

Summary of the Draft Agreement between the Northeastern Wayne Schools Board of School Trustees and the employment of a Superintendent will be heard on Wednesday, May 17, 2017, at 7:00 p.m. in the Board Room of the Administration Building of the Northeastern Wayne School Corporation 314 West Main Street, Fountain City, Indiana 47341 with the meeting held for the purpose of discussing and hearing support for and objections to the proposed contract.

Annual Basic Salary	\$112,543.00
Annual Board Contribution to Group Health Insurance Premium*	\$25,464
Annual Contribution to Workers Compensation*	\$405.15
Annual Long Term Disability Premium*	\$528.95
Annual Term Life Insurance Premium (\$100,000 Death Benefit)*	\$168
Yearly Annuity Contribution by Northeastern	\$ 2814
Annual Contribution to Indiana State Teacher Retirement Fund	\$11,817
Dental Insurance Premium	\$1448
Vision Insurance premium	\$192
Total of Listed Contract Provisions	\$155,380.10

*Indicates that the Board contribution may be adjusted if the carrier increases the premium for same level of coverage.

Agreement Length: Indiana Code 20-28-8-6(2) states that “The contract must be for a term of at least thirty-six (36) months.” The Agreement’s “evergreen clause” would result in a continuous 3+ school year contract unless a party objects before June 15 of each year to an extension of the length of the contract for an added school year on July 1 and before. However, the Agreement can be cancelled by the Board for the same list of reasons applicable to cancellation of the contract of an “established teacher” found at Indiana Code 20-28-7-5-1(e). The superintendent can cancel the Agreement by giving 90 days written notice of resignation.

Working days: The Agreement calls for 260 working days in each school year minus 20 paid vacation days, & holidays recognized in the Superintendent’s contract. The annual vacation leave allotment is provided and vested on July 1 of each school year. Unused vacation leave days do not carry over or accumulate for any purpose, but the Superintendent has the option to

“sell back” up to 200 accrued but unused sick leave days each school year at a per diem computed by dividing the current base salary of \$112,543 by 260 days (currently \$432.86 per day).

Added Basic Salary Rather Than Reimbursement for Expenses: Some expenses such as the Board’s contribution to group health premium and others will be paid as “additional basic salary” for the benefit of the Superintendent when her 20 highest calendar quarters are used to compute her ISTRF retirement benefit. This approach has been reviewed with ISTRF and is an accepted practice from their perspective. While the benefit to a superintendent planning to retire within 5 years may be substantial in comparison to the cost to the Board, the decision to employ this strategy does result in some additional expenses to the Board-employer because, as compared to reimbursed business expenses, the dollars paid as added basic salary are subject to added ISTRF contributions (up to an annual contribution limit) and employer FICA/Medicare.

Evaluation: The Superintendent will be evaluated by the Board and rated using the same categories applied to teachers & other administrators: “highly effective”, “effective”, “improvement necessary”, or “ineffective.” Like any certificated employee, any salary changes will be based upon performance.

Increases: The Board reviews the Superintendent’s salary and benefits each June and may approve changes in base salary, contributions, or allowances at that time. Further, the Board determines what amount, if any, should be awarded under the performance-based pay provisions of the contract.

A copy of the draft contract is available at the School District’s Internet web site:
www.nws.k12.in.us.