SUPERINTENDENT’S PERFORMANCE-BASED EMPLOYMENT AGREEMENT

THIS SUPERINTENDENT’S PERFORMANCE-BASED EMPLOYMENT AGREEMENT (“Agreement”) is voluntarily made this 26th day of March, 2013, by and between the BOARD OF EDUCATION (“Board”) of the ROCKFORD PUBLIC SCHOOLS DISTRICT NO. 205, WINNEBAGO AND BOONE COUNTIES, ILLINOIS (“District”) and Dr. Ehren Jarrett (“Superintendent”).

THE PARTIES, having discussed the nature of the terms contained herein and for mutual consideration, HEREBY AGREE:

1. Duties: The duties and responsibilities of Superintendent of this District shall be those duties appropriate to the office of Superintendent as those obligations are imposed by the laws of the State of Illinois upon the Superintendent of Schools, and shall include, without limitation, duties as the chief executive officer for the Board. The Superintendent shall devote his full-time attention and energy to the business and affairs of the District. He will administer, develop and maintain all aspects of the educational program of the District’s schools under the direction of and in accordance with the policies adopted by the Board. He shall recommend the selection, retention, and dismissal of, and direct and assign teachers and other employees of the District; he shall organize and direct the administrative and supervisory staff; he shall make recommendations to the Board concerning educational materials and courses of study; he shall direct the keeping of all budgets, records and accounts and aid in the making of reports as required by the Board; he shall recommend rules, regulations, policies and procedures deemed necessary for the welfare of the District; he shall develop programs and procedures directed toward the attainment of improved student performance and the other academic improvement goals (the “Performance Goals”) which are attached to this Agreement as Exhibit A; he shall keep the Board informed concerning the progress and condition of the District’s schools; he shall continuously evaluate and make recommendations concerning the needs of the District’s schools and staff; he shall work with the Board to facilitate and improve communications between the community, District employees, the Board and citizen groups on all matters related to official District business; he may delegate the performance of such duties to the administrative and supervisory staff while retaining responsibility for their performance; he shall comply with such policies and procedures as the Board may adopt from time to time that are of general applicability to all of its employees; and he shall perform such other duties as are generally performed by school superintendents and as from time to time may be assigned to Superintendent by the Board.
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2. EMPLOYMENT: Superintendent is hereby hired and retained from July 1, 2013 through and including June 30, 2016 (the “Initial Term”), and as it may be later agreed to by the Parties thereafter, as Superintendent for the Rockford Public Schools District No. 205 (“District”). The first full year of the contract shall end on June 30, 2014. Each consecutive twelve-month period during the term shall be referred to as a “Contract Year.”

Unless the Board has made a written determination prior to March 31, 2015, that the Superintendent has not met the Performance Goals contained in this Agreement or any amended Agreement thereto, this Agreement shall be automatically renewed for one additional year from July 1, 2016 through June 30, 2017 (the “First Renewal Term”). If this Agreement has renewed as provided in this paragraph, then unless the Board has made a written determination prior to March 31, 2016, that the Superintendent has not met the Performance Goals contained in this Agreement or any amended Agreement thereto, this Agreement shall be automatically renewed for one additional year through June 30, 2018 (the “Second Renewal Term”).

The Initial Term, the First Renewal Term (if any), the Second Renewal Term (if any) and any Additional Renewal Term(s) are referred to collectively herein as the “term.”

3. CERTIFICATION: Superintendent previously furnished to the Board, and shall maintain in good standing at all times during the term of this Agreement, a valid administrator’s certificate to serve as the Superintendent, and with a superintendent’s endorsement, in accordance with the laws of the State of Illinois.

4. COMPENSATION:

   Salary In consideration of a salary of Two Hundred Ten Thousand Dollars and No Cents ($210,000.00) per annum, minus all amounts required to be withheld by law (the “Annual Salary”), Superintendent hereby agrees to devote such time, skill, labor and attention as necessary to this employment, during the term of this Agreement, except as otherwise provided in this Agreement, and to perform faithfully the duties of Superintendent as set forth in this Agreement.

   Payment Schedule The Annual Salary shall be paid in equal installments in accordance with the policy of the Board governing payment of salary to other certified members of the District’s professional staff (“Certified Staff”), i.e. their staff members certified by the State of Illinois to serve in their professional capacities.
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**Annual Increase**

During each year for the term of this Agreement, the base salary of the Superintendent may be increased at the sole discretion of the Board, during the annual review process.

