

**BOUND BROOK BOARD OF EDUCATION
111 WEST UNION AVENUE
BOUND BROOK, NEW JERSEY 08805**

CONTRACT OF EMPLOYMENT

this Agreement, made this 28th day of April 2014, between

BOUND BROOK BOARD OF EDUCATION
in Somerset County (hereinafter "the Board")

with offices located at

111 West Union Avenue
Bound Brook, New Jersey 08805

and

Dr. Daniel Gallagher (hereinafter "the Superintendent")

PREAMBLE

WITNESSETH

THIS EMPLOYMENT CONTRACT replaces and supersedes all prior Employment Contracts between the parties hereto. Signature of this Contract constitutes assent to a rescission of any and all prior contracts, as well as agreement to the terms herein;

WHEREAS, the Board desires to employ the Superintendent as the Chief Education Officer of the school district; and,

WHEREAS, the Board desires to provide the Superintendent with a written employment contract in order to enhance administrative stability and continuity within the schools, which the Board believes generally improves the quality of its overall educational program; and,

WHEREAS, the Board and the Superintendent believe that a written employment contract is necessary to describe specifically their relationship and to serve as the basis of

effective communication between them as they fulfill their governance and administrative functions in the operation of the education program of the schools; and,

WHEREAS, the Superintendent is the holder of an appropriate certificate as prescribed by the State Board of Education and as required by *N.J.S.A.* 18A:17-17;

NOW, THEREFORE, in consideration of the following mutual promises and obligations, the parties agree as follows:

ARTICLE I

EMPLOYMENT

The Board hereby agrees to employ Dr. Daniel Gallagher as Superintendent of Schools for the period of July 1, 2014 through 11:59 p.m. June 30, 2019. The parties acknowledge that this Contract must be approved by the Somerset County Executive County Superintendent in accordance with applicable law and regulation.

ARTICLE II

CERTIFICATION

If, at any time during the term of this Contract, the Superintendent's certification(s) is revoked, this Contract shall be null and void as of the date of the revocation. The Superintendent will provide official course transcripts for all earned postsecondary degrees to the Board of Education. These transcripts will be kept on file in the Board office. (Attached as Exhibit B.)¹

ARTICLE III

DUTIES

In consideration of the employment, salary and fringe benefits established hereby, the Superintendent hereby agrees to the following:

A. To perform faithfully the duties of Superintendent of Schools for the Board and to serve as the chief school administrator in accordance with the laws of the State of New Jersey, Rules and Regulations adopted by the State Board of Education, existing Board policies and those which are adopted by the Board in the future. The specific job description adopted by the Board, applicable to the position of Superintendent of Schools, is incorporated by reference into this Contract, (attached as Exhibit C).

B. To devote the Superintendent's full time, skills, labor, and attention to this employment during the term of this Contract; and further agrees not to undertake consultative work, speaking engagements, writing, lecturing, or other professional duties for compensation without written permission of the Board. Should the Superintendent choose to engage in such outside activities on weekends, on his/her vacation time, or at other times when s/he is not required to be present in the district, s/he shall retain any honoraria paid. The Superintendent shall notify the Board President in the event s/he is going to be away from the district on district business for two (2) or more days in any week. Any time away from the district that is not for district business must be arranged in accordance with provisions in this Contract governing time off. The Board recognizes that the demands of the Superintendent's position require him/her to work long and irregular hours, and occasionally may require that s/he attend to district business outside of the district.

C. To assume the responsibilities for the selection, renewal, placement, removal, and transfer of personnel, subject to the approval of the Board, by recorded roll call majority vote of the full membership of the Board, and subject to applicable Board policies and directives. The Board shall not withhold its approval of any such recommendation for arbitrary or capricious reasons, all in accordance with *N.J.S.A. 18A:27-4.1*.

D. To non-renew personnel pursuant to *N.J.S.A.* 18A:27-4.1, and to provide a written statement of reasons for non-renewal upon proper request to the employee.

E. To study and make recommendations with respect to all criticisms and complaints, which the Board, either by committee or collectively, shall refer to him/her. The Superintendent shall have the right to contact the Board's attorney for legal assistance as the need arises in carrying out his/her duties.

