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COPY

SEPARATION AGREEMENT

THIS AGREEMENT made and entered into on the date indicated below by and between the **BOARD OF EDUCATION OF COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 15, COOK COUNTY, ILLINOIS** (hereinafter referred to as the "Board" or "District"), and **DR. DANIEL W. LUKICH** (hereinafter referred to as "Lukich").

WITNESSETH:

WHEREAS, Lukich is currently employed by the Board as a certified administrator in the position of Superintendent of Schools pursuant to a contract of employment dated May 14, 2008; and

WHEREAS, Lukich and the Board have agreed to an amicable separation from employment effective June 30, 2011, with all District duties ceasing June 30, 2010; and

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and other good and valuable consideration, receipt of which is hereby acknowledged, the parties agree as follows:

1. **Separation.** Lukich herewith irrevocably tenders to the Board his voluntary, written resignation from employment in the District effective as of the end of the workday, June 30, 2011, with all District duties ceasing June 30, 2010, and subject to his right of revocation as specified in Paragraph 7 below. An executed copy of said letter of resignation is attached hereto as Exhibit 1, which resignation the Board hereby accepts.
2. **Compensation, COBRA Insurance, Cooperation and District Property.**
 - a. **Compensation.** The Board agrees to continue to pay Lukich compensation in the amount of one hundred eighty-five thousand dollars (\$185,000), with said amount to be payable in equal prorated installments in accordance with the rules of the Board governing payments of other administrative staff members in the District, less any legally required withholdings. The compensation specified in this paragraph shall be paid to Lukich provided he does not elect to exercise his right of revocation as specified in Paragraph 7 below. However, the parties agree that if Lukich accepts any full time employment during the period from July 1, 2010 through June 30, 2011, AND after any such employer has paid him ordinary wages of \$23,500, the aforesaid compensation of \$185,000 shall be reduced dollar for dollar for each dollar earned above \$23,500 for any ordinary wages earned by Lukich from July 1, 2010 to June 30, 2011, from any such employer. "Full time employment" means Lukich is hired as an administrator by an educational institution and is expected to work a minimum of 40 hours per week. In furtherance of the Board's right of reduction, Lukich shall be required to provide the District with verifiable written information regarding his earnings during the

period of July 1, 2010 to June 30, 2011, if periodically requested by the Board or its agents.

- b. TRS/THIS Contributions. In addition to the compensation stated in paragraph 2.a. of this Agreement, the Board shall pay on behalf of the Superintendent to the State of Illinois Teachers' Retirement System and the Teacher Health Insurance Security Fund the Superintendent's required contributions to said pension system and health fund, if any. The Superintendent shall not have any right or claim to said amounts, except as they may become available at the time of retirement or resignation from the State of Illinois Teachers' Retirement System and the Teacher Health Insurance Security Fund. Both parties acknowledge that the Superintendent did not have the option of choosing to receive the contributed amounts directly, instead of having such contributions paid by the Board to the Teachers' Retirement System and Teacher Health Insurance Security Fund.
- c. Unused Vacation Pay and Unused Sick Leave. The Board shall reimburse Lukich for 13.25 unused vacation days from the 2009-2010 school year at a per diem rate of \$776.92 (\$202,000 divided by 260 work days). The parties acknowledge that no vacation days were earned for the 2010-2011 school year and, therefore, Lukich is not entitled to any 2010-2011 unused vacation pay. In addition, the District shall verify and report to TRS 11.5 unused accumulated sick leave days earned and unused by Lukich from the date of his employment with the District through and including June 30, 2010.
- d. COBRA Insurance. The District agrees to continue to pay Lukich's health insurance premiums on the District's health insurance plan through December 31, 2010. Thereafter, Lukich shall have the right to elect to continue on the District's health insurance plan at his own expense, pursuant to his rights under COBRA. The District shall provide Lukich with the requisite notice and forms to make such election. If so elected, Lukich may continue on said insurance to the extent entitled under COBRA, and at his expense for the period of time allowed under COBRA.
- e. Cooperation. The Board agrees to reasonably cooperate with Lukich regarding his need for District information in connection with his search for employment elsewhere and any future requests from Lukich for District information which may be necessary to assist him with his application for pension benefits. Likewise, Lukich agrees to reasonably cooperate with the Board regarding the Board's possible need for information from Lukich stemming from his period of employment with the District.
- f. District Property. Lukich agrees to provide the Board with an inventory of any District property within his possession and to arrange for the return of such property to the District no later than June 30, 2010, except that Lukich shall be permitted to purchase his computer and printer at fair market value to be determined by the District. If Lukich elects to purchase aforesaid computer

and/or printer, the system contents of the computer and printer shall be cleared of all District information by the District prior to delivery to Lukich.

