

JOHN WOOD COMMUNITY COLLEGE
PRESIDENT'S EMPLOYMENT CONTRACT
(COMMENCING JULY 1, 2019 AND ENDING JUNE 30, 2023)

This Agreement is made as of the 19th day of September, 2018, by and between the BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT NO. 539, COUNTIES OF ADAMS, PIKE, HANCOCK, CALHOUN, SCHUYLER, BROWN, MORGAN, SCOTT AND CASS, AND STATE OF ILLINOIS, commonly known as JOHN WOOD COMMUNITY COLLEGE (herein "Board"), and Michael L. Elbe (herein "President").

The parties acknowledge:

A. The Board and President currently have a contract providing for the President's employment through June 30, 2019.

B. As the parties are in the final year of such contract, the parties desire to enter into a new and successor contract whereby the Board provides for the continued employment of Michael L. Elbe as President of John Wood Community College under the terms and conditions of this contract.

C. President desires to be so employed by the Board.

D. This contract is intended to set forth the agreement between the parties regarding President's employment for the term herein set forth.

ACCORDINGLY, for and in consideration of the mutual covenants and promises hereinafter contained, it is agreed as follows:

1. EMPLOYMENT: The Board hereby employs President and President hereby enters into the employ of the Board as President of John Wood Community College for the term of this contract. Such employment shall be subject to the terms and conditions of this contract.

2. DUTIES AND RESPONSIBILITIES:

A. GENERALLY: President's duties and responsibilities as President of John Wood Community College shall be those usual and customary for presidents of public community colleges in the State of Illinois including, but not necessarily limited to, those that are now or hereafter set forth in the policies of the Board and in any job description. John Wood Community College reserves the right to reasonably amend such policies and job descriptions. The duties and responsibilities are subject to reclassification or reassignment as provided in paragraph 7, below.

B. RESIDENCY: President, as a condition of employment, is required to maintain legal and actual residency within the geographic boundaries of Community College District No. 539.

C. PERSONAL STANDARDS: President recognizes that as president of John Wood Community College President's personal conduct reflects on and impacts the Board, John Wood Community College, and those associated with John Wood Community College, even if not directly related to the performance of President's duties and responsibilities to or for the Board and John Wood Community College. Accordingly, President is expected to and agrees to conduct oneself in accordance with the highest standards of lawful conduct, morality, honesty, and professional standards, and will not engage in conduct that is detrimental to the Board or John Wood Community College.

3. TERM:

A. TERM: This contract shall take effect as of July 1, 2019, and continue in force thereafter through and including the 30th day of June, 2023.

B. RENEWAL DISCRETIONARY: Renewal or extension of the President's employment is discretionary. At the initiative of the Board or the President, the Board will consider the continued employment of the President no later than September 30, 2022. Prior to such date, the President may inform the Board of the President's intent to retire or end employment with the Board in which case renewal will not be considered. The President recognizes that any renewal or extension of the contract must be made by the Board during an open meeting of the Board.

C. TERMINATION: This contract may be terminated as provided in this contract and, at any time, for just cause, violation of the terms of the contract, or any basis allowed by law.

D. PRIOR AGREEMENT: The Board and President previously entered into a President's Employment Contract on or about February 19, 2014 and a subsequent contract on or about July 1, 2016. This contract commences July 1, 2019 and as of such date supersedes and replaces such prior contracts in their entirety from and after the effective date thereof. Nothing herein cancels or rescinds the contract of July 1, 2016, as amended, according to its terms.

4. COMPENSATION AND BENEFITS:

A. SALARY:

1.) The gross annualized salary for President during the first year of this contract (July 1, 2019 – June 30, 2020) shall be One Hundred and Ninety Nine Thousand Eight Hundred and Fifteen Dollars and Six Cents (\$199,815.06). (The salary for the final year of the existing contract is \$194,467.22.) The year is July 1st-June 30th.

2.) The gross annual salary rate may be adjusted from time to time as agreed to by both parties, provided however, that the Board agrees to increase President's salary each year after the initial year of this contract by not less than the same percentage as the compensation of exempt administrative professional staff generally. Any other increase would require separate approval.

