

EMPLOYMENT AGREEMENT
between
JOHN HURLEY
and
THE BOARD OF EDUCATION OF THE
BOROUGH OF RUTHERFORD

THIS EMPLOYMENT AGREEMENT is made and entered into this 5th day of June, 2017 by and between the Board of Education of the Borough of Rutherford, which has offices located at 176 Park Avenue, Rutherford, New Jersey 07070 (hereinafter referred to as the "Board"), and John Hurley (hereinafter referred to as the "Superintendent").

WITNESSETH:

WHEREAS, John Hurley has been an employee of the Board since 1977;

WHEREAS, John Hurley has achieved tenure as a principal, among other positions in the District; and

WHEREAS, John Hurley has served as Superintendent of Schools in the District under a contract with a term running from July 1, 2014 through June 30, 2017; and

WHEREAS, the Board desires to appoint John Hurley as Superintendent; and

WHEREAS, the Board desires to provide the Superintendent with a written employment successor agreement in order to enhance administrative stability and continuity within

the schools which the Board believes improves the quality of its overall education program; and

WHEREAS, the Board and Superintendent believe that a written employment agreement 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 educational program of the Rutherford School District (hereinafter referred to as "District");

NOW, THEREFORE, based on the foregoing premises and the mutual promises and covenants contained herein, the parties agree that the following paragraphs shall constitute the terms and conditions of the Employment Agreement:

1. TERM

The Board hereby employs and the Superintendent hereby accepts employment as the Superintendent of Schools for the period beginning July 1, 2017 and ending June 30, 2022.

2. COMPENSATION

(a) Salary

Except to the extent the parties agree to renegotiate the Superintendent's annual salary and subject to the approval of the Executive County Superintendent, the Board shall pay the Superintendent according to the following schedule: one hundred seventy-eight thousand one hundred and eighty-three dollars (\$178,183.00) for the 2017-2018 school year; one hundred eighty-one thousand seven hundred and forty-seven (\$181,747.00)

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for the 2018-2019 school year; one hundred eighty-five thousand and three hundred and eighty-two dollars (\$185,382.00) for the 2019-2020 school year; one hundred eighty-nine thousand and ninety dollars (189,090.00) for the 2020-2021 school year; and one hundred ninety-two thousand and eight hundred and seventy-two dollars (192,872.00) for the 2021-2022 school year.

(b) Merit Bonus

i. On or about July 1, 2018 and July 1st of each subsequent school year during the term of this Employment Agreement, one (1) annual non-pensionable merit bonus may be awarded on the basis of the Superintendent satisfying specific merit criteria for the previous school year. Any such merit bonus shall be considered extra compensation and shall not be cumulative.

ii. On or before September 30, 2017 and thereafter not later than May 1st of each subsequent year of this Employment Agreement, the Board, with the input of the Superintendent, shall establish one (1) quantitative merit criterion per school year in accordance with the applicable regulations, which shall be included in the Superintendent's evaluation as set forth in Article Twelve (12) of this Employment Agreement. The Executive County Superintendent shall approve or disapprove the selection of the quantitative merit criterion and the data that forms the basis of measuring the achievement of the quantitative merit criteria.

iii. The individual year merit bonus for the quantitative merit criterion achieved, if granted, shall be three

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and one-third percent (3.33%) of the Superintendent's annual salary and the maximum individual year merit bonus which the Superintendent may be eligible to receive.

iv. Any individual year merit bonus for each performance criterion achieved in a given year shall be subject to review and approval by the Executive County Superintendent. The Board shall submit a resolution to the Executive County Superintendent certifying that a quantitative merit criterion has been satisfied. No merit bonus shall be paid until the Board has received confirmation of the satisfaction of the criterion from the Executive County Superintendent.

v. Notwithstanding anything contained herein to the contrary, the individual year merit bonus and the merit criteria upon which such bonus may be awarded shall be subject to the regulations promulgated by the Department of Education in effect.

vi. If any provision contained in Section 2(b) of this Employment Agreement is inconsistent with any statutory provision enacted by the Legislature or regulation promulgated by the State Board of Education on merit pay, merit bonus or merit stipend, the statutory provision and/or administrative regulation shall supersede the inconsistent provision (s) and shall govern the parties' rights and obligation on the payment of a merit bonus in accordance with terms of the parties' Employment Agreement.

vii. Any individual year merit bonus shall be subject to public notice and hearing in accordance with the

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provisions of N.J.S.A. 18A:11-11. Any individual year merit bonus shall be paid within thirty (30) days following said public hearing.

