompanied by legal counsel at such meeting, he/she shall bear any costs involved. Such meeting shall be conducted in closed session. Failure to comply with the terms and conditions of this Agreement shall constitute cause for discharge. The BOARD will not arbitrarily or capriciously call for the dismissal of the Administrator.

Nothing shall prohibit the BOARD from suspending the Administrator with or without pay pending completion of the requirements of paragraph E of this section. After the effective date of dismissal the Administrator shall not be entitled to further payments of compensation of any kind under this Agreement, except that the Administrator shall be entitled to any vested benefits payable under the terms and provisions of the Illinois Teachers' Retirement System.

8. **PROFESSIONAL ACTIVITIES** - The Administrator shall be encouraged to attend appropriate professional meetings and continuing education at the local, state and national levels, as approved by the Superintendent. Within budget constraints, as approved by the BOARD, the costs of attendance shall be paid by the BOARD.

9. **VACATION, PERSONAL AND SICK LEAVE** - The Administrator shall receive vacation days in accordance with “Addendum A” annually (*July 1-June 30*) exclusive of weekends and legal holidays. Vacation shall be taken within six (6) months of the year in which it is earned and shall not be cumulative. Vacation days may be redeemed at the rate of 1/217th salary by the Administrator in accordance with Addendum “A”, provided the Administrator provides the SUPERINTENDENT with written notice of intent to redeem vacation days no later than May 15 of the year in which the days are to be redeemed.

The Administrator shall be provided with eighteen (18) days of sick leave per year. Unused sick leave shall accumulate without limitation. In addition, the Administrator shall be provided with two (2) days of personal leave per year for personal business matters with the prior approval of the Superintendent or designee. Unused personal days will expire at the end of each year and will not accumulate. Upon written application to the Superintendent or designee, the BOARD shall grant the Administrator a leave of absence without loss of pay for up to three (3) days during each school term for the purpose of observing a recognized religious holiday of the Administrator’s faith. This leave shall not be applicable to any religious observance which does not compel absence from employment.

10. **INSURANCE** - The BOARD shall provide long-term disability coverage in accordance with its policy which is presently or may later be applicable to its other administrators. The BOARD shall also provide medical and hospitalization coverage for the Administrator and her family and dental insurance coverage for the Administrator in accordance with its policy which is presently or may later be applicable to its other administrators. The Administrator will have the option to purchase additional dental coverage for her family. In addition, the BOARD will reimburse the Administrator up to Three Hundred Dollars (\$300) annually for the cost of a comprehensive medical exam.

The BOARD shall also provide and pay the premiums for a term life insurance policy for the Administrator during the term of this Agreement in the face amount of two times (2X) the Administrator’s base salary as expressed in Section 3. The BOARD shall assign the ownership of the term life insurance policy to a person or trust designated by the Administrator, and upon termination of this Agreement shall allow that owner to continue the life insurance policy at her own expense.

11. **MEMBERSHIP DUES** - The Administrator, upon proper substantiation, shall be reimbursed for dues and membership fees for those appropriate professional organizations to which she belongs with prior Superintendent approval.

12. **TEACHERS' RETIREMENT SYSTEM CONTRIBUTION** - In addition to the gross compensation paid to the Administrator by the BOARD as expressed in Section 3, the BOARD shall pick up and pay on the Administrator’s behalf, the Administrator’s entire contribution to the Illinois Teachers' Retirement System pursuant to the *Illinois Pension Code*.

It is the intention of the parties to qualify all such payments picked up and paid by the BOARD on the Administrator’s behalf as employer payments pursuant to Section 414(h) of the Internal Revenue Code of 1986, as amended. The Administrator shall have no right or claim to the funds so remitted except as they may subsequently become available upon retirement or resignation from the Illinois Teachers' Retirement System. The Administrator does not have the option of choosing to receive the contributed amounts directly instead of having those contributions paid by the BOARD to the Illinois Teachers'

Retirement System. These contributions are made as a condition of the Administrator's employment for his/her future service, knowledge and experience.

