

PRESIDENT'S EMPLOYMENT AGREEMENT

This PRESIDENT'S EMPLOYMENT AGREEMENT ("Agreement") is made and entered into this 27th day of June, 2023, between the BOARD OF TRUSTEES OF ROCK VALLEY COLLEGE NO. 511, WINNEBAGO, BOONE, DEKALB, MCHENRY, STEPHENSON AND OGLE COUNTIES, ILLINOIS, ("Board"), and Dr. Howard J. Spearman, ("President").

NOW THEREFORE, in consideration of the mutual covenants contained in this Agreement, the Board and the President agree as follows:

W I T N E S S E T H

A. EMPLOYMENT AND COMPENSATION

1. The Board hereby employs the President for a term, commencing on July 1, 2023 and terminating June 30, 2027 (the "Term"). For the 2023–2024 agreement year, the Board shall pay the President an annual salary in the amount of \$250,000 (two hundred fifty thousand dollars). In each agreement year thereafter, the annual salary will increase by CPI-U + 2% with a minimum annual salary increase of 3% and a maximum of 5%. Said salary will be subject to standard withholdings and payable at the same intervals as other administrators' salaries.
2. The Board will make a contribution on behalf of the President to the State of Illinois State Universities Retirement System (SURS) in the amount equal to (and in satisfaction of) the President's statutory contribution to SURS applicable to the President's annual salary provided that the percentage contribution shall not exceed the amount of the SURS required percentage contribution. Both parties acknowledge that the President does not have the option of choosing to receive the contributed amounts directly, instead of having such contributions paid by the Board to SURS, and that in the event that there is a reduction in the statutory employee contribution, the President shall not be entitled to the difference between the contribution amount as of September 1, 2020 and the reduced amount. The Parties further acknowledge that such contributions are made as a condition of employment to secure the President's future services, knowledge, and experience.
3. The Board and President acknowledge and agree that the salary, compensation, and benefit increases granted to the President under this Agreement based on the President's participation in the SURS self-managed plan.
4. Any amendment to the terms of this Agreement made during the Term of this Agreement shall be in writing and shall become a part of this Agreement, but such adjustment or modification shall not be construed as a new Agreement with the President, nor as an extension of the termination date of this Agreement, unless otherwise explicitly agreed.

B. BENEFITS

1. During the Term of this Agreement, the President shall be allowed any privileges, insurance, vacation time, leaves, sick leave and any other fringe benefits which are commonly extended to all other leadership team administrative personnel.

2. The President will receive a monthly automobile stipend of \$750 per month. Said monthly stipend will be for all reasonable and customary expenses related to automobile travel on behalf of the College. The President understands and agrees that this stipend is to cover gas, and all other incidental expenses customarily related to travel during the course of his duties as President.
3. The Board will provide \$10,000 annually to an appropriate tax deferred annuity selected by the President and approved by the Board.
4. Subject to Board approval, the Board will reimburse the President for reasonable expenses incurred by the President in the performance of his duties as President. To facilitate reimbursement, the President will submit receipts and/or other documents evidencing such reasonable expenses.

C. POWERS AND DUTIES

1. Authority and Responsibility: Subject to policies and directives established by the Board and consistent with the Illinois Public Community College Act, the President shall act as the chief executive officer of the College. The President shall have authority and responsibility to organize, direct, manage and oversee the administration of the College in a manner intended to promote and advance the College's best interests. The Board may further establish and designate the President's essential job responsibilities in a position description adopted by the Board.
2. Fiduciary Duty: During his employment, the President shall devote substantially all of his professional time, attention, skills and energy to the performance of his responsibilities as President of the College. The President shall perform such responsibilities professionally, in good faith, and to the best of his abilities. Any outside consulting work that the President wishes to perform shall be subject to the reasonable review and approval of the Board Chair.

D. ANNUAL EVALUATION

1. The Board will establish annual goals for the President with input provided by the President. Each year, the Board will review and assess the President's overall performance. The Board in consultation with the President may update these goals from time to time as required, such updates will not constitute an amendment to the Agreement. As part of this process, the President will submit to the Board by May 1st of each year, a self-evaluation based on the annual goals.
2. The Board will review and assess the President's performance based on the self-evaluation, the annual goals, as well as any other objectives and expectations contemplated by the Board. The Board will meet with the President after such evaluation before June 30th of each year to discuss the evaluation.

