SUPERINTENDENT'S CONTRACT OF EMPLOYMENT

THIS AGREEMENT, made and entered into this 17th day of October, 2022, by and between the BOARD OF EDUCATION OF CANTON UNION SCHOOL DISTRICT NO. 66, FULTON COUNTY, ILLINOIS (hereinafter referred to as the "Board"), and TAD DERENZY, an individual, (hereinafter referred to as the "Superintendent").

WITNESSETH:

WHEREAS, on the 20th day of April, 2020, the Board entered into a contract of employment with TAD DERENZY, as Assistant Superintendent and Business Manager and later as Superintendent for this School District, for a period of three (3) years, commencing July 1, 2020, and ending June 30, 2023; and

WHEREAS, the aforesaid Contract was a performance-based contract linked to student performance and academic improvement of the schools within the District; and

WHEREAS, the aforesaid Contract included goals and indicators of student performance and academic improvement determined and used by the Board to measure the performance and effectiveness of TAD DERENZY as Assistant Superintendent and Business Manager and as Superintendent; and

WHEREAS, the Board has determined that all of the performance and improvement goals contained in the Contract for the Contract Year commencing July 1, 2021, and ending June 30, 2022, have been met and the Board is now authorized by 105 ILCS 5/10-23.8 to extend the Contract; and

WHEREAS, the Board desires to continue to employ TAD DERENZY as Superintendent for this School District to perform such duties as are required by this Contract, by the job descriptions, by the policies, rules, and regulations of the Board and by the laws and statutes of the State of Illinois, as presently exist or are hereafter made or amended, for a period of four (4) years, commencing July 1, 2022, and ending June 30, 2026; and

WHEREAS, the Board at a regularly-scheduled meeting held on the 17th day of October, 2022, by motion duly made, seconded and carried by majority per a roll call vote, has authorized the execution of this Contract of Employment with TAD DERENZY; and

WHEREAS, TAD DERENZY is willing to enter into and execute this Contract on the basis of the same being a multi-year performance-based contract, as provided for in Article 10, Section 23.8 of the School Code (105 ILCS 5/10-23.8).

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt of which is hereby acknowledged, it is agreed between the parties as follows:

1. <u>EMPLOYMENT</u>. The Board hereby employs TAD DERENZY as Superintendent for this School District and TAD DERENZY hereby accepts such employment and agrees to perform such duties as are provided by this Contract, by the job descriptions, by the policies, rules, and regulations of the Board, and by the laws and statutes of the State of Illinois.

The Board and the Superintendent agree that this Contract <u>is</u> a multi-year performance-based contract pursuant to Section 10-23.8 of the School Code. Consequently, by accepting the terms of this Contract, the Superintendent <u>hereby waives all rights</u> granted under Sections 24-11 through 24-16 of the School Code.

2. <u>TERM.</u> The term of this Contract will be for a period of four (4) years, commencing July 1, 2022, and ending June 30, 2026.

The Superintendent's work year shall include all work days Monday through Friday, twelve (12) months per year, except as otherwise provided herein, and except all legal school holidays set forth in Section 24-2 of the Illinois School Code that the Board has not waived and/or modified, as allowed by law.

3. PERFORMANCE GOALS. The Superintendent acknowledges that, pursuant to Section 10-23.8 of the Illinois School Code, 105 ILCS 5/10-23.8, this multi-year contract is subject to performance-based goals and indicators. The parties agree that the goals and indicators are linked to student performance and academic improvement of the schools of the district. The Superintendent shall strive to meet the established goals and indicators during the term of this Contract.

Annually, the Superintendent, with the assistance of the District's administrative team, shall: (1) evaluate the assessment results of standardized tests given by the District and the State and annually present recommendations to the Board for the improvement of such results; (2) evaluate the curriculum and instructional services of the District and annually make recommendations to the Board to ensure that the District's curriculum is aligned to the appropriate standards as required by the Illinois State Board of Education; and (3) evaluate student attendance and drop-out rates and annually recommend to the Board a plan to improve student attendance and graduation rates; (4) direct the evaluation of textbooks and other instructional materials to ensure that all materials are up to date and appropriate; and (5) evaluate the District technology plan and annually recommend improvements thereto to the Board.