Any adjustment in Annual Salary made during the life of this Agreement shall be in the form of an amendment and shall become a part of this Agreement. It is provided, however, that by so doing, it shall not be considered that the Board nor the Superintendent has entered into a new agreement with the other nor that the termination date of this Agreement has been in any way extended. The Board and the Superintendent, however, may enter into subsequent agreements and make other salary adjustments or extensions of this Agreement for additional periods of time, if both Parties agree, and said agreement is reduced to writing.

**Additional Compensation**

As additional compensation, the Board agrees to pay the Superintendent’s Teachers’ Retirement System (“TRS”) pension fund contribution, the Teachers’ Health Insurance Security Fund contribution and the required federal Medicare premium on the same basis which the Board pays for all other Certified Staff during the term of this Agreement. It is the intention of the parties to qualify all such payments assumed by and paid by the Board on the Superintendent’s behalf as employer payments pursuant to Section 414(h) of the Internal Revenue Code of 1986, as amended. The Superintendent 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. 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 the Teachers’ Health Insurance Security Fund, and further acknowledge that such contributions are made as a condition of employment to secure the Superintendent’s future services pursuant to this Agreement, knowledge and experience. Notwithstanding anything to the contrary herein, the percentage of base compensation of Superintendent’s contributions to the retirement benefits provided by TRS shall be equal to that payable by the District’s teachers pursuant to any collective bargaining agreement, or as otherwise required by State law.

5. **Deferred Compensation:**

The Superintendent may elect to have a portion of his Annual Salary immediately deducted from his Annual Salary and used to purchase a tax sheltered annuity pursuant to Section 403(b) of the Internal Revenue Code of 1986, as amended. It is understood and agreed that the cost of the purchase of the annuity shall be deducted from the Superintendent’s Annual Salary and shall not require an additional expenditure of funds by the Board above the amounts paid to the
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Superintendent in the form of Annual Salary except as may be later amended by the Board through the establishment of a non-contributory plan of deferred compensation. Notwithstanding the foregoing, in the event that the District is unable to pay the Superintendent’s Illinois Teacher Retirement System of the State of Illinois (“TRS”) contribution on the same basis as provided on February 1, 2013 (i.e. 9.4% of base salary, e.g. 0.094 x $210,000 = $19,740), then the District shall increase the Superintendent’s Annual Salary each year by the remainder obtained by subtracting from the amount of contribution that would be made to the TRS pursuant to rules in effect on February 1, 2013, the amount actually contributed to the TRS on behalf of Superintendent for such year. Such increase in compensation shall be used by Superintendent to purchase a tax sheltered annuity pursuant to Section 403(b) of the Internal Revenue Code of 1986, as amended, to the extent allowable.

6. Benefits:
The Board shall provide group life, hospitalization and major medical and dental insurance for Superintendent and the eligible members of Superintendent’s immediate family (spouse and dependent children), during the term of this Agreement in accordance with the basic insurance coverage provided to Certified Staff. The Superintendent shall be eligible to participate in all other benefit programs in the same manner and to the same extent as other administrative staff. Such additional benefit programs include the accrual and use of sick, personal and vacation leave.

7. Student Performance and Academic Improvement Goals:
In compliance with Section 10-23.8 of the Illinois School Code, 105 ILCS 5/1-1 et seq. (the “School Code”), performance and improvement goals are attached as Exhibit A and are incorporated herein by reference.

The Board and the Superintendent shall meet periodically (and no less than annually) to discuss and review their working relationship, rapport and understanding. By August 1 of each year of the Agreement, beginning in 2014, the Superintendent’s performance shall be evaluated by the Board and a written evaluation of the performance will be given to the Superintendent. After such evaluation, the Board and the Superintendent shall meet to review the evaluation and to discuss the Superintendent’s performance.

8. Expenses and Allowances:
The Board shall reimburse the Superintendent for reasonable monthly expenses (including mileage in accordance with Board policy) incurred in the performance of his duties in accordance with Board policies. Itemization of all expenses incurred shall be provided by the Superintendent.
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9. Professional Activities:
Superintendent is encouraged to attend appropriate professional meetings at the local, state and national levels, and the Board shall pay the Superintendent's costs incurred in doing so in accordance with the Board's policies with respect to the reimbursement of such expenses. Superintendent may be reimbursed up to a total of $3,000 per year for costs incurred in professional development activities, including attending university courses, seminars or other professional growth activities, with reimbursement in accordance with the Board's expense reimbursement policies. The Board shall pay the cost of the Superintendent's annual membership dues in a professional organization of his choice, and one service group such as Lions, Rotary, etc. With prior approval of the Board, the Superintendent may be reimbursed for annual membership dues in additional professional organizations or for attendance at other professional meetings where his attendance or participation would be beneficial to the District, all in accordance with the Board's expense reimbursement policies.