3.) The gross salary is subject to usual, customary, and required withholdings.

B. GENERAL BENEFITS: President will be entitled to participate, on the same terms and conditions as supplemented by this contract, in those regular and supplemental benefits provided generally from time to time by the Board or the State of Illinois to other members of the Board's exempt administrative professional staff. These include, by way of example: medical, health and/or dental insurance; vacation; and the State Universities Retirement System (SURS). Because President is currently employed by the Board, currently accrued leave time will be carried over to this contract and employment.

C. SPECIAL BENEFITS:

1.) Generally: President will receive the special benefits provided in this subparagraph while serving as President of John Wood Community College. These benefits commence effective on the effective date of this contract and are not retroactive.

2.) Vehicle Mileage Allowance: President will be reimbursed for actual mileage when President's vehicle is used in connection with his activities and responsibilities as President at the Internal Revenue Service standard mileage rate applicable from time to time. Claims for reimbursement will be subject to documentation and accountability generally required of employees to obtain reimbursement.

3.) Cellular Phone Allowance: The Board will pay to President a flat or fixed cellular phone or personal communication device allowance of One Hundred Dollars (\$100.00) per month. The account and ownership of the phone or device and rights to any number will be with President.

4.) Service Club Dues: The Board will provide reimbursement for basic dues necessary to maintain membership in no more than two (2) service clubs and/or similar organizations of President's choice operating within the community college district. Such reimbursement shall not exceed One Thousand Five Hundred Dollars (\$1,500.00) annually. This reimbursement does not include social or country clubs.

5.) Other Expenses: The Board will reimburse President for all reasonable, ordinary, and necessary in-state and out-of-state travel, and other expenses pertaining to the performance of John Wood Community College business. All such expenses must be consistent with Board policies, such as those relating to amounts, approval, accountability, and reimbursement, as from time to time in effect. Where approved by the

Board or Board Chair in advance, such expenses also may include attendance by a spouse who accompanies President.

6.) Expense Account: The Board will establish and budget an expense account of Three Thousand Dollars (\$3,000.00) annually which the President may use for expenses associated with attendance at non-political events or activities to promote, publicize, and garner support for John Wood Community College. Use of the account will be subject to whatever protocol or procedure as may be established from time to time by the Board or, absent Board action, the Board Chair.

D. NATIONAL CONVENTIONS OR PROGRAMS: Subject to separate Board approval, President will be reimbursed the expenses of his, and if also approved, the President's spouse, reasonable, ordinary, and necessary registration, travel, meal, and other expenses associated with attendance at or participation in national conventions, programs, or institutes as authorized by the Board from time to time.

E. MEDICAL AND HEALTH INSURANCE:

1.) During Employment: In addition to the medical, health, and dental insurance provided to President individually, the Board agrees to provide without cost to the President family or spousal coverage as selected by the President, under the Board's applicable employee medical, health, and dental insurance plan as may be generally available to employees.

2.) Post-Employment Under Certain Circumstances:

a.) If President's employment continues through the term of this contract (that is, through June 30, 2023), the Board agrees to provide, pay for, or reimburse as it determines in its discretion the cost of medical, health, and dental insurance for President and Gerri Elbe, President's spouse, comparable to the medical, health, and dental insurance provided from time to time to the Board's employees.

b.) This obligation will apply until such time as the President or the President's spouse, as the case may respectively be, is eligible for Medicare coverage.

c.) The obligation will be suspended and/or reduced during any period where the President or the President's spouse, as the case may respectively be, is provided such medical, health, and dental insurance through other employment or otherwise without cost or at a reduced cost. If there is a cost less than what the Board would otherwise be obligated for, the Board will pay that reduced cost.

d.) It is expressly recognized that post-employment, the Board is not required to maintain the President or the President's spouse on the Board's medical and health insurance plan and may provide such coverage through other policies, through the State of Illinois University Retirement System (SURS), or otherwise. President and Mrs. Elbe are obligated to cooperate in making any application for coverage.