(c.) The base salary shall be paid in equal semi-monthly installments in accordance with the schedule of payments in effect for other certificated employees.

3. PROFESSIONAL CERTIFICATION

The Superintendent shall hold a valid New Jersey School Administrator's certificate to act as a chief school administrator in the State of New Jersey. If the standard administrative certificate with a school administrative endorsement is revoked, this Employment Agreement shall be null and void as of the date of revocation of the certification.

4. DUTIES

The Superintendent agrees to give his best professional services and faithfully perform the duties of the Superintendent of Schools for the District assigned by the Board, set forth in the job description as may be revised by the Board, and prescribed by Federal and State law, the regulations of the State Board of Education and other agencies, and the by-laws, policies and regulations of the Board, as may be revised by the Board. The Superintendent shall not engage in any outside employment without the prior approval of the Board.

The Board shall provide legal assistance for and indemnify the Superintendent against civil actions and certain

criminal actions to the extent required by N.J.S.A. 18A:16-6 and N.J.S.A. 18A:16-6.1.

5. LEAVE OF ABSENCES

(A) Vacations

The Superintendent shall receive twenty-two (22) working days of vacation annually, which shall be prorated if he is employed less than a full school year. Vacation days shall be scheduled by the Superintendent so as to minimize disruption of the District's operations. Extended vacation may only be scheduled if the Superintendent has made arrangements for an administrator to assume his duties and responsibilities in his absence and has notified the Board in advance of any such vacation. For purposes of this provision, "extended vacation" shall be defined as three or more consecutive days of vacation. Unless vacation days are used or the day is one of the holidays set forth in Section 5 (e), the Superintendent shall work during the Christmas/New Year, winter and spring recess periods.

Although the vacation days are accrued through the year of employment, the Superintendent shall be allowed to take his vacation for the year in advance; provided, however, that the Superintendent shall reimburse the Board for any vacation days used in excess of the number of days accrued in the event this Employment Agreement is terminated prior to the conclusion of the school year. If the Superintendent does not take his annual allotment of vacation before the end of the school year due to the demands of the District as determined by the

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Superintendent and the Board, he shall be permitted to carry over a maximum of five (5) unused vacation days to the next succeeding school year only. The amount of accrued vacation time at the time of separation shall not exceed twenty-seven (27) days.

(B) Sick Days

The Superintendent shall receive twelve (12) sick days annually, which shall be prorated if he is employed less than a full school year. Sick days shall be accumulated in accordance with N.J.S.A. 18A:30-3.

(C) Excused Absence Days

The Superintendent shall be eligible for four (4) personal days with pay per year, which shall be prorated if he is employed less than a full school year.

Personal days may be used for the following reasons:

- i. Legal business which cannot be conducted outside of school hours,
- ii. Funeral (other than immediate family),
- iii. Graduation in the immediate family,
- iv. Critical illness of someone in the immediate family or immediate household,
- v. Observance of a religious holiday,
- vi. Home emergency,
- vii. Personal day (1) (no reason necessary),
or
- viii. Other (explanation necessary).

(D) Bereavement Leave

i. Superintendent shall be entitled to up to four (4) bereavement days with pay per incident following a death in his immediate family.

ii. "Immediate family" is defined as the employee's wife, legal domestic partner, children, parents, father-in-law, mother-in-law, grandchildren, grandparents, brothers, sisters, brothers-in-law and sisters-in-law of either the employee or his spouse/legal domestic partner, and any other person who resides in the Superintendent's household.

iii. A fifth (5) bereavement day may be requested for any of the following circumstances:

1. Funeral travel exceeding 200 miles roundtrip.
2. Delay of funeral due to extenuating circumstances, or
3. Established religious customs.

