CONTRACT OF EMPLOYMENT

BETWEEN

ALPINE UNION SCHOOL DISTRICT

AND

TOM PELLEGRINO

This Contract of Employment is entered into by and between the Governing Board of the ALPINE UNION SCHOOL DISTRICT (hereinafter referred to as "Board") and TOM PELLEGRINO (hereinafter referred to as "Superintendent").

The Contract of Employment is entered into pursuant to California Education Code section 35031 and other applicable law. This integrated Contract of Employment supersedes entirely any other Contract of Employment and all amendments thereto that may exist between the parties entered into prior to the ratification of this Contract of Employment.

The Board and the Superintendent hereby agree and promise as follows:

I. TERM

The Superintendent is employed by the Board as a certificated employee in the position of Superintendent for a term of four years. The term of this Contract of Employment shall be October 1, 2012 through September 30, 2016. Each successive term of the contract, if any, shall run from October 1, 2016 and extend for one calendar year.

Regardless of the term of this Contract of Employment, if it is terminated for any reason, the maximum cash settlement the Superintendent may receive, inclusive of all claims that may be pending against the District, shall be an amount equal to his monthly salary multiplied by the number of months remaining on the unexpired term of this Contract of Employment. However, if the unexpired term is greater than 18 months, the maximum cash settlement shall be an amount equal to the monthly salary of the Superintendent multiplied by 18. Any cash settlement shall not include any other noncash items. Cash paid in exchange for opting out of health and welfare benefits shall be considered salary for the purposes of this section. The intent of this provision is to satisfy the requirements in California Government Code sections 53260-53264, and shall be interpreted consistently with these statutes.

II. <u>SALARY</u>

- 1. Since July 1, 2011, the current salary is a result of the Superintendent voluntarily amending his compensation by taking a reduction of 4.73% from his base salary of \$153,750.00 in order to maintain parity with reductions taken by other stakeholders. As of the date of this successor agreement, the Superintendent's current, downward adjusted salary continues to be \$146,477.63. In light of the dire fiscal situation of the State of California and the resulting challenges to the Alpine community and the employees and students of this District, the Superintendent decided to take this reduction in compensation to provide equity between the chief executive officer and other interested parties who have made and will make sacrifices in the future. The annual salary will be paid in 12 equal monthly installments in accordance with the policy of the Board governing payment to other professional staff members in the District. The Board reserves the right to adjust the annual base salary, with any adjustments to be effective the commencement of the first calendar month following the Board's action, provided the annual base salary may not be adjusted downward except by mutual consent.
- 2. Any adjustment in salary made during the life of this Contract of Employment shall be in the form of an amendment, and shall become a part of this Contract of Employment. By so doing, the Board shall not be deemed to enter into a new Contract of Employment with the Superintendent, and the termination date of the existing Contract of Employment shall not be extended thereby. However, the Board may, by specific action and the consent of the Superintendent, extend this Contract of Employment at any time.
- 3. The Superintendent may render professional consulting services on request by the District at his daily per diem rate, calculated based on the annual salary provided in this Contract of Employment and a 260-workday per year divisor.
- 4. At the conclusion of each school year of the Superintendent's employment, the Board shall consider and vote on whether to increase the Superintendent's salary in any subsequent year covered by this Contract of Employment.
- 5. Among the considerations of the Board in determining whether to extend the Contract of Employment or increase the salary of the Superintendent shall be the Superintendent's performance as determined by the goals and objectives set by the Board. The Board and Superintendent shall meet during the first three months of this Contract of Employment to fix the goals and objectives.

III. TRAVEL AND EXPENSES

The Superintendent shall receive a monthly stipend of \$300.00 for necessary travel expenses incurred in the performance of services for the District within the scope of his employment. This allowance does not include reimbursement for the expenses of conventions. Reimbursement for conventions shall be on the basis of separate claims for each convention approved in advance by the Board and attended by the Superintendent.