e.) If medical, health, and dental insurance is provided through SURS, the Board shall not be obligated to pay more than 200% of what the cost of medical and health insurance would be for its own employees or spouses, as applicable, if fully paid for by the Board under its own plan.

f.) As stated earlier, the obligations under this paragraph apply only if the President's employment continues through the term of this contract (again, through June 30, 2023). However, the Board also agrees that the Board's obligation shall apply as to both the President and Mrs. Elbe should the President's employment terminate due to the President's permanent disability (paragraph 12(A)), as to Mrs. Elbe in the event of the President's death (paragraph 12(B)), or in the event the Board exercises its termination right with respect to the contract (paragraph 13). It is understood and recognized that the Board's obligation would not apply if the President resigns from his employment prior to the end of the term of this contract or employment. Except as hereafter specifically provided in the case of disability or death (paragraph 12) or Board contract termination (paragraph 13), this obligation will not apply should the President's employment be terminated (e.g., just cause) or the President resigns from his employment.

5. EVALUATION: The members of the Board will evaluate President's performance from time to time in a manner determined in the Board's discretion and promptly provide President the results of such evaluation. This evaluation will relate directly to such matters as the Board considers relevant and appropriate, such as President's performance and attainment of the mission, goals and objectives of the Board. Failure to evaluate will not, however, result in this contract being extended, entitle President to any remedy, diminish any rights or discretion of the Board, or be considered a breach of this contract. Pursuant to Section 3-75 of the Illinois Public Community College Act (110 ILCS 805/3-75), such evaluation will be considered when the Board contemplates any bonus, raise, or severance agreement for the President beyond what is provided for in this contract.

6. ANNUAL PHYSICAL EXAMINATION: President will obtain an annual general physical examination. The physical will be paid for by the Board except to the extent covered by a health or insurance plan of the Board. The Board shall be entitled to approve the physician or physicians performing the physical examination and prescribe the nature and extent of the physical examination. The Board Chair shall be provided, on request, a certificate or report from the physician stating whether President is physically fit to perform President's duties as president and such other information as may be reasonably requested by the Board. President shall cooperate in obtaining and releasing to the Board such certificate or report. This provision does not limit the right of the Board to require mental or physical examinations of President at other times in accordance with Board policy or law.

7. RECLASSIFICATION/REASSIGNMENT: Irrespective of any provision of this contract, Board policy or otherwise to the contrary, it is expressly understood and agreed that the Board shall have the right at any time in its sole discretion to reclassify or reassign President from the position of president to another position and title within the community college district for which the Board deems President qualified. In that event, President shall

perform all acts and duties incident to the position to which President is reclassified or reassigned. The salary and general benefits of President shall not, however, be reduced during the length of this contract except as otherwise allowed herein.

8. TITLE TO DOCUMENTS AND OTHER WRITINGS: All correspondence, papers, documents, reports, files, filings, work product, and all copies thereof received or prepared by President in the course of performing President's duties or as an incident thereto shall immediately upon preparation and receipt become the sole and exclusive property of the Board for any and all purposes. Any and all such items as hereinbefore described shall be provided to and shall remain with the Board upon termination of President's appointment as President of John Wood Community College.

9. LOYALTY AND OUTSIDE ACTIVITIES:

A. GENERALLY: President agrees to devote President's full time attention, knowledge and skills solely and exclusively to the business and interests of the Board and John Wood Community College. President will not engage in other gainful employment, consulting or activities, except as permitted under this contract or by the Board.

B. CONSULTING: President may undertake education-related consulting work, speaking engagements, writing, lecturing, or other similar activities that do not interfere with the discharge of President's duties and responsibilities hereunder. Before such activities are undertaken for compensation, benefits or remuneration, the approval of the Chairman of the Board or the Board itself must be obtained. The determination of the Chairman of the Board as to whether such other work or activities interfere with the discharge of President's duties and responsibilities hereunder shall be conclusive. Absences from John Wood Community College for such activities in excess of three (3) work days during any college fiscal year must be approved by the Board. In no event shall any costs or expenses associated with such activities be paid or reimbursed by the Board. Also, absences will apply against vacation or other paid leave or be unpaid if no vacation or leave is available.