(E) HOLIDAYS

The Superintendent shall be entitled to the following holidays, provided that schools are closed on the days in question:

1. Independence Day
2. Labor Day
3. Columbus Day
4. Yom Kippur
5. Veterans Day
6. Election Day
7. Thanksgiving
8. Friday after Thanksgiving
9. Christmas Eve

10. Christmas
11. New Year's Eve
12. New Year's Day
13. Martin Luther King's Birthday
14. President's Day
15. Good Friday
16. Memorial Day

If schools are open on any of the holidays, the Superintendent shall not be entitled to a floating holiday.

6. INSURANCE

(a) Health Care Benefits

Subject to the obligation to contribute to the costs of health care benefits in accordance with the provisions of Section 6 (d) of this Employment Agreement, the Superintendent shall be entitled to full coverage under the NJSEHBP - Direct 10 program with the Board assuming the costs. In addition, the Board shall pay the cost of the family plan if the Superintendent so elects.

(b) Dental Plan

The Board will provide the Superintendent with the option of taking either the regular dental or a "Premier" dental plan. The Board shall pay the cost up to \$50.00 per month for one-party coverage. Should the single coverage be less than the amount specified above, the Superintendent does not receive the difference in cost. If the Superintendent opts for dependent coverage (two-party, family, etc.), the Board shall pay up to the dollar value of the single premium with the Superintendent paying the difference.

(c) The Superintendent shall be permitted to participate, without the payment of any administrative costs, in a section 125 plan created by the Board in accordance with law.

(d) Contribution

Except to the extent the Superintendent waives health care benefits, the Superintendent shall be required to contribute an amount towards payment of premiums in accordance with applicable law and regulations. All contributions shall be deducted from the Superintendent's salary and paid, in equal installments, in accordance with the payroll schedule for other certificated staff.

(e) The Board reserves the right to change the level of health care benefits and dental plan in accordance with the coverage provided to the majority of other employees in the District or as otherwise required by law.

7. DEFERRED COMPENSATION

If the Superintendent retires according to the provisions of the Teacher's Pension and Annuity Fund, the Board shall pay the Superintendent for his accumulated sick days in accordance with the following schedule:

| | |
|--------------|-----------------|
| 1-100 days | \$55.00 per day |
| 101-200 days | \$60.00 per day |
| 201-300 days | \$65.00 per day |

The maximum amount payable shall be fifteen thousand and 00/100 dollars (\$15,000.00)

Upon the Superintendent's separation from employment with the District, the Board shall pay all accumulated

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vacation days at a per diem rate calculated on the basis of 1/260th of his annual salary. If the Superintendent dies before the end of the term of this Employment Agreement, payment for accumulated vacation days shall be made to his estate or a designated beneficiary.

Any payment to the Superintendent for vacation and/or sick days in accordance with this Article shall be made within thirty (30) days of his last day of employment.

8. SALARY REDUCTION ANNUITY PROGRAM

The Superintendent shall have the right at any time prior to the commencement of, or at any time during the Superintendent's employment, to take a reduction in salary and require the Board to use an amount corresponding to such reduction to purchase a tax sheltered annuity and/or mutual fund investment in accordance with N.J.S.A. 18A:66-127 et. seq. and applicable tax laws, including Sections 403(b) and 457(b) of the Federal Internal Revenue Code. The maximum amount of reduction in salary authorized shall be the maximum tax deferral amount permitted by the Federal Internal Revenue Code.

9. PROFESSIONAL DEVELOPMENT

(a) Membership

The Board shall pay the annual dues for the School Superintendent's membership in the AASA, NJASA, and county administrators associations.

(b) Conferences

During the term of this contract, the Superintendent shall be permitted to attend one (1) national conference per school year, provided that the total cost does not exceed two thousand and 00/100 dollars (\$2,000.00) per school year and the expenditures are in accordance with the remaining provisions of this section. In addition, the Superintendent may attend the annual workshop of the New Jersey Association of School Administrators and the New Jersey School Boards Association fall conference, and TechSp0 with the approval of the Board. Subject to the Board's prior approval, the Board agrees to reimburse the Superintendent for permitted travel, meals and lodging expenses for attendance at professional conferences in accordance with Board policy, N.J.S.A. 18A:11-12, the State's regulations regarding travel covered under Circular Letter 08-13-OMB and any subsequent circular letters which may be issued by the State Office of Management and Budget.