3. **Employment References, Personnel File Documents and Press Release.** All written employment inquiries made with respect to Lukich's employment with the District shall be responded to by means of the letter of reference attached hereto as Exhibit 2. All verbal employment inquiries shall be directed to Assistant Superintendent James Garwood or, in his absence, his designee, who shall generally respond as follows:

"It is the policy of the District to respond to all employment references in writing. Upon receipt of your written request for a reference, the District will mail to you a letter of reference regarding Dr. Lukich."

In addition, the Board shall direct that all evaluative and negative documents regarding Lukich's employment with the District be sealed and segregated from the main contents of Lukich's personnel file with said documents available for opening by subpoena only.

Upon this Agreement being executed, the parties agree to provide the press with the news release attached hereto as Exhibit 3. Neither party shall respond to inquiries from the press or public other than to refer the inquiring party to the press release except as may be required by law.

4. **General Release of Claims.** In consideration of the aforesaid compensation and other promises contained herein, Lukich and his heirs, agents, representatives and assigns hereby release, discharge and forever free the District and its respective officers, Board members, agents, administrators, employees, insurers, attorneys, heirs, successors and assigns, and each and every one of them, of and from any and all claims, debts, dues, demands, liens, obligations, fees (including attorneys' fees), actions, or causes of action, of every kind or nature, at law or in equity, which Lukich and his heirs, agents, representatives and assigns may now have or claim to have or which may hereinafter accrue, whether known or unknown, anticipated or unanticipated, against the District and its respective officers, Board members, agents, administrators, employees, insurers, attorneys, heirs, successors and assigns, by reason of any act done or omitted to be done in connection with the past or present relationship between the parties arising out of Lukich's employment with the Board, except as contemplated by this Agreement. This release specifically includes, but is not limited to, rights or claims arising under the federal *Age Discrimination in Employment Act of 1967*, 29 U.S.C. Sec. 621 *et seq.*, as amended, and the *Americans With Disabilities Act of 1990*, 42 U.S.C. Sec.12101 *et seq.*, and *Section 504 of the Rehabilitation Act of 1973*, 29 U.S.C. Sec. 794, 794(a), and any applicable employment agreement. By this waiver, Lukich does not waive rights or claims arising under the *Age Discrimination Employment Act of 1967*, 29 U.S.C. Sec 621 *et seq.*, as amended, that may arise after the date this waiver is executed.

5. **Payments.** Lukich acknowledges and agrees that the payments and promises made by the Board pursuant to this Agreement are fair and he is willing to accept them as full

compensation for any payment, benefit or other thing of value which Lukich may be entitled to receive from the Board.

6. **No Additional Benefits.** No promise has been made by either party to pay the other any other or future consideration except as set forth in this Agreement. Lukich shall not be entitled to any additional benefits from the Board other than those specifically set forth in this Agreement.
7. **Effective Date and Right of Revocation.** Lukich acknowledges that he has been afforded twenty-one (21) days from June 16, 2010, to consider this Agreement. If this Agreement is not executed by Lukich and delivered to the Board prior to the expiration of the aforesaid twenty-one day period, the Board offer hereunder shall be withdrawn. Lukich understands that he may, for a period of seven (7) days from the date of his signature of this Agreement, revoke this Agreement. This Agreement shall not become effective until eight (8) days have passed from the date Lukich signs this Agreement, or the Board's signature, whichever is later. If Lukich does so execute his right to revoke this Agreement, such Agreement shall be null and void and, subject to applicable law, the Board shall have no obligation whatsoever to Lukich, arising from this Agreement, and Lukich will not receive the benefits of this Agreement.
8. **Legal Representation.** By this Agreement Lukich is advised by the Board in writing to consult with an attorney prior to the execution of this Agreement. Lukich acknowledges that he has had an opportunity to consult with his legal counsel as necessary and has in fact consulted with his legal counsel prior to the execution of this Agreement. Lukich acknowledges that he has read this Agreement and knows and understands its contents, and that he signs this Agreement voluntarily, without fraud, duress, or coercion, with full understanding of its significance, effects and consequences, and intending to be bound by its terms.
9. **No Admissions.** This Agreement shall not in any way be construed as an admission by the Board or Lukich for the purpose of establishing any liability or wrongdoing by the Board or Lukich, respectively.
10. **Contractual Capacity.** The parties agree that each has entered into this Agreement voluntarily and knowingly, and with the full and complete authority and contractual capacity to do so. Lukich acknowledges that he has been advised to consult with an attorney prior to executing this Agreement and that the Board has consulted with its attorney.
11. **Effect of Agreement.** This Agreement shall inure to the benefit of and bind the Board and its members, agents, representatives, officers, employees, directors, assigns and successors, and Lukich and his heirs, agents, representatives, successors and assigns.
12. **Amendments.** No subsequent alteration, amendment, change, addition, deletion, or modification to this Agreement shall be binding upon the parties hereto unless reduced to writing and duly authorized and signed by each of them.

