



Year 2:	Twenty Thousand Dollars	(\$20,000)
Year 3:	Thirty Thousand Dollars	(\$30,000)
Year 4:	Forty Thousand Dollars	(\$40,000)

Further, subject to obtaining satisfactory annual performance evaluations and at the end of year 4 on February 18, 2023, the District shall make a one-time payment of Thirty Thousand Dollars (\$30,000) to the Employee's designated 403(b) or 457 retirement account.

4. **ALLOWANCES.** In addition to the salary set forth above, Employee is entitled to the following allowances:

- a. Vehicle Allowance. The District agrees to pay Employee the sum of Ten Thousand Dollars (\$10,000) per year, on a monthly basis, to be used solely for the purposes of vehicle allowance. Employee shall be responsible for all applicable taxes to be paid on this amount. The District makes no warranty to the Employee regarding the tax or retirement consequences of this vehicle allowance.
- b. Reimbursement For Other Actual Approved Expenses. The District agrees to reimburse Employee for actual and necessary expenses incurred by Employee in the performance of Employee's duties, outside of normal commute, including travel expenses incurred in attending conventions and conferences approved by the Board President and in the performance of other duties for the District when approved by the Board President.

5. **VACATION LEAVE.** During the term of this Agreement, Employee shall accrue vacation at the rate of 1.75 days (equivalent to 14 hours) per month for each full month of employment and use it in accordance with the terms and conditions as approved by the Board. Said vacation may be taken only at times that are convenient to the operation of the District, as approved by the Board President.

6. **SICK LEAVE.** During the term of this Agreement, Employee shall receive twelve (12) days (equivalent to 96 hours) of sick leave at the beginning of each fiscal year or prorated accordingly. The Employee shall use sick leave in accordance with the terms and conditions as approved by the Board. Upon termination of employment, unused sick leave will have no cash value to Employee, other than its use as potential service credit with the Public Employees Retirement System or the State Teachers Retirement System as may be allowed by law. Employee shall be entitled to any increase in this sick leave allowance as may be granted from time to time to all other management employees.

7. **PAID HOLIDAYS AND OTHER LEAVES.** Employee shall be entitled to all paid holidays granted by the District during the term of this Agreement to all other management employees, and those other holidays which might be required by the



California Education Code. Employee shall be entitled to such other leaves of absence granted by the Education Code, District Rules and Regulations, or offered from time to time to all other management employees.

8. **BENEFITS.** The District shall provide to Employee all health and welfare benefits for which Employee is eligible, and shall have the premiums for such plans paid by the District up to the employer contribution limit set for all other administrative and/or management employees of the District. Employee shall also be eligible for additional benefits, if offered, such as the Employee Assistance Program, Flexible Spending Accounts, Tuition Reimbursement and Voluntary Life insurance, optional tax-deferred 403(b) and 457 retirement plans. The District shall also provide a 1:1 match of Employee's contribution into either a 403(b) or 457(b), but not both, capped at the IRS contribution limits for an employee. These benefits will initially be offered via the Foundation for California Community Colleges as the Employee's employer of record. Upon the District's adoption of health and welfare benefits plans for its employees, the District shall provide the Employee with the Benefits described herein. Benefits are effective first of the month following thirty (30) days of employment. It is agreed and understood that these benefits may be amended and modified in their entirety from time to time as determined by the Board.
9. **RETIREMENT.** Employee acknowledges that the Position is covered by either the California State Teachers' Retirement System (CalSTRS) or California Public Employee's Retirement System (CalPERS), and that Employee will be required to participate in this program with the requisite employee contribution rate. The Employee will be offered participation into CalPERS via the Foundation for California Community Colleges on behalf of the District and the Employee shall pay the requisite employee contribution as required by CalPERS. This arrangement of participation in CalPERS via the Foundation for California Community Colleges will be temporary until the Online Community College District can directly contract with CalPERS as an employer.
10. **PERFORMANCE EVALUATIONS.** Consistent with Board Policy and Administrative Procedure 2435, Employee shall meet with the Board and/or Board President annually, by December 30, to establish the Chief Executive Officer's performance goals and objectives for the next calendar year. The Board shall conduct an evaluation of the Chief Executive Officer at least annually which shall be completed by the end of the calendar year. Compliance with the Section by the Board shall not be a condition precedent to the right of the District to terminate and/or renew this Agreement, and the failure to timely evaluate Employee shall not constitute a basis to challenge termination or decision not to renew this Agreement. The Board reserves the right to conduct additional evaluations if necessary, and create or amend policies and administrative procedures in regards to the Employee's evaluation process.