10. EXPENSES

The Board shall pay or reimburse the Superintendent for reasonable expenses to attend meetings sponsored by the New Jersey Department of Education, Executive County Superintendent, New Jersey Association of School Administrators, the New Jersey Schools Boards Association, colleges or commercial enterprises which are attended for the benefit of the school. Membership due in civic organizations in the Borough

of Rutherford and the costs of attending meetings shall also be paid by the Board.

The Superintendent shall be reimbursed for mileage tolls when travelling outside of the county to attend meetings and conferences in connection with the performance of his duties. Mileage reimbursement will be the same as that permitted by the State's regulations regarding travel covered under Circular Letter 08-13-OMB, and any subsequent circular letters which may be issued by the State Office of Management and Budget. The Superintendent shall provide the Board with appropriate records and receipts.

11. EQUIPMENT

The Board shall provide the Superintendent with a netbook or equivalent for his use in connection with his duties as set forth under Article Four (4) of this Employment Agreement. The equipment shall remain the property of the Board and its use shall be subject to all applicable policies and regulations of the Board. The Superintendent shall be responsible for the care and maintenance of the equipment.

12. EVALUATION

The Board shall evaluate the Superintendent at least once a year on or before June 30th in accordance with applicable statutory provisions, State Board of Education regulations, board policy and the job description for the position of superintendent of schools. Each evaluation shall be in writing with a copy provided to the Superintendent. Before the final action to approve the evaluation in closed session, the

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Superintendent and the Board shall meet to discuss the findings of each evaluation. Evaluations shall be based on the goals and objectives of the District, the duties of the Superintendent as set forth in Article 4 of this Employment Agreement and such other criteria as prescribed by the Legislature, State Board of Education regulations and board policy.

On or prior to June 1st of each school year, the parties shall meet to establish the District's goals and objectives for the following 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.

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 evaluation in question. 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 determine the evaluation format to be used in the subsequent school year.

13. TERMINATION OF EMPLOYMENT AGREEMENT

This Employment Agreement may be terminated only of the following reasons:

A. Death

In the event that the Superintendent should predecease the term of this Employment Agreement, this Employment Agreement shall terminate, with the understanding that the Superintendent's estate or designated beneficiary shall be paid for his vacation days which were accrued by the Superintendent while employed by the Board.

B. Disability

In the event of the Superintendent's disability by illness or incapacity, the Board may terminate this Employment Agreement in accordance with N.J.S.A. 18A:17-20.2.

If a controversy or dispute exists concerning the capacity of the Superintendent to return to his duties, the Board may require the Superintendent to submit to a medical examination to be performed by a doctor licensed to practice medicine in the State of New Jersey. The Board and the Superintendent shall mutually agree upon the physician who shall conduct the examination. The examination shall be done at the expense of the Board. The physician shall conduct a complete examination and render a full report on the Superintendent's medical condition.

C. Legal Prohibition

In the event the Superintendent's certification is permanently revoked, all provisions of this Employment Agreement shall automatically terminate. If the Superintendent is lawfully precluded from performing his duties by any judgment, order or direction of any court of competent jurisdiction or the State Board of Education, the State Board of Examiners or the Commissioner of Education, all provisions of this Employment Agreement shall terminate and the Superintendent's employment shall cease.

D. Just Cause

Throughout the term of this Employment Agreement, the Superintendent shall be subject to dismissal only for inefficiency, unbecoming conduct, incapacity or other just cause in accordance with Title 18A and applicable State Board of Education regulations. Should the Board act to dismiss the Superintendent for just cause, it will act in accordance with the provisions of Title 18A and applicable State Board of Education regulations.

E. Mutual Agreement of Parties

This Employment Agreement may be terminated by mutual agreement of the parties.

F. Unilateral Termination by the Superintendent

The Superintendent may unilaterally terminate this Employment Agreement by giving the Board written notice of

such termination no less than ninety (90) days prior to the effective termination date.

14. RENEWAL EXTENSION

Except as otherwise provided herein, the renewal of this Employment Agreement shall be subject to the provisions of Title 18A and applicable State Board of Education regulations.