IV. <u>DUTIES AND RESPONSIBILITIES</u>

- 1. The Superintendent is a management employee of the District and is the chief executive officer and the secretary to the Board subject to the authority of the Board. The Superintendent shall hold all credentials necessary for his position. Failure by the Superintendent to maintain all credentials necessary for his position shall be interpreted as a material and substantial breach of this Contract of Employment. The Superintendent shall faithfully and competently perform all duties and responsibilities required by the Board and/or applicable and relevant law during the term of this Contract of Employment provided, however, that the Superintendent by agreement with the Board obtained in advance, may undertake consulting work, speaking engagements, writing, lecturing, or other professional duties and obligations. Pursuant to Education Code section 35161 the Board delegates to the Superintendent only those powers and duties specifically and clearly stated in this Contract of Employment, adopted Board Policies or other actions of the Board referenced in official minutes of the Board.
- 2. The responsibility for selection, placement and transfer of personnel shall be vested in the Superintendent, subject to approval by the Board. The Superintendent will have the responsibility, subject to approval by the Board, to organize, reorganize and arrange the administrative and supervisory staff, including instruction and business affairs, so as to best serve the District. The Board, individually and collectively, will inform the Superintendent of criticisms, complaints and suggestions relative to the administration of the District.

V. <u>VACATION, HOLIDAYS, AND SICK LEAVE</u>

a. In each school year of this Contract of Employment, the Superintendent shall receive 29 working days of vacation, exclusive of employee holidays and weekends

At the beginning of each school year during the term of this Contract of Employment, the Superintendent shall notify the Board of the Superintendent's anticipated schedule for use of vacation days during that year.

Accrued vacation is limited to 50 days; once accrued vacation reaches the maximum of 50 days, no further accrual shall occur until the Superintendent has used at least 5 accrued vacation days. Subject to this maximum accrual, earned vacation shall accumulate from year to year. The Board, at its discretion, may pay the Superintendent the cash value of some or all of the Superintendent's accrued vacation to limit the amount carried over from year to year.

Upon the expiration or termination of this Contract of Employment, the Superintendent shall be entitled to compensation for all accrued and unused vacation days at the then-current salary rate.

b. The Superintendent shall be afforded all holidays provided to employees of the District pursuant to Education Code section 37220, and any additional local

holidays approved by the Board for 12-month employees at the time the annual calendar is adopted.

c. The Superintendent shall accrue sick leave at the rate of 12 days per year at the rate of one sick leave day per full calendar month of service. Sick leave shall accumulate from year to year without limitation as provided by state law and any applicable Board Policy.

HEALTH AND WELFARE BENEFITS

- 1. In lieu of participation in the District's health and welfare benefit plans, during the term of this Contract of Employment the Superintendent shall receive an annual payment of \$1,000.00.
- 2. The Superintendent shall submit to a fitness for duty examination by a licensed medical provider of his choosing, and at District expense. A report regarding his fitness shall be forwarded to the Board President by June 30 of each year of this Contract of Employment. The report shall specifically state whether the Superintendent has any medical condition that would impair his ability to perform the essential functions of his position, with or without accommodation.

VI. <u>DUES AND MEMBERSHIPS IN ASSOCIATIONS AND ORGANIZATIONS</u>

- 1. The Superintendent shall have his dues paid by the District for membership in the Association of California School Administrators (ACSA), the Association for Supervision and Curriculum Development, and a civic organization of his choice paid by the District.
- 2. The Superintendent also may attend appropriate meetings at the local, state and national level, with the expenses of such attendance to be paid by the District.

VII. <u>EVALUATION PERFORMANCE OBJECTIVES</u>

- 1. Following the first increment of this Contract of Employment, by September 30 of each school year, the Board and Superintendent shall agree upon a limited number of objectives that shall be used to evaluate the Superintendent's performance. These objectives shall reflect established goals and needs of the District with regard to the education program, personnel, operations, management, community relations, Board-Superintendent relations, and professional leadership. For each objective, the Board and Superintendent shall identify in writing the activities to be performed, expected results and timeliness, and resources or constraints that may affect achievement.
- 2. By June 1 of each year, each Board member shall independently rate the Superintendent's performance for that school year in each performance objective. The Board shall meet in closed session to discuss these evaluations.

The Board shall examine all Board members' ratings and reach a consensus as to each performance objective. The Board president or designee shall then develop a single evaluation illustrating the Board's collective judgment of each objective, and provide a copy to the Superintendent.

By June 30 of each year, the Board shall meet in closed session with the Superintendent to discuss the evaluation. The Superintendent and Board members shall agree upon and sign an evaluation summary.

Additional evaluations may be arranged at any time during the school year at the request of either the Board or the Superintendent.