F. To assume responsibility for the administration of the affairs of the school district, including but not limited to programs, personnel, fiscal operations, and instructional programs. All duties and responsibilities therein will be performed and discharged by the Superintendent, or by staff, at the Superintendent's direction.

G. To have a seat on the Board and have the right to speak (but not vote) on all issues before the Board in accordance with applicable law. The Superintendent shall attend all regular and special meetings of the Board, (except where a *Rice* notice has been served upon the Superintendent notifying him/her that his/her employment will be discussed in closed session, and the Superintendent had not requested that the meeting be conducted in public, or where the Superintendent has a conflict of interest), and all committee meetings thereof, and shall serve as advisor to the Board and said committees on all matters affecting the school district.

H. To suggest, from time to time, regulations, rules, policies, and procedures deemed necessary for compliance with law and/or for the well being of the school district.

I. To perform all duties incident to the Office of the Superintendent and such other duties as may be prescribed by the Board from time to time. The Superintendent shall, at all times, adhere to all applicable federal and state statutes, rules, regulations, and executive orders, as well as district policies and regulations.

ARTICLE IV

SALARY AND BENEFITS

A. Any adjustment in salary made during the life of this Employment Contract shall be in the form of an amendment and shall become part of this Employment Contract, but it shall not be deemed that the Board and the Superintendent have entered into a new employment contract.²

1. Salary. The Board shall provide the following salary as part of the Superintendent's compensation:

a. Salary. The Board shall pay the Superintendent an annual salary of One Hundred Fifty seven thousand five hundred dollars (\$157,500.00) for the 2014-15 each school year. This annual salary rate shall be paid to the Superintendent in accordance with the schedule of salary payments in effect for other certified employees.

b. In the event that the superintendent salary cap regulations sunset; are amended to permit an increase in salary; or are rendered inapplicable, the Board shall renegotiate the salary with the superintendent and at a minimum permit a cost of living increase for each year of this contract.

The parties agree that future salary determinations by the Board will be based on merit and the performance evaluation described in Article V below, and will be subject to the approval of the Somerset County Executive County Superintendent.

2. Merit Increases.

² Salary must be in accordance with *N.J.A.C. 6A:23A-1.2*.

The Superintendent may receive a merit bonus in addition to his annual base salary. The merit bonus will be based upon his achievement of quantitative merit criterion and/or qualitative merit criterion. The Board and Superintendent shall select three (3) quantitative merit criteria and two (2) qualitative merit criteria per contract year. The Executive County Superintendent shall approve or disapprove the selection of quantitative merit and/or qualitative merit criteria and the data that forms the basis of measuring the achievement of quantitative merit and/or qualitative merit criteria. The Superintendent shall receive a merit bonus in amount of 3.33% of his annual base salary for each quantitative merit criterion achieved, and/or a merit bonus in the amount of 2.5% of annual base salary for each qualitative merit criterion achieved. The Board shall submit a resolution to the Executive County Superintendent certifying that the quantitative merit and/or qualitative merit criterion have been satisfied and shall await a confirmation of the satisfaction of that criterion from the Executive County Superintendent prior to payment of the merit bonus. Payment for the merit bonus shall be remitted to the Superintendent within 30 days of the receipt of the approval from the Executive County Superintendent.

3. Notwithstanding the foregoing, no salary increase of any kind will take effect on midnight July 1, 2019 (the final day of this Contract) unless the parties have agreed to a contract extension and that extension has been approved by the Somerset County Executive County Superintendent. The terms of the extension will govern all increases to take effect after July 1, 2019. Any renewal, extension, or modification of this Contract shall comply with the notice provisions of *P.L.2007, c. 53, The School District Accountability Act* and *N.J.A.C. 6A:23A-3.1, et seq.*

B. Sick leave. The Superintendent shall receive 12 sick days annually. Unused sick leave days shall be cumulative in accordance with the provisions of Title 18A.

1. Supplemental compensation from accrued but unused sick leave shall not exceed \$15,000 unless:

a. the Superintendent has accrued more than \$15,000 in unused sick leave by virtue of direct service to the district or as of June 8, 2007 whichever is greater or to another district credited by the Board prior to the effective date of this Contract, pursuant to *N.J.S.A.* 18A:30-3.5; and

b. such compensation shall be payable only at the time of retirement from a state or locally administered retirement system, and shall be based on accrued but unused sick leave credited on the date of retirement. No accumulated unused sick leave compensation shall be paid to the Superintendent's estate or beneficiaries in the event of death prior to retirement.