C. RENTAL ACTIVITIES: President has engaged and wishes to continue to engage in property rental and investment activities. Such activities are expressly allowed.

D. GIFT BAN, ETC.: President shall not solicit, accept or receive any gifts, gratuities, trips, accommodations, payments or benefits from any contractor, supplier, vendor or employee of the Board or John Wood Community College, whether present or prospective, unless consistent with applicable federal and state law (such as the Illinois Gift Ban) and Board policy.

E. SEARCH OF OTHER EMPLOYMENT: If, during the term of this contract, President applies for employment with any other prospective employer, President agrees promptly to inform the then serving Chair of the Board of Trustees. This obligation applies only where a written application or equivalent is submitted and does not apply to general inquiries regarding other employment. This obligation also does not apply if either party has terminated this contract or given notice of termination. The Chair will determine whether this

information should be shared with the other members of the Board of Trustees but will give due consideration of the views of President in this regard.

10. REFERRALS TO PRESIDENT: Unless the circumstances are determined to otherwise warrant, the Board, collectively or individually, will endeavor to refer to President all criticisms, complaints, and suggestions called to their attention relative to President or President's performance. However, failure to do so is not a violation of this contract.

11. TENURE: President acknowledges that President is not eligible for tenure pursuant to Article IIIB of the Illinois Public Community College Act (110 Illinois Compiled Statutes 805/3B-1 et seq.). Moreover, neither this contract nor other matters regarding President's employment shall be deemed to confer tenure status on President, whether expressed or implied. President's rights are limited to those set forth in this contract.

12. DISABILITY OR DEATH BENEFIT:

A. DISABILITY:

1.) In the event that President should become disabled during the term of this contract and such disability is deemed by the Board to prevent President from completely, fully, and satisfactorily performing all of President's duties with legally required reasonable accommodations, if any, this contract may be terminated by the Board. Alternatively, the Board may make an equitable adjustment in President's duties and compensation commensurate with President's remaining capabilities.

2.) Prior to termination or adjustment, the Board will arrange for and have conducted an appropriate fitness-for-duty examination by a physician or physicians of its selection and obtain from the physician(s) the results of the examination(s). The President will cooperate in such examination. President also may provide information to the Board regarding his fitness. The parties may agree to termination or adjustment without the examination.

3.) If President's contract is terminated due to disability, the Board agrees to pay President's salary owed for the remainder of the contract, but not to exceed payment for six (6) months after the effective date of termination, less the gross amount of any payments or benefits received or to be received for such periods from disability insurance provided by the Board and/or the State University Retirement System (SURS).

4.) In addition to the continued compensation, if the Board terminates this contract, the Board will pay any accrued but unused vacation and, further, sick leave to the extent then remaining available to President based on President's then current salary. However, sick leave will not be paid to the extent, if at all, President applies unused sick days for State University Retirement System (SURS) credits. The parties recognize that sick leave ordinarily is not paid upon termination of employment. This provision is included because the decision is made by the Board to terminate the President's employment rather than to allow the President to use sick leave during a disability.

5.) If adjustments are made in compensation due to disability, President may within thirty (30) days after the effective date of such adjustments terminate the contract, in which event the provisions stated that are applicable where the Board terminates shall apply, that is, the provisions of subparagraphs 3 and 4. Where compensation is adjusted rather than the President's employment terminated, President may continue to use sick leave in accordance with general Board policies.

6.) This contract does not require payment of salary to President when unable to work unless an applicable benefit or leave program provided for President under this contract allows for a paid absence (e.g., paid sick leave). For example, payment of salary would not be required during any unpaid leave taken under the Family Medical Leave Act.

B. DEATH: In the event of President's death during the term of this contract, this contract will terminate. The Board agrees to make a death benefit payment to President's spouse, if any, or if none, then to President's estate, any unused vacation time which has accrued to President's benefit, along with a death benefit equal to three (3) months current salary. Such benefit shall be payable in a lump sum within thirty (30) days following the date of death. Sick leave days are not paid in such event.