Prior to the end of each contract year, the Board and the Superintendent may establish such additional student performance and academic improvement goals including the indicators of student performance and academic improvement determined to measure such goals as the parties deem necessary for the then-current school year, a copy of which shall be attached hereto as Exhibit A and incorporated herein. In the event that the Superintendent and the Board fail to agree on those goals to be included in said document, the Board shall establish the goals. The Board's

and Superintendent's decision to add or revise performance goals shall be in implementation of this provision of this Contract and shall not constitute or require an amendment to this Contract.

4. <u>DUTIES.</u> Throughout the term of this Contract, unless terminated as hereinafter provided, the Superintendent is and will be the chief executive officer of the School District in charge of those certain administrative, educational, and financial matters which pertain to the public schools of said School District and the entire operations thereof, and the Superintendent agrees that he must perform all acts and duties for and on behalf of the Board under and pursuant to 105 ILCS 5/1-1 et seq. (hereinafter the "School Code"). The Superintendent further agrees that he must also perform such other duties incidental to the office of the Superintendent as may from time to time be assigned by the Board, and must also comply with all applicable policies, rules and regulations of the Board as the same are in effect from time to time throughout the term of this Contract.

The Superintendent hereby agrees to faithfully perform these duties for the District and to devote such time, skill, labor and attention to his employment during the term of this Contract as is reasonably required to meet the responsibilities, duties, objectives and goals as provided for under this Contract.

- 5. <u>SALARY</u>. The Superintendent shall receive an annual salary in each contract year as follows:
 - i. For the 2022-2023 contract year, \$144,200;
 - ii. For the 2023-2024 contract year, \$151,410;
 - iii. For the 2024-2025 contract year, \$158,980; and
 - iv. For the 2025-2026 contract year, \$166,929.

Such annual salary shall be paid in equal installments in accordance with the policies of the Board established from time to time with respect to the payment of salaries to other licensed members of its professional staff, but in no event shall said payments be made in less than twelve (12) monthly installments.

- 6. <u>LICENSE</u>. The Superintendent must, throughout the term of this Contract, furnish to the Board of Education a valid and appropriate license and endorsements to act as Superintendent in accordance with the laws and statutes of the State of Illinois and the rules and regulations of the State Board of Education.
- 7. OTHER WORK. Only with the prior consent of the Board may the Superintendent undertake consultative work, speaking engagements, writings, lecturing or other such professional duties and obligations unrelated to his duties as an administrator of this School District; provided, however, that the Board President shall have the authority to grant permission for such other work in the event that time does not permit presenting the question to the full Board for prior approval. The applicable requirements and provisions of 110 ILCS 100/1-1 and the decisional laws of the State of Illinois in respect to same, shall apply to the provisions of this paragraph 7.

- 8. EVALUATION. The Board shall evaluate the Superintendent's performance in conformance with established Board policy and Illinois law. No later than January 15 of any such contract year, the Board shall review with the Superintendent: (a) the Superintendent's working relationships with the Board of Education, other administrators, the faculty, staff and community; (b) the performance of the Superintendent in fulfilling the duties and responsibilities set forth under this Contract, in his job descriptions and in the Board of Education's policies, rules and regulations; and (c) the Superintendent's progress and attainment of established goals. During the life of this Contract, and all extensions thereof, it shall be the duty of the Superintendent to cause to be placed on the agenda for a regular Board meeting, before January 1, the annual review of his performance and salary, if such review has not already been conducted by the Board; and his failure to comply with this provision shall constitute a material breach of this Contract.
- 9. Notice of intent not to renew this Contract, other than in the case of discharge for cause, must be given by the Board to the Superintendent by February 1 of the year in which this Contract expires. Notice of intent not to renew this Contract must be given by the Superintendent to the Board by February 1 of the year in which this Contract expires. The provisions of the School Code, as amended from time to time, and the decisional law of the State of Illinois shall apply to this paragraph 9.
- 10. <u>DISCHARGE FOR CAUSE</u>. Throughout the term of this Contract the Superintendent shall be subject to discharge for cause; provided, however, that the Board shall not act in an arbitrary or capricious fashion with respect to such discharge. Failure of the Superintendent to comply with the terms and conditions of this Contract shall also be sufficient cause for discharge as provided in this Contract. In the event of discharge for cause, the Board shall deliver to the Superintendent, in the manner provided by law, notice of said discharge for cause. Such notice, when given by the Board, must be in writing stating the specific reason or reasons therefor. The Superintendent shall have the right to be represented by legal counsel of his own choosing at his own expense.
- 11. <u>SICK AND PERSONAL LEAVE.</u> The Superintendent will be entitled to fifteen (15) sick leave days per school year without loss of pay. The Superintendent's sick leave may accumulate without limit and shall be subject to such other provisions as may be contained in School District policies, rules, and regulations. The term "sick leave" as used in this Contract shall be interpreted in accordance with Section 24-6 of the School Code (105 ILCS 5/24-6). The Board may require a physician's certificate as a basis for pay to the Superintendent during any sick leave of five (5) or more consecutive weekdays.