C. As of (concluding date of principal's contract), the Superintendent had 80.5 sick days.

D. Bereavement Leave: The Superintendent shall be provided the following leaves of absence: three (3) days for bereavement upon the death of a spouse, parent, child, grandparent, brother, sister, parent-in-law or member of the immediate household and one (1) day for other family situations or bereavement. Unused Bereavement Leave at the end of each contract year shall not be cumulative.

C. Professional Membership. The Superintendent shall be entitled to membership, at the Board's expense for professional dues in the following professional associations: NJASA, AASA, and the Somerset County Administrators Association and/or other organizations deemed important by the Superintendent and the Board. (Attached as Exhibit E. The Superintendent also shall be entitled to reimbursement for expenses incurred for attendance at professional conferences up to \$10,000.00, and similar expenses which s/he may incur while discharging the duties of Superintendent in accordance with *P.L. 2007, c. 53, The School District Accountability Act* and affiliated regulations. (*N.J.S.A. 18A:11-12 and N.J.A.C. 6A:23A-7, et seq.*). Such reimbursement shall comply with all applicable provisions of state and federal statutory and regulatory provisions and guidance, and with board policy. The Superintendent shall be entitled to attend the annual NJSBA/NJASA/NJASBO Workshop and Convention and the annual conference of the NJASA/NJSBA, National Superintendent Conference, and ACSD. Reimbursement or payment for such expenses shall be made in accordance with *P.L. 2007, c. 53, The School District Accountability Act* and affiliated regulations, and Board policies *which amount shall not exceed \$10,000.00*

The Superintendent may attend the "Novice Superintendent's Academy" sponsored by the New Jersey Association of School Administrators at Board expense. The Board shall pay all fees and costs associated with attendance of the Academy. The Board shall pay all costs and fees for the Superintendent to complete state-mandated mentoring. The Board shall pay all costs and fees associated with any state-mandated continuing education.

D. The Superintendent may subscribe to appropriate educational and/or professional publications within the limit set in the annual budget.

E. Health Benefits:

1. The Board shall provide the Superintendent with individual or family health benefits coverage. The Superintendent shall pay the portion of the premium costs for all such coverages set forth in Chapter 78, *P.L.* 2011 (passed as Senate No. 2937) and implementing regulations, as the same provides on the date of the execution of this Employment Contract. Such limitation shall in no way link this Contract with any agreement collectively negotiated with district employees. The premium shall be paid by the Superintendent through payroll deduction.

2. The Superintendent may waive coverage in any of the health benefits plans if covered through a spouse, civil union or domestic partner's health plan, and in accordance with procedures established by the Board. The Superintendent will be paid the lesser of (twenty-five percent) 25% or (Five Thousand Dollars) \$5,000 of the cost of said coverage for waiving such coverage.

F. Vacation Leave:

1. The Superintendent shall be entitled to an annual vacation of 25 working days per year, prorated. All of the vacation days shall be available for the Superintendent's use on July 1st of each year of the Contract.

2. The Superintendent shall take his vacation time after giving the Board President reasonable notice. School vacations do constitute time off for the Superintendent. The Superintendent may take vacation days during the school year, upon notice to the Board President. The Superintendent is expected to attend to the business of the district as required for the smooth and efficient operation of the school district. The Superintendent shall document the use of accrued vacation days with the Board Secretary.

3. The Board encourages the Superintendent to take his full vacation allotment each year; however, not more than 15 vacation days may be carried over by the Superintendent from year to year. All days carried over must be used in the next year, or those days not taken will be forfeited.

4. In the event that the Superintendent's Contract is terminated prior to its expiration, unused vacation time shall be paid on a pro-rated basis of 2 days accrued per month. In the event this Contract is not renewed, earned but unused vacation time will be paid at the Superintendent's daily rate of pay, based upon a 260-day work year, following his/her last day of employment. The parties agree that the Superintendent has 22 unused accumulated vacation days from his years of service in other positions in the district which shall remain available for his use. In the event of the death of the Superintendent all unused accumulated vacation days shall be paid to his estate.