13. **TEACHERS' HEALTH INSURANCE SECURITY FUND CONTRIBUTION** - The BOARD shall pick up and pay on behalf of the Administrator three-fourths of one percent (3/4 of 1%) of the contribution to the Teachers' Health Insurance Security ("THIS") fund. The BOARD shall remit this contribution to the Illinois Teachers' Retirement System ("TRS") as the fund's collection agent. Payments made by the BOARD to TRS under this section shall not be reportable to TRS as creditable earnings. The parties further agree that said payments shall be excluded from the Administrator's taxable income pursuant to a private letter ruling issued to the IEA-NEA on April 8, 1996.

The BOARD and the Administrator make no commitment or guarantee that the BOARD'S payment of the contribution limit will continue to be excludable from the Administrator's gross income for federal or state income tax purposes, or that any other federal or state tax treatment will apply.

Because neither party can represent what position the IRS, or any other government entity, will take with respect to these payments and withholdings, it is mutually agreed that each side will be responsible for any miscalculations for which it is legally responsible *without* indemnification or any other recourse from the other side. That is, if it is subsequently determined that the Administrator should have paid taxes on any portion of the contribution limit for which she did not pay taxes, the interest and penalties are the Administrator's responsibility alone. If the BOARD is penalized for failing to withhold enough taxes based on the payroll information in its possession at the time of payment of the contribution limit, those penalties are the BOARD'S responsibility alone. Both the BOARD and the Administrator expressly waive the right to seek indemnification or reimbursement from the other as the result of any government decision on the taxability of these amounts. In the event the IRS, or any other government entity, determines that the Administrator owes more taxes, she has *no* right to seek additional sums from the BOARD.

14. **RETIREMENT** – The retirement benefits stipulated in this section are available to the Administrator, if all four of the following conditions are met:

- A. There is no Early Retirement Option (ERO) penalty, and
- B. The Administrator gives an irrevocable written notice to retire, and
- C. The Administrator gives notice by February 1 in the fifth fiscal year prior to retirement and the Administrator remains employed by the Board as an Administrator for an additional four (4) fiscal years following the fiscal year in which the notice is given.
- D. Nothing about the Administrator's participation in this retirement plan or the Administrator's retirement into the TRS retirement plan requires the Board to pay a penalty or contribution of any kind to TRS.

If all of these conditions are met, the Administrator will receive the following benefits:

- A. The Administrator's base salary, as expressed in Section 3 above, will be increased by six percent (6%) for each remaining year of employment to a maximum of four (4) years.
- B. If the Administrator successfully completes all four years of employment, the Administrator will be provided with a post-retirement severance payment equal to twenty-five percent (25%) of the Administrator's final base salary. This severance payment will not be due, owing or payable until after the Administrator has retired under TRS rules and regulations and the Administrator has received her final paycheck for regular earnings. It is the intent of the parties that this severance payment will not constitute TRS creditable earnings.
- C. The Administrator will have the option of receiving the retirement severance payment in cash, or for a qualified tax shelter, for post retirement health care, or in such other manner as agreed by the Board and the Administrator.
- D. In no event will the Administrator's increase in total TRS creditable earnings exceed six percent (6%) of their total TRS creditable earnings from the previous fiscal year.

Provided, however, none of the benefits set forth in this Section shall be available to any administrator who fails to begin drawing TRS or IMRF benefits upon retirement from the District or who retires or otherwise leaves the District to accept a similar administrative position in the State of Illinois. In the event any payment due under this Section will cause the Board to have to make an additional contribution or pay a penalty to TRS, the Administrator's post-retirement severance payment will be reduced by the amount of the Board's contribution or penalty.

15. **NOTICE** - Any notice or communication permitted or required under this Agreement shall be in writing and shall become effective on the day of mailing thereof by first class mail, registered, or certified mail, postage prepaid, addressed:

If to the BOARD, to:

BOARD OF EDUCATION
 COMMUNITY HIGH SCHOOL DISTRICT NO. 128
 50 Lakeview Parkway, Suite 101
 Vernon Hills, IL 60061

If to the Administrator, to:

Diane Phillips, Administrator
 COMMUNITY HIGH SCHOOL DISTRICT NO. 128
 50 Lakeview Parkway, Suite 101
 Vernon Hills, IL 60061

(or at the last address of the Administrator contained in official Business Office records of the BOARD).