The Superintendent will also be entitled to two (2) personal leave days per year. The Superintendent's personal leave may not accumulate from year to year and shall be subject to such other provisions as may be contained in School District policies, rules, and regulations.

12. <u>VACATION</u>. The Superintendent will receive twenty (20) paid working days of vacation in each year this Contract is in effect, exclusive of holidays recognized by the School District. Vacation shall be taken subject to approval by the Board, but at the Superintendent's option, such 20-day vacation period need not be taken at any one time, but must be taken within twelve (12) months of the year in which it is earned and shall not be cumulative. Unused vacation

days will convert to sick days at the end of the contract year in which they were earned. However, upon separation of employment, any unused vacation days shall be paid to the Superintendent at the Superintendent's current per diem pursuant to the Illinois Wage Payment and Collection Act (820 ILCS 115/1 et seq.).

- 13. TRAVEL AND EXPENSE REIMBURSEMENT. The Superintendent shall provide at his sole expense an automobile needed by him for the performance of his official duties on behalf of the District under this Contract. During the term of this Contract, the Board will reimburse the Superintendent for all reasonable travel expenses, lodging and meals during travel to and from areas outside the District, provided he has been directed to incur said expense and request is made in accordance with the rules and regulations of the Board. The Board will also reimburse the Superintendent in the amount of fifty dollars (\$50.00) per month for mileage incurred driving between school locations within the District on assigned workdays.
- 14. <u>INSURANCE BENEFITS.</u> During the term of this Contract, the Board shall pay the monthly rate established in the collective bargaining agreement between the School District and its licensed staff toward insurance premiums for the major medical insurance coverage available through the Board's group insurance carrier. The Superintendent will also, during the life of this Contract, be entitled to any additional benefits provided to any employee of this School District as may be established in a collective bargaining agreement or otherwise provided to said employees during the term of this Contract. Such additional benefits will be automatically extended to the Superintendent at the time they become effective for said other employees, without further action on the part of the Superintendent.

In accordance with the provisions of Article 10, Section 22.3 of the Illinois School Code, the Superintendent shall be a named insured on any comprehensive or general liability insurance policies in effect during the term of this Contract to the same extent as provided to other licensed employees of the School District.

15. QUALIFIED TAX-DEFERRED PROGRAMS. In addition to the salary set forth in paragraph 5 above and the deferred compensation in paragraph 16 below, the Board shall pay on behalf of the Superintendent his required contribution to the Teachers' Retirement System of the State of Illinois (hereafter "TRS") up to the rate of contribution required for the 2022-2023 fiscal year (9.0%) and his required contribution to the Teachers Health Insurance Security Fund (hereafter "THIS"). It is the intention of the parties to qualify these payments by the Board on the Superintendent's behalf as a "picked up" payment sheltered from federal income taxation pursuant to Section 414(h) of the Internal Revenue Code of 1986, as amended.

Should the rate of required member contributions for TRS purposes increase during the term of this Contract, from and out of the salary set forth in paragraph 5 above, the Board shall withhold and pay on behalf of the Superintendent the remainder of his required contribution to TRS. The purpose of such direct employer payments shall be to defer federal income taxation of such amounts, consistent with the provisions of Internal Revenue Code section 414-h(2) and Tax Opinions 81-35 and 81-36.