13. BOARD CONTRACT TERMINATION RIGHT:

A. GENERALLY: The Board shall have the right in its discretion, with or without cause, and with or without giving any reason therefor, to terminate this contract and cancel President's contract subject to the payment and other terms of this paragraph.

B. AMOUNT:

1.) The termination amount or payment shall be the equivalent of one (1) year of President's then applicable salary or the salary that would be due for the remainder of the contract term, whichever is less. This payment is subject to required withholdings of income taxes, retirement or Medicare contributions, and the like. This amount also is subject to possible repayment as stated in subparagraph 2, immediately following.

2.) Where President has earned income from any source that is attributable to services during all or any part of the period for which the termination payment applies (that is, one (1) year or the remainder of the contract term if shorter), the termination amount will be reduced by Fifty (50%) of the gross amount of the earned income. This will be the case regardless of when or how earned where attributable to services during such period. Earned income is compensation from employment or services, such as wages, salary, consultation fees, stipends, honorarium, and bonuses, as provided for federal income tax purposes. Earned income for this purpose also includes the income of a Subchapter S corporation providing the services of President. President will report earned income to the Board promptly as earned. Earned income does not include passive income such as rents, dividends (unless received from a Subchapter S corporation providing the services of President), and interest.

3.) The termination amount will be paid on an installment basis or in a lump sum as elected by the Board. Installments would be paid over the remainder of the contract term and a lump sum would be paid within thirty (30) days of termination if so elected. If earned income is received that reduces the amount due, either payments due will be appropriately reduced or if already paid a reimbursement made by President to the Board within fourteen (14) days as such earned income is received. Even if paid on an installment basis, the President would cease to be an employee of the Board.

4.) President also will be paid for all then accrued benefits, such as vacation, as would be paid out for any other terminated employee. No other benefits that would have accrued (e.g., sick leave days) or that would thereafter be extended or accrued for the balance of the contract term will be due or payable.

C. EXERCISE: To terminate this contract, the Board shall notify President of its election to terminate and the effective date of termination, which may be immediate.

D. NO FURTHER RIGHTS: Upon termination and payment, President shall have no further rights or claims whatsoever, all such rights or claims being deemed released or waived whether against the Board, the individual members thereof, or the community college district, regarding or arising from President's employment and President shall be deemed to have voluntarily resigned President's position or any employment as of the effective date of termination. The inclusion of this provision is not intended to preclude the Board from exercising any other rights under this contract including, but not limited to, reclassification.

14. MISCELLANEOUS:

A. GOVERNING LAW: This contract shall be governed by the laws of the State of Illinois.

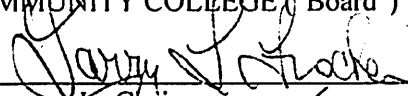
B. POLICIES: This contract is subject to the Board's policies, rules and regulations, as now or hereafter adopted.

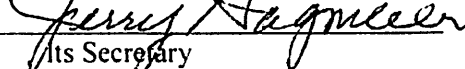
C. HEADINGS: Paragraph headings and numbers have been inserted for convenience of reference only. If there shall be any conflict between any such headings or numbers and the text of this contract, the text shall control.

15. PERSONAL SERVICE: This is a personal service contract.

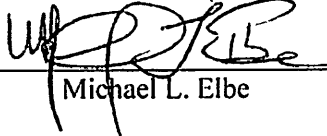
IN WITNESS WHEREOF, the parties hereto have duly executed this President's Employment Contract as of the day and year first above written.

BOARD OF TRUSTEES OF COMMUNITY
COLLEGE DISTRICT NO. 539, COUNTIES
OF ADAMS, PIKE, HANCOCK, CALHOUN
SCHUYLER, BROWN, MORGAN, SCOTT
AND CASS, AND STATE OF ILLINOIS,
commonly known as JOHN WOOD
COMMUNITY COLLEGE ("Board")

By: 
Its Chair

By: 
Its Secretary

MICHAEL L. ELBE ("President")


Michael L. Elbe