16. **BUSINESS EXPENSES** - It is anticipated and agreed that the Administrator shall be required to incur certain personal expenses for the official business of the BOARD. As such, the BOARD agrees to reimburse the Administrator for any such expenses, incurred by her on behalf of the BOARD,

subject, however, to the Administrator's substantiation, prior approval by the Superintendent and the BOARD'S approval of such expenses.

18. **TRANSPORTATION EXPENSE** – As a condition of employment, the Director of Community Education and Grants will be required to furnish a personally owned automobile or other vehicle for business purposes. It is recognized that the Director of Community Education and Grants will incur certain expenses of a business nature for the use of said vehicle. The Board shall reimburse the Director of Community Education and Grants the annual sum of \$805 payable monthly for the business use of the automobile for trips within the local area. The annual sum may be modified by any Board approved increase for administrators based upon fuel/maintenance increases. The Director of Community Education and Grants shall keep records of substantiated automobile expenses and to the extent the allowance is unsubstantiated it shall be included in the Director of Community Education and Grant's taxable income. For business miles outside of the local area the Director of Community Education and Grants will be reimbursed at the approved district mileage rate.

19. **BACKGROUND INVESTIGATION** - The BOARD is prohibited from knowingly employing a person who has been convicted of committing or attempting to commit certain criminal offenses. If the required criminal background investigation is not completed at the time this Agreement is signed, and the subsequent investigation report reveals that there has been a prohibited conviction, this contract shall immediately become null and void.

20. **MISCELLANEOUS**

- A. This Agreement has been executed in Illinois, and shall be governed in accordance with the laws of the State of Illinois in every respect.
- B. Section 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 Agreement, the text shall control.
- C. This Agreement 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.
- D. This Agreement contains all the terms agreed upon by the parties with respect to the subject matter of this Agreement and supersedes all prior agreements, arrangements, and communications between the parties concerning such subject matter, whether oral or written.
- E. This Agreement shall be binding upon and inure to the benefit of the Administrator, her successors, assigns, heirs, executors, and personal representatives, and shall be binding upon, and inure to the benefit of the BOARD, its successors and assigns.
- F. Both parties have had the opportunity to seek the advice of counsel.
- G. Except as may otherwise be provided, no subsequent alteration, amendment, change, or addition to this Agreement shall be binding upon the parties unless reduced to writing and duly authorized and signed by each of them.

- H. The BOARD retains the right to repeal, change or modify any policies or regulations which it has adopted or may hereafter adopt, subject however, to restrictions contained in the *Illinois School Code* and other applicable law.
- I. If any section, provision, paragraph, phrase, clause or word contained herein is held to be void, invalid or contrary to law by a court of competent jurisdiction, it shall be deemed removed here from, and the remainder of this Agreement shall continue to have its intended full force and effect.

IN WITNESS WHEREOF, the parties have caused this Agreement 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 above written.

Administrator:

Diane Phillips

BOARD OF EDUCATION, COMMUNITY HIGH
SCHOOL DISTRICT NO. 128,
LAKE COUNTY, ILLINOIS

ATTEST:

Secretary

By: _____
President

ADDENDUM "A"

This addendum is intended to more fully set forth the benefits that the Administrator will receive during the term of the Contract to which this addendum is attached. This addendum is not intended to create any additional rights or obligations on either party beyond those that exist in the attached Contract.

Earned Vacation Days and Redemption of Vacation Days

Vacation shall be earned and unused days shall be available for redemption annually as follows:

<u>Years of Service as Administrator in District 128</u>	<u>Vacation Days Earned</u>
1-2 years	20
3-4 years	21
5-6 years	22
7-8 years	23
9-10 years	24
11+ years	25

<u>Years of Service as Administrator in District 128</u>	<u>Vacation Days Available for Redemption</u>
0-5 years	5
6 years	6
7 years	7
8 years	8
9 years	9
10 years +	10

Notwithstanding the foregoing, in the Administrator's final four (4) years of employment, the Administrator may not redeem vacation days in excess of the number redeemed by the Administrator in the previous year of employment.