- 16. DEFERRED COMPENSATION. In addition to the salary set forth in paragraph 5 above and the picked up contributions in paragraph 15 above, the Board will contribute the sum of \$12,000 per contract year to a tax-deferred annuity program of the Superintendent's selection. The Superintendent may apply that contribution, as well as any portion of his salary, to: (a) purchase a tax sheltered annuity pursuant to Section 403(b) of the Internal Revenue Code of 1986 (the "Code"), as amended; (b) make contributions to his account balance in a non-qualified tax-deferred compensation plan intended to satisfy the requirements of Section 457(b) of the Code; or (c) fund both the 403(b) annuity as set forth in (a) and the 457(b) account as set forth in (b). It is further understood and agreed that the maximum amount of the Superintendent's salary reductions authorized by this Paragraph 16 may be limited in accordance with all applicable laws, including the Code.
- 17. MEMBERSHIPS IN PROFESSIONAL SOCIETIES. The Board will, during the term of this Contract, pay the Superintendent's annual membership dues to the Illinois Association of School Administrators as well as one (1) other professional organization to be selected by the Superintendent, and such other organizations as determined by the Board.

The Superintendent will, when approved to do so by the Board, attend appropriate professional meetings as the representative of the District at the local, state and national levels. In addition, upon prior approval of the Board of Education, the Superintendent may continue his professional development by attending seminars and other related activities reasonably related to the District's business and affairs in order that he may continue to participate in relevant job-related and learning experiences.

- 18. <u>TERM LIFE INSURANCE</u>. During the term of this Contract, the Board shall provide and pay for Ten Thousand and 00/100 Dollars (\$10,000.00) of term life insurance for the Superintendent. The Superintendent shall designate the beneficiary of the policy.
- 19. <u>SUPERINTENDENT'S DISCRETIONARY ACTION.</u> The Superintendent's decisions and the recommendations regarding the selection, placement, and transfer of School District personnel, including recommendations for discharge, layoff, suspension or discipline of such personnel, shall be subject to approval and final action by the Board, in their discretion.

The Board individually and collectively will use its best efforts to promptly refer to the Superintendent, for purposes of his study and recommendation, if appropriate, all criticisms, complaints and suggestions which may from time to time be called to its attention. The Superintendent will also report to the Board, collectively whenever possible and individually when criticism warrants, all criticisms, complaints and suggestions called to the Superintendent's attention and will request direction from the Board as to whether study or recommendation is required from the Superintendent.

20. <u>TUITION REIMBURSEMENT/ DOCTORAL DEGREE.</u> During the term of this Contract, the Board shall reimburse the Superintendent in full for the cost of tuition for classes preapproved by the Board. If the Superintendent resigns from the employment of the Board within three (3) school years following the school year in which a course is completed, the Superintendent shall be required to repay to the Board the full amount of tuition reimbursement received for that

course. This repayment requirement shall not apply if the Superintendent has reached at least 55 years of age, has sufficient creditable service with the Illinois Teachers' Retirement System ("TRS") to retire with a full, non-discounted, non-ERO pension, and resigns with the intent to retire. If the Superintendent leaves the employment of the Board for any reason before a claim for reimbursement has been paid, the claim for reimbursement is forfeited. Any amounts due the Board under this paragraph may be deducted by the Board from the Superintendent's remaining pay, and if any balance remains unpaid thirty (30) days after written notice of said balance is provided, the Superintendent shall pay the Board's reasonable attorney's fees, costs and expenses of litigation incurred by the Board in the collection of any balance due.

If the Superintendent receives a doctoral degree in an educational or education administration field, the Board will increase the Superintendent's salary by 5%. Total pay increases under this paragraph will be capped at the maximum percentage allowable per year to avoid any penalties upon the Board pursuant to Illinois law or regulations as may exist from time to time.