10. Other Work:
With prior approval of the Board, which the Board may grant or deny at its sole discretion, the Superintendent may serve as a consultant to another district or educational agency for a short-term duration; and lecture and engage in writing activities and speaking engagements without loss of salary. The Superintendent may not jeopardize the performance or functioning of the District by any lengthy absence for such professional activities.

11. Residency:
Superintendent has established and shall maintain his residence (domicile) within the District's boundaries during the term of his employment as Superintendent under this Agreement or any of its amendments, extensions or modifications of said Agreement.

12. Extension of Agreement:
If this Agreement has been extended by a First Renewal Term and a Second Renewal Term, then this Agreement shall be reviewed by the Board and Superintendent by March 31, preceding the expiration of the Second Renewal Term (e.g., by March 31, 2016). Written notice of intent to not renew or extend this Agreement beyond any Second Renewal Term or any Additional Renewal Term (as defined below) shall be given by either party not later than March 31 preceding the expiration of the then-current term. Failure to provide timely notice shall extend the Agreement for one (1) additional year. If the Board provides the Superintendent written notice of its intent not to extend the contract for an additional year or the Superintendent fails to provide the Board with the notice provided in the preceding sentence, then this Agreement and the Superintendent's employment with the District shall terminate on June 30 of the subsequent year. In exchange for the consideration granted to him under this Agreement, the Superintendent hereby irrevocably waives any right, whether
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statutory or otherwise, to any hearing or due process he may be entitled to in the event the Board determines not to extend this Agreement at the end of the initial term of this Agreement or any extension thereof.

13. TERMINATION OF AGREEMENT:

This employment contract may be terminated as provided below:

*Mutual Agreement*

During the term of this Agreement, the Board and Superintendent may mutually agree, in writing, to terminate this Agreement.

*Permanent Disability*

The Superintendent shall be considered permanently disabled if (a) the Superintendent has exhausted his accumulated sick and vacation leave and he has been absent from his employment or otherwise unable to perform the essential job functions with or without reasonable accommodations, or (b) he presents to the Board a physician’s statement certifying that he is permanently disabled or incapacitated. All obligations of the Board shall cease upon written notice of termination for permanent disability, provided that the Superintendent shall be entitled to a hearing before the Board if he so requests. The Board reserves the right to require the Superintendent to submit to a medical examination, either physical or mental, in accordance with the events identified in subsection (a) or (b). Such examination shall be performed by a physician licensed to practice medicine in all its branches, who is selected and paid by the Board.

*Death*

This Agreement and all obligations contained herein shall terminate in the event of the Superintendent’s death.

*Termination Without Cause*

Should the Board determine at any time that it is in the District’s best interest to terminate this Agreement, the Board may by written notice to the Superintendent, terminate this Agreement and the Superintendent shall be entitled to receive all benefits as provided herein, including Annual Salary, but excluding vacation and sick days, for a period of six (6) months from the date of termination. Such payments shall cease in the event the Superintendent becomes employed full-time (30 hours a week or more) by a new employer. The Superintendent may, by written notice to the Board, terminate this Agreement as of the last day of the twelfth month following such notice of termination, and all benefits as provided herein, including Annual Salary and vacation and sick days, shall cease upon the date of termination.