G. The Superintendent shall be entitled to all holidays granted to other administrators in the district. (List the holidays)

H. The Superintendent shall be entitled to 5 personal days, to attend to personal business during the school day, with full pay during the work year. Personal days may be taken during the school year with the prior permission of the Board President. As much advance notice as possible of the request to take personal time will be given. Personal day usage shall be reflected on time-off slips filed with the Board Secretary. Personal days are non-cumulative and non-reimbursable.

I. The Superintendent shall be paid a reasonable allowance of \$100 per month as reimbursement for use of his vehicle in performance of his/her duties. There will be no

additional reimbursement of mileage allowance paid, except for travel outside of New Jersey. Reimbursement for the use of a personal vehicle shall be tendered only upon proof of compliance with applicable regulations.

J. The Superintendent shall be responsible for filing a time-off slip, in advance of the time off, as set forth herein, or immediately upon his/her return to the district in the event of an unplanned absence, with the Board Secretary each time any leave is taken. The Superintendent and Board President shall periodically review the Superintendent's attendance record to assure correctness.

K. The District shall to supply the Superintendent with a smartphone, i-Pad and laptop for conducting district business. However, given the demands of the position, reasonable personal use shall be permitted.

ARTICLE V

ANNUAL EVALUATION

A. The Board shall evaluate the performance of the Superintendent at least once a year in accordance with statutes, regulations and Board policy relating to Superintendent evaluation. Each annual evaluation shall be in writing and shall represent a majority of the Board. A copy of the evaluation shall be provided to the Superintendent, and the Superintendent and the Board shall meet to discuss the findings. The Board may meet in closed session to discuss the evaluation and the Superintendent's performance where a *Rice* notice has been served upon the Superintendent, giving notice that the Superintendent's employment will be discussed in closed session, and the Superintendent has not requested that the meeting be conducted in public. The evaluations shall be based upon the criteria

adopted by the Board, the goals and objectives of the district, which shall include encouragement of student achievement, the responsibilities of the Superintendent as set forth in the job description for the position of Superintendent, the district's placement on the NJQSAC continuum (with respect to those DPRs that are within the Superintendent's control), and such other criteria as the State Board of Education shall by regulation prescribe.

In the event that the Board determines that the performance of the Superintendent is unsatisfactory in any respect, it shall describe in writing, and in reasonable detail, the specific instances of unsatisfactory performance. The evaluation shall include specific recommendations for improvement in all instances where the Board deems performance to be unsatisfactory. The Superintendent shall have the right to respond in writing to the evaluation; this response shall become a permanent attachment to the Superintendent's personnel file upon the Superintendent's request. On or before June 1st of each year of this Employment Contract, the Superintendent and the Board shall meet to review the evaluation format and to mutually determine the evaluation format to be used in the subsequent school year. The Superintendent shall be entitled to a copy of all back- up materials utilized in the process.

The final draft of the annual evaluation shall be adopted by the Board on or before July 1st of each school year. . The Superintendent shall propose a schedule for evaluation for the next year to the Board President by the annual organization meeting each year.

B. Within sixty (60) days of the execution of this Employment Contract, the parties shall meet to establish the district's goals and objectives for the ensuing school year. Said goals and objectives shall be reduced to writing and shall be among the criteria by which the Superintendent is evaluated, as hereinafter provided. On, or prior to, June 1 of each succeeding

school year, the parties will meet to establish the district's goals and objectives for the next succeeding school year, in the same manner and with the same effect as heretofore described.

C. The parties also agree that the Board shall not hold any discussions regarding the Superintendent's employment, unless the Superintendent is given written notice at least 48 hours in advance. In addition, the Board shall not hold any discussions with regard to the Superintendent's performance, or that may adversely affect the Superintendent's employment, in public session, unless the Superintendent requests that such discussions be held in public session, pursuant to the Open Public Meetings Act.

ARTICLE VI

TERMINATION OF EMPLOYMENT CONTRACT

A. This Contract shall terminate, the Superintendent's employment will cease, and no compensation shall thereafter be paid, under any one of the following circumstances:

- (1) failure to possess/obtain proper certification;
- (2) revocation or suspension of the Superintendent's certificate, in which case this Contract shall be null and void as of the date of revocation, as required by *N.J.S.A.* 18A:17-15.1;
- (3) forfeiture under *N.J.S.A.* 2C: 51-2;
- (4) mutual agreement of the parties;
- (5) notification in writing by the Board to the Superintendent, at least one year prior to the expiration of this Contract, of the Board's intent not to renew this Contract; or
- (6) material misrepresentation of employment history, educational and professional credentials, and criminal background.