- 21. <u>TERMINATION BY AGREEMENT.</u> During the term of this Contract, the Board and the Superintendent may mutually agree in writing to terminate this Contract.
- **22.** <u>TERMINATION OR RECLASSIFICATION.</u> The termination and/or reclassification at the end of the term of this Contract shall be as provided by law.
- 23. BREACH OF AGREEMENT. Failure of the Superintendent to fulfill the obligations set forth in this Contract will be considered to be a violation of the Superintendent's Code of Ethics and may be reported by the Board to appropriate state and national associations of school administrators and state education authorities. Such failure may also be deemed a breach of this Contract sufficient to constitute cause for discharge/dismissal of the Superintendent or non-renewal of this Contract as provided in paragraphs 9 and 10, above if, in the opinion of the Board of Education, such action would be in the best interests of the School District. In the event of such breach or failure, the Board shall have all other rights and remedies, which are provided by law.

Failure of the Board of Education to fulfill its obligations set forth in this Contract will be considered a breach of this Contract. In such event, the Superintendent shall have all rights and remedies which are provided by law.

- 24. EXTENSION OF CONTRACT. Subject to the provisions of Section 10-23.8 of the School Code, this Contract may be extended at the end of any year, and the terms and conditions of such extension shall require the mutual agreement of the parties hereto. The Parties acknowledge that Section 10-23.8 provides that no performance-based contract of employment may be extended or rolled-over prior to its scheduled expiration unless all the performance and improvement goals contained in the contract have been met.
- 25. **RESIDENCE.** The Superintendent and his immediate family shall maintain their residence and household within the boundaries of the District for the duration of employment.

- **26.** MEDICAL EXAMINATION. At least once a year during the term of this Contract, the Superintendent shall undergo a comprehensive medical examination by a doctor(s) selected by the Board, the cost of which shall be paid by the District. A copy of the examination or a certificate of the physician certifying the physical competency of the Superintendent shall be delivered to the Board President within ten (10) days after receipt by the Superintendent and shall be treated as confidential information by the Board.
- 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 after the exhaustion of accumulated leave days and vacation days during any school year, the Board, in its discretion, may make a proportionate deduction from the salary stipulated. If such disability continues for twenty-one (21) work days, consecutively or not, during any school year after the exhaustion of accumulated leave (sick, personal, and vacation) and after the exhaustion of leave allowed under the Family and Medical Leave Act (which may run concurrently with accumulated leave), or if such disability is permanent, irreparable, or of such nature as to make the performance of the Superintendent's duties impossible, the Board, at its option, 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.
- 28. <u>NOTICE</u>. Any notice required under this Contract shall be in writing and shall, unless otherwise provided by law, become effective on the day of mailing thereof by first class, registered or certified mail, postage prepaid, addressed to the Superintendent at the address provided most recently to the School District, or addressed to the Board as follows:

President, Board of Education Canton Union School District #66 20 West Walnut Street Canton IL 61520

29. <u>MISCELLANEOUS.</u> This Contract shall inure to the benefit of and will be binding upon all the parties, their legal representatives, successors and assigns.

Nothing contained in this Contract shall be construed to deprive any party hereto of any of the rights accorded to that party by law, except where such rights are explicitly waived herein.

The headings, captions, and numbers used in this Contract are for reference purposes only and not intended to have any effect on the interpretation of the Contract.

This Contract contains all the terms agreed upon by the parties and supersedes all prior agreements, arrangements, and communications between the parties concerning this agreement, whether written or oral. Except as may be otherwise provided herein, no subsequent alteration, amendments, change, or addition to this Contract shall be binding upon the parties unless reduced to writing and duly authorized and signed by each party.

This Contract shall be governed and construed in accordance with the laws of the State of Illinois. The parties agree that venue for all actions between the parties shall lie solely in the state court having jurisdiction over Fulton County, Illinois, and the Superintendent hereby submits to the jurisdiction of the same.

If any portion of this Contract is deemed to be illegal or unenforceable, the remainder shall remain in full force and effect.

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.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the date first above written.

SUPERINTENDENT

BOARD OF EDUCATION OF CANTON UNION SCHOOL DISTRICT NO. 66, FULTON COUNTY, ILLINOIS

Tad DeRenzy

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Its President

Its Secretar