*Discharge For Cause*

Discharge for cause shall be for any of the following reasons: (a) a conviction of Superintendent or plea of guilty or no contest to (i) a felony, or (ii) any crime involving dishonesty-, fraud, and/or moral turpitude, with moral turpitude being deemed a conviction of or
guilty plea to an offense that has a direct bearing on the Superintendent's ability or fitness to perform his job, and further provided that a decision by the Board to terminate for moral turpitude is consistent with the Board’s policy regarding such matters as generally applied to its employees, (b) Superintendent’s engaging in behavior that constitutes a material breach of any fiduciary or contractual duty that Superintendent owes to the Board or the District; provided, that (i) the Board has given the Superintendent written notice of such material breach and such material breach has not been cured within fourteen (14) days of Superintendent’s receipt of such notice or (ii) the material breach is incapable of being cured, (c) failure to maintain any licensure or certification required for the position of superintendent of a public school district in the State of Illinois; and/or (d) material non-performance of his duties specified herein, as determined in good faith by the Board; provided, that (i) the Board has given the Superintendent written notice of such material breach and such material breach has not been cured within fourteen (14) days of Superintendent’s receipt of such notice or (ii) the material breach is incapable of being cured. Specific reasons for discharge for cause shall be given in writing to the Superintendent, who shall be entitled to prior written notice of any allegations of acts or omissions giving rise to the Board’s consideration, of termination of Superintendent for cause is set forth in this section. Superintendent shall be given an opportunity to be heard by the Board regarding such allegations prior to any Board vote on termination of this Agreement. Superintendents shall have at least a week between such notice and hearing in which to prepare for the hearing. If Superintendent chooses to be accompanied by legal counsel at such hearing, all such personal legal expenses shall be paid by Superintendent. The Board hearing shall be conducted in executive session. If the Superintendent is discharged for cause as defined herein, the Superintendent shall not be entitled to any further benefits or compensation.

14. CRIMINAL BACKGROUND: Under Section 5/10-21.9 of the School Code, the Board is prohibited from knowingly employing a person who has been convicted of committing or attempting to commit the named crimes therein. If the criminal background investigation required by Illinois law is not completed at the time the Agreement is signed, and the subsequent investigation report reveals that there has been a final conviction, or if a judgment of conviction for one of the crimes named in such Section 5/10-21.9 occurs during the term of this Agreement, this Agreement shall immediately become null and void.

15. ABUSE AND NEGLECT: The Superintendent acknowledges that he is a mandated reporter under the Abused and Neglected Child Reporting Act, 325 ILCS 5/1 et seq., and the Elder Abuse and Neglect Act, 320 ILCS 20/1 et seq.,
and avers that he has knowledge of and understands his professional duties and obligations as a mandated reporter under these Acts and as a supervisor of other professionals who are mandated reporters.

16. **WAIVER OF TENURE:**

As a condition to the entry into this multi-year Agreement, the Superintendent waives all rights that would provide him with contractual continued service status under Sections 24-11 through 24-16 of the *School Code* for the term of this multi-year Agreement. However, upon acceptance of this multi-year Agreement, the Superintendent shall not lose any previously acquired tenure credit with the District.

17. **NOTICE:**

Any notice, demand or request which may be permitted, required or desired to be given in connection therewith shall be given in writing and directed as follows:

If to the Board:
President, Board of Education
Rockford Public Schools District No. 205
501 Seventh St.
Rockford, IL 61104-2092

If to Superintendent:
Dr. Ehren Jarrett
5312 Thornberry Drive
Rockford, IL 61114

Notices shall be deemed properly delivered and received: (i) when and if personally delivered; or (ii) one (1) business day after deposit with Federal Express or other comparable commercial overnight courier.

18. **MISCELLANEOUS:**

**Governing Law**

This Agreement has been executed in Illinois, and shall be governed in accordance with the laws of the State of Illinois in every respect.

**Headings**

Paragraph headings have been inserted for convenience of reference only, and if there shall be any conflict between any such heading and the text of this Agreement, the text shall control.

**Execution**

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.

**Integration Clause**

This Agreement contains all of 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
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Parties concerning such subject matter, whether oral or written.

**Binding Effect**

This Agreement shall be binding upon and inure to the benefit of the Superintendent, his successors, assigns, heirs, executors, and personal representatives, and shall be binding upon and inure to the benefit of the Board, its successors and assigns.

**Amendment**

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.

**Reservation of Rights**

The Board retains the right to repeal, change, or modify any policies or regulations which it has adopted or may hereafter adopt, which affects the Superintendent, subject, however, to restrictions contained in the School Code or other applicable law.

**Severability**

If any 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.

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SIGNATURE PAGE FOLLOWS.
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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, on the day and year first written above.

Superintendent

[Signature]

Dr. Ehren Jarrett

Board of Education.
Rockford Public Schools District No. 205

By: [Signature]

Name: Harmon Mitchell

Its President

ATTEST:

By: [Signature]

Name: Lisa Jackson

Its Secretary, Board of Education

BOARD APPROVED
MAR 26 2013

Rockford Public Schools
EXHIBIT A

Student Growth. Superintendent Jarrett shall create and execute a plan which includes measurable benchmarks aimed at improving student achievement on a district-wide basis. Such plan shall be presented to the Board no later than September 30, 2013.