B. In the event the Superintendent is arrested and charged with a criminal offense, which could result in forfeiture under *N.J.S.A. 2C: 51-2*, the Board reserves the right to suspend him/her pending resolution of the criminal charges. Such suspension shall be with pay prior to indictment, and may be with or without pay, at the Board's discretion, subsequent to indictment, unless the Board certifies contractual tenure charges.

C. Nothing in this Contract shall affect the Board's rights with regard to suspension under *N.J.S.A. 18A:6-8.3* and applicable case law.

D. The Superintendent may terminate this Employment Contract upon at least 90 calendar days written notice to the Board, filed with the Board Secretary, of his/her intention to resign.

E. The Superintendent shall not be dismissed or reduced in compensation during the term of this Contract, except as authorized by paragraphs B. and C. *supra* and *N.J.S.A. 18A:17-20.2*, provided, however, that the Board shall have the authority to relieve the Superintendent of the performance of his/her duties in accordance with *N.J.S.A. 18A:27-9*, so long as it continues to pay his/her salary and benefits for the duration of the term. The parties understand that any early termination must comply with the provisions of *P.L.2007, c. 53, The School District Accountability Act*.

PREEXISTING TENURE RIGHTS

Pursuant to *N.J.S.A. 18A:17-20.4*, the Superintendent retains all tenure rights accrued in any position which he previously held in the District. The Superintendent shall also continue to accrue seniority in all positions in which he achieved tenure in the District. The Superintendent shall have the right to assert all tenure and seniority rights in the event that the Board does not renew the Superintendent for any reason.

ARTICLE VII

RENEWAL - NON RENEWAL

This Employment Contract shall automatically renew for a term of 5 calendar years, expiring July 1, 2024, unless either of the following occurs:

- A. the Board by contract reappoints the Superintendent for a different term allowable by law;
- B. the Board notifies the Superintendent in writing, prior to June 30, 2018, that s/he will not be reappointed at the end of the current term, in which case his/her employment shall cease upon the expiration of this Contract; or
- C. in accordance with such laws and regulation that would require nullification of this Contract.

ARTICLE VIII

COMPLETE AGREEMENT

This Contract embodies the entire agreement between the parties hereto and cannot be varied except by written agreement of the undersigned parties. Any modification/changes must have approval of the Executive County Superintendent prior to Board of Education approval.

ARTICLE IX

SAVINGS CLAUSE

If, during the term of this Contract, it is found that a specific clause of the Contract is illegal under federal or state law, the remainder of the Employment Contract is not affected by such a ruling and shall remain in full force.

ARTICLE X

RELEASE OF PERSONNEL INFORMATION

PERSONNEL RECORDS

The Superintendent shall have the right, upon request, to review the contents of his/her personnel file and to receive copies at Board expense of any documents contained therein. She/he shall be entitled to have a representative accompany him/her during such review. At least once every year, the Superintendent shall have the right to indicate those documents and/or other materials in his/her file that she/he believes to be obsolete or otherwise inappropriate to retain; and, upon final approval of the Board, such documents identified by him/her shall be destroyed.

[NOTE: discuss with your attorney implications of the Open Public Records Act and the Records Destruction Act before destroying any document.]

No material derogatory to the Superintendent's conduct, service, character, or personality shall be placed in his/her personnel file unless s/he has had an opportunity to review the material. The Superintendent shall acknowledge that s/he has had the opportunity to review such material by affixing his/her signature to the copy to be filed with the express understanding that such signature in no way indicates agreement with the contents thereof. The Superintendent shall also have the right to submit a written answer to such material.

IN WITNESS WHEREOF, the parties have set their hands and seals to this Employment Contract effective on the day and year first above written.

SUPERINTENDENT

David Hallas

Date: 4/28/14

WITNESS: [Signature]

BOARD OF EDUCATION OF THE
BOVD BROOK SCHOOL DISTRICT

Terese Aden
President

Date: 4-13-14

WITNESS: Maria Zacharywick