11. **PROFESSIONAL/EDUCATIONAL GROWTH AND ACTIVITIES.** The District encourages Employee to participate in professional and educational growth opportunities and training. To that end, the Chief Executive Officer and Board President shall mutually agree on professional and/or educational growth activities for the employee that the District shall fund during the term of this contract. The Employee shall devote her full time, attention and energy to the performance of her duties and responsibilities as the President and Chief Executive Officer of the District. Upon prior notice to and approval from the Board President, the Employee may serve on non-profit boards so long as there is no conflict of interest or conflict of time and may serve on up to two (2) paid boards so long as there is no conflict of interest or conflict of time.

12. **RENEWAL.** If the Board decides not to renew this Agreement upon the expiration of its term, the Board will provide the Employee written notice of its decision at least ninety (90) days prior to the expiration of this Agreement. By entering into this Agreement, the Employee waives any longer notice period provided under Education Code Section 72411(b). If the Board fails to provide the required notice and does not reemploy Employee by amendment or agreement upon expiration of this Agreement, the Employee shall be deemed reemployed by District for a period of one year, from the expiration date of the current Agreement, with all other terms and conditions remaining unchanged.

13. **TERMINATION OF CONTRACT.** Employee serves in the Position at the pleasure (at-will) of the District. This Agreement may be terminated in accordance with the following:
 - a. Mutual Consent. Employee and the District may agree, in writing, to terminate this Agreement by mutual consent.

 - b. Termination by Employee. Employee may terminate Employee's obligations under this Agreement by providing no less than sixty (60) days' written notice to the President of the Board.

 - c. Termination for Cause. This Agreement may be terminated for cause if Employee has materially breached the terms of this Agreement, has neglected to perform the duties under it, or committed an act specified in Education Code Section 87732. Prior to termination on this basis, Employee shall be entitled to a pre-disciplinary letter outlining the charges and evidence to support the dismissal. Employee shall have an opportunity to address the Board or a designee selected by the Board to render an advisory decision to the Board. This opportunity to be heard shall be provided within thirty (30) business days after being served with the pre-disciplinary letter. The decision of the Board shall be final.



- d. Termination without Cause. Notwithstanding any other provision of this Agreement, the Board, or its designee, shall have the option to terminate this Agreement by providing Employee with a written notice of termination. If the Board elects to terminate this Agreement pursuant to this section, Employee shall receive, provided that Employee signs a separation agreement satisfactory to the District within ten (10) business days of receipt of the Notice of termination, (a) an amount equivalent to twelve (12) months of salary, or (b) an amount equal to the salary remaining under the Agreement, whichever is less. If Employee does not sign a separation agreement acceptable to the District, no payment shall be made under this section.

Notwithstanding any other provision of this Agreement to the contrary, if the Board believes, and subsequently confirms through an independent audit, that the Employee has engaged in fraud, misappropriation of funds, or other illegal fiscal practices, then the Board may terminate the Employee and the Employee shall not be entitled to the cash, salary payments, health benefits or other non-cash settlement as set forth above. The provisions of Government Code section 53260 are incorporated into this Agreement by this reference. The intent of this provision is to satisfy the requirements of California Government Code sections 53260-53264, and shall be interpreted consistent with those statutes.

14. **SEVERABILITY**. If any provision of this Agreement is held to be contrary to law by a court of competent jurisdiction, such provision shall not be deemed valid and subsisting except to the extent permitted by law, but all other provisions shall continue to remain in full force and effect.
15. **WAIVER**. The failure or neglect of either party to exercise any right hereunder or under law, shall not constitute a waiver of any other rights or privileges hereunder.
16. **MODIFICATION**. This Agreement cannot be changed or supplemented orally. It may be modified or superseded by mutual, written agreement, executed by both the parties.
17. **ASSIGNMENT**. The performance of the District's obligations under this Agreement may be assigned all or in part to the Foundation for California Community Colleges.
18. **APPLICABLE LAW, RULES AND REGULATIONS**. This contract is subject to all applicable laws of the State of California, the rules and regulations of the Board of Governors of the California Community Colleges, and the rules, regulations and policies of the District, all of which are made a part of the terms and conditions of this contract as though set forth herein. This Agreement shall prevail over any conflicting District rules, regulations, policies or procedures.



- 19. **VENUE.** The Parties agree that in the event of litigation, venue shall be the proper state or federal court serving Sacramento County, State of California.
- 20. **ENTIRE AGREEMENT.** This agreement contains the entire agreement and understanding between the parties. There is no oral understanding, or terms and conditions not contained or referenced in this Agreement. This Agreement cannot be changed orally.

CALIFORNIA ONLINE COMMUNITY COLLEGE DISTRICT

**Thomas Epstein, President
Board of Trustees**

Date

ACCEPTANCE OF EMPLOYMENT AGREEMENT

I have reviewed this Employment Agreement and I accept this Employment Agreement and the terms and conditions of that employment. I have not agreed to employment and/or contracted for employment with the governing board of any other school district or community college district which will, in any way, conflict with my duties in this position.

Heather Hiles

Date