13. **Complete Understanding.** This Agreement sets forth all of the promises, agreements, conditions, and understandings among the parties relative to the subject matter hereof and no other promises, agreements, or understandings, whether oral or written, expressed or implied, exist among the parties.
14. **Execution.** This Agreement may be executed in multiple counterparts, and a set of counterparts bearing the signatures of each party hereto shall constitute the Agreement as fully as if the parties had signed a single document.
15. **Applicable Law.** This Agreement shall be governed by the laws of the State of Illinois.
16. **Teachers' Retirement System.** Lukich acknowledges that the Board makes no representations that any compensation or service that is a subject of this Agreement will be eligible for TRS credit.
17. **Additional Documents to Effect Agreement.** The parties agree to execute any and all additional documents necessary to effectuate the intent and purposes of this Agreement.

IN WITNESS WHEREOF, the parties have signed this Agreement on the dates indicated below.

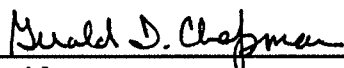
DR. DANIEL W. LUKICH



 Dr. Daniel W. Lukich


DATE: 6/30/10

BOARD OF EDUCATION OF
 COMMUNITY CONSOLIDATED
 SCHOOL DISTRICT NO. 15,
 COOK COUNTY, ILLINOIS

By: 

 President

ATTEST:

By: 

 Secretary

DATE: 6/30/2010

EXHIBIT 1

LETTER OF RESIGNATION

June 30, 2010

Dear Members of the Board of Education:

This letter is to offer my voluntary, irrevocable letter of resignation from employment with District 15 effective June 30, 2011.

Sincerely,

A handwritten signature in black ink, appearing to read "Dr. D. Lukich". The signature is fluid and cursive, with the first letter of each word being capitalized and prominent.

Dr. Daniel W. Lukich

EXHIBIT 2

Community Consolidated School District 15
Joseph M. Kiszka
Educational Service Center
580 North 1st Bank Drive
Palatine, IL 60067-8110

June 30, 2010

To Whom It May Concern,

Community Consolidated School District 15 is the third largest elementary district in Illinois, serving a diverse population of all or part of seven northwest suburban communities: Palatine, Rolling Meadows, Hoffman Estates, Inverness, South Barrington, Arlington Heights, and Schaumburg.

District 15 has fifteen elementary schools, four junior high schools, and one preschool early childhood center and alternative public day school. It serves 11,972 students, employs 2,034 people, and has an operating budget of \$ 147,439,658.

The Board of Education and Dr. Daniel Lukich signed a mutually agreeable employment contract for him to become the seventh (7th) Superintendent of Schools since 1946. Terms of that agreement included a three (3) year contract with a starting salary of \$202,000 plus benefits. The contract extended from July 1, 2008, through July 1, 2011.

During Dr. Lukich's first year of employment, the Board of Education established the following Superintendent Goals: 1.) Improve student achievement 2.) Complete facility audit study 3.) Prepare for and complete teacher negotiations 4.) Improve internal and external communications. Upon conclusion of his first year, the Board reviewed and assessed his progress toward these goals resulting in a performance bonus in the amount of \$5000.

In September and October of 2009, year two, the Board directed a new set of District/Strategic goals and a new set of Superintendent Goals. District/Strategic goals included 1.) Improve student achievement 2.) Recruit and hire district facility planner 3.) Develop district and building administrative team 4.) Enhance use of technology for 21st century teaching and learning. Goals for the Superintendent included 1.) Improve Board communications 2.) Enhance administrative presence 3.) Design and implement a merit performance pay plan 4.) Increase administrative morale 5.) Fix transportation problems and leadership 6.) Develop and improve relations with all unions.

In the second year, with a change of three (3) new Board Members, a different style of administrative management was envisioned by the Board. The Board and Dr. Lukich negotiated a mutually amicable contract separation for the third and final year of the contract. Dr Lukich

resigned on June 30, 2010, for the sole purpose of terminating his relationship and continuing his career as a Superintendent of Schools.

All inquiries should be directed to Mr. James Garwood, Assistant Superintendent for Administrative Services and Communications. He is the Board's and Superintendent's sole representative in the matter.

Sincerely,

Board of Education
Community Consolidated School District 15

EXHIBIT 3

NEWS RELEASE

The Board of Education of CCSD #15 and Dr. Daniel Lukich, Superintendent of Schools, reached a mutual and amicable agreement in contractual relations. Lukich originally signed a three year contract beginning July 1, 2008, through June 30, 2011. He expressed an interest in fulfilling the third year of the agreement without committing beyond. The Board chose another path to mutually and amicably change the relationship in the third year through a current contract provision. Lukich tendered his resignation on June 30, 2010, effective June 30, 2011.

The Board and Lukich, by way of legal representatives, are each satisfied with the separation agreement and are able to respectively move forward in their chosen directions in the best interest of the district and the Superintendent's career.