E. EXTENSION OF THE AGREEMENT

By no later than January 31st of the third year of the Agreement (January 31, 2026), the Board and the President shall begin discussions regarding an extension of the President's term of employment

beyond the term of this Agreement. By no later than March 1st of the third year of the Agreement (March 1, 2026), the Board shall advise the President as to whether the Agreement will be extended beyond the current term. If the Board agrees to extend the Agreement, the parties shall amend the Agreement by April 30th of the third year of the Agreement (April 30, 2026) to extend the term accordingly. If the Board decides not to extend the Agreement, the Board and President shall have the option of negotiating the 4th year buyout. Nothing herein shall prevent the Board and the President from extending or renewing this Agreement on mutually agreeable terms at any other time during its term.

F. TERMINATION

The Agreement may be terminated for any of the following reasons:

1. Mutual Agreement: The Board and the President may terminate this Agreement at any time by the mutual agreement of the parties.
2. Permanent Disability: The Board shall have the right to terminate the President's employment under this Agreement in the event of a "Disability," which is hereby defined as a mental or physical illness, injury or disability which (i) prevents the President from performing his essential job responsibilities as President of the College for (a) substantially all of the regular working days of any six (6) consecutive month period, or (b) the majority of the regular working days of any twelve (12) consecutive month period, or (ii) is of such a catastrophic nature that it is reasonably certain that the President will be prevented from performing his essential job responsibilities as President of the College for either of the foregoing two periods of time.
3. Discharge for Cause: The Board may terminate the Agreement at any time for cause. Discharge for cause will be for any conduct, act, or failure to act by the President which violates this Agreement, the Policies of the Board and/or any legal obligation. Reasons for discharge for cause will be given in writing to the President, who will be entitled to notice and a hearing before the Board to discuss such causes. If the President chooses to be accompanied by legal counsel, he will bear any costs therein involved. The Board hearing will be conducted in executive session.
4. Death: This Agreement shall terminate automatically upon the death of the President.
5. Effects of Termination: As of the effective date of the termination of the President's employment for any reason, all rights and obligations of the parties under this Agreement shall immediately cease.

G. MISCELLANEOUS

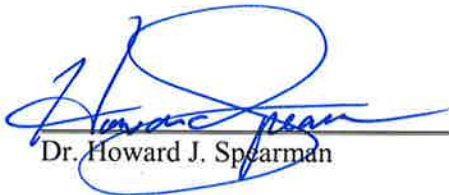
1. This Agreement contains all the terms agreed upon by the parties with respect to the subject matter of this Agreement and supersedes and extinguishes all prior Agreements arrangements, and communications between the parties, whether oral or written, concerning such subject matter. The parties hereby acknowledge and represent that said parties have not relied on any representation, assertion, guarantee, warranty, collateral contract or other assurance, except those set out in this Agreement.

2. No modification or amendment of this Agreement will be valid or binding on the parties unless it is in writing and executed by the Board and the President.
3. Any notice required to be given under this Agreement will be deemed sufficient if it is in writing and sent by mail to the last known residence of the President where notice is to be sent to the President; or to the attention of the Board Chair in care of Rock Valley College where notice is to be sent to the College.
4. This Agreement has been executed in Illinois, and shall be governed in accordance with the laws of the State of Illinois in every respect. Venue with respect to any dispute arising out of this Agreement shall be in the State circuit court located in the County of Winnebago, Illinois
5. This Agreement may be executed in one or more counterparts each of which will be considered an original, and all of which taken together will be considered one and the same instrument.
6. If a court having jurisdiction issues a final decision declaring any provision of this Agreement to be unlawful or unenforceable, all other provisions of the Agreement will remain in force and effect.

IN WITNESS WHEREOF, the parties have executed this Agreement this 27th day of June, 2023.

PRESIDENT

**BOARD OF TRUSTEES OF ROCK
VALLEY COLLEGE DISTRICT NO. 511,
WINNEBAGO, BOONE, DEKALB,
MCHENRY, STEPHENSON AND OGLE
COUNTIES, ILLINOIS**


Dr. Howard J. Spearman

By: Georia Cardenas Cardia
Chair

Attest: Robert Krojer
Secretary