If the Board does not notify the Superintendent, in writing prior to January 31, 2022, that the Superintendent's Employment Agreement will not be renewed, it shall be deemed that the Board has renewed this Employment Agreement for an additional five (5) years. The Superintendent shall notify the Board prior to November 15, 2021 of its responsibility. 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 continue to accrue seniority in all positions in which he achieved tenure. The Superintendent shall have the right to accrue all tenure and seniority rights in the event the Board does not renew the Superintendent for any reason.

15. MISCELLANEOUS

(a) 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

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be held in public session pursuant to the Open Public Meetings Act.

(b) The Board acknowledges and agrees that disclosure of personnel information is governed by the Open Public Records Act, codified at N.J.S.A. 47A:1A-1 et seq., Executive Orders and relevant case law. All information related to the Superintendent's performance, evaluation or any discipline which the public is not otherwise entitled to access under law is deemed confidential and shall not be released to the public absent a written release by the Superintendent or by a lawful order of a court of competent jurisdiction.

(c) The members of the Board individually and collectively, will refer to the Superintendent any and all criticisms, complaints and suggestions concerning the operation and management of the District called to their attention. The Board will not take action on any such criticisms, complaints, and/or suggestions until they are discussed by the Board members at a scheduled meeting of the Board and a consensus sought to direct the Superintendent to study, recommend, and/or take action.

(d) The Superintendent shall have the right to contact the Board attorney for legal assistance as the need arises in carrying out his duties.

(e) The Board shall not substantially increase the duties of the Superintendent by assigning the Superintendent the duties or responsibilities of another position or title unless the parties agree to an increase in the Superintendent's

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compensation commensurate with the increase in duties and subject to compliance with any laws or regulations governing Superintendent compensation and obtaining any approval required by law or regulation.

16. CONFLICT CLAUSE

In the event of any conflict between the terms, conditions and provisions of this Employment Agreement and the provisions of the Board's policies or any permissive federal or State law, the terms of this Employment Agreement shall take precedence over the contrary provisions of the Board's policies or any such permissive law, unless otherwise prohibited by law.

17. SAVINGS CLAUSE

If, during the term of this Employment Agreement, it is found that a specific clause of this Employment Agreement is contrary to federal or state law, the remainder of the Employment Agreement not affected by such ruling shall remain in full force and effect. The parties hereto represent to each other that they fully understand the terms and conditions of this Employment Agreement, and agree to be bound by same pursuant to the rules and regulations of the Department of Education and the laws of the State of New Jersey.

18. MODIFICATION

The terms and conditions of this Employment Agreement shall not be modified except by the written consent of both parties hereto and review and approval by the Executive County Superintendent. Any amendments to this Employment Agreement

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shall not create a new agreement or agreement term but shall only constitute an amendment to the existing Employment Agreement.

19. BINDING

This Employment Agreement is made for the benefit of both parties hereto and all who succeed to their rights and responsibilities.

20. REPRESENTATIONS

The parties represent to each other that they fully understand the terms and conditions of this Employment Agreement and agree to be bound by all of its terms. The Superintendent acknowledges that he has been afforded the opportunity to obtain the advice of an attorney of his own choice prior to executing this Employment Agreement.

21. REVOCAION

The Parties hereto agree that in the event the Superintendent's certification is permanently revoked, all provisions of this Employment Agreement shall be null and void as of the date of the revocation, and if the Superintendent is lawfully precluded from performing his duties by any Judgment, Order or direction of any court of competent jurisdiction or the Commissioner of Education, all provisions of this Employment Agreement shall terminate and the Superintendent's employment shall cease.

IN WITNESS THEREOF, the parties have caused this Employment Agreement to be duly executed by the Board President and the Superintendent on the date written above and the Board
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Secretary has caused the corporate seal be affixed hereto on same date.

WITNESS:

RUTHERFORD BOARD OF EDUCATION

Linda Sten

By: Kevin McLean
Kevin McLean
Board President

Dated: 6-14-17

WITNESS:

Linda Sten

John Hurley
John Hurley
Superintendent of Schools

Dated: 6-14-17

APPROVED