VIII. TERMINATION OF AGREEMENT AND/OR EMPLOYMENT

- 1. Both the Board and the Superintendent acknowledge that the employment relationship between the Board and the Superintendent is very important to the District and must include mutual professional respect and cooperation. Both the Board and the Superintendent also acknowledge that this employment relationship is a professionally intimate one that may evolve to a status where it should be terminated even though no fault may be attributed to either party. Finally, both the Board and the Superintendent acknowledge that any termination of a Contract of Employment may have an adverse impact on the Superintendent's reputation as an administrator and/or as an educator. In light of these acknowledgments and with full knowledge of their legal rights and obligations under applicable law, the Board and the Superintendent hereby agree to the following specific and complete conditions whenever the Board determines within its sole discretion to end the employment relationship.
 - a. The Board at any time, within its sole discretion, may terminate this Contract of Employment and the Superintendent's employment as an administrator and as a permanent certificated employee, by giving at least 60 days' prior written notice to the Superintendent.
 - b. On the last date of his employment, after receiving the above-referenced written notice, the Superintendent shall receive from the Board a lump sum amount equal to his then-current monthly salary multiplied by the number of months remaining on the term of this Contract of In accordance with Section I of this Contract of Employment. Employment and the California Government Code, however, the maximum amount shall not exceed 18 months. Taxes and other required deductions will be made on the amount. Acceptance of this lump sum amount shall be interpreted as a voluntary resignation by the Superintendent from his employment with the District. Superintendent agrees that the payment of this single lump sum amount completely releases and discharges the District from all claims and causes of action the Superintendent may have against the District. The Superintendent agrees that the payment of this single lump sum amount is sufficient and full consideration for his termination of employment from the District and for his loss of all rights as a permanent certificated

employee. The Superintendent also fully agrees that if he should file any claim or cause of action against the District related to his termination of employment, he must immediately repay the entire lump sum amount to the District.

2. In the event the Board determines not to reelect or reemploy the Superintendent upon the expiration of this Contract of Employment, the Board shall give written notice at least 90 days prior to the expiration of this Contract of Employment. The Board and the Superintendent agree that this provision is intended to implement the notice requirement in Education Code section 35831 except that the notice of non-reelection or non-reemployment shall be given at least 90 days prior to the expiration of this Contract of Employment. The Board and the Superintendent also agree that if the notice requirement in Education Code section 35031 is amended to be longer than 90 days, such longer period shall be applicable to this Contract of Employment.

If the Board provides timely written notice of non-reelection or non-reemployment under this provision, and the Superintendent has satisfied the statutory requirements for status as a permanent certificated employee of the District, the Superintendent either (1) shall be reassigned to a teaching position for the following school year, or (2) may, at his option, accept the lump sum amount described in provision 1, immediately above. If the Superintendent wishes to choose option (2), he must so notify the Board in writing at least 30 days prior to the expiration of this Contract of Employment. The Superintendent fully agrees that if he should choose this option, he voluntarily waives all rights as a permanent certificated employee of the District. Acceptance of the lump sum amount shall be interpreted as a voluntary resignation by the Superintendent from his employment with the District. The Superintendent agrees that the payment of the lump sum amount completely releases and discharges the District from all claims and causes of action the Superintendent may have against the District. The Superintendent fully agrees that the payment of this lump sum amount is sufficient and full consideration for his termination of employment from the District and for his loss of all rights as a permanent certificated employee. The Superintendent also fully agrees that if he should file any claim or cause of action against the District related to his termination of employment, he must immediately repay the entire lump sum amount to the District.

- 3. Notwithstanding provision 1 or provision 2 immediately above, the Board reserves the right to terminate the Superintendent's employment as a permanent certificated employee pursuant to the reasons and the procedure authorized by law for the termination of permanent certificated employees. Any such termination as a permanent certificated employee shall terminate this Contract of Employment, and the Superintendent shall not receive or be entitled to receive the severance pay and benefits in provision 1 or provision 2 immediately above.
- 4. This Contract of Employment may be amended or terminated at any time with the written mutual concurrence of the Board and the Superintendent.
- 5. Should the Superintendent voluntarily seek full-time employment outside of the District during the term of this Contract of Employment, and become a bona fide finalist

for full-time employment outside the District, the Superintendent immediately shall so notify the Board in writing.

IX. <u>MISCELLANEOUS PROVISIONS</u>

- 1. All promises contained herein are severable and in the event any of them shall be held invalid by any court of competent jurisdiction, this Contract of Employment shall be interpreted as if such invalid promise(s) were not contained herein.
- 2. This Contract of Employment is subject to all applicable laws of the State of California, to the rules and regulations of the State Board of Education, and the policies of the Board. Said laws and policies are hereby made a part of the terms and conditions of this Contract of Employment as though fully set forth herein.

FOR THE GOVERNING BOARD

TOM PELLEGRINO

12-12-12

DATE

DATE

DATE APPROVED BY THE BOARD