

STATE OF SOUTH CAROLINA

COUNTY OF LEXINGTON

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PROFESSIONAL EMPLOYMENT
AGREEMENT BETWEEN THE BOARD OF
TRUSTEES OF SCHOOL DISTRICT FIVE OF
LEXINGTON AND RICHLAND COUNTIES
AND DR. STEPHEN W. HEFNER

This contract of employment is made and entered into this 1st day of April, 2011, by and between the Board of Trustees of School District Five of Lexington and Richland Counties (hereinafter referred to as either "the Board" or "the District") and Dr. Stephen W. Hefner hereinafter referred to as "the Superintendent").

WHEREAS, the Board desires to provide the Superintendent with a written employment contract in order to enhance administrative stability and continuity within the schools, which the Board believes generally improves the quality of its overall educational program; and

WHEREAS, the Board and the Superintendent believe that a written contract is necessary to describe specifically their relationship and to serve as the basis for effective communication between them as they fulfill their respective duties and responsibilities in the operation of the schools of School District Five of Lexington and Richland Counties;

NOW, THEREFORE, the Board and the Superintendent, for the consideration herein specified, agree as follows:

1. TERM

The Board, in consideration of the promises herein contained of the Superintendent, hereby employs and the Superintendent hereby accepts employment as Superintendent of the District for a term commencing April 1, 2011, and ending June 30, 2015.

2. CERTIFICATION AND RESPONSIBILITIES
OF THE SUPERINTENDENT

The Superintendent will furnish throughout the life of this contract a South

Carolina School Superintendent's Professional Certificate issued by the South Carolina Department of Education.

The Superintendent shall have charge of the administration of the District under the direction of the Board. He shall be the chief executive officer for the Board; shall select, organize and assign all personnel, as best serves the District, subject to the approval of the Board; shall oversee the instructional program and business affairs of the District; shall from time to time suggest regulations, rules, and procedures deemed necessary for the well ordering of the District; and in general perform all duties incident to the office of Superintendent as prescribed by Board policy and such other duties as may be prescribed by the Board from time to time. The Board, individually and collectively, shall promptly refer all substantive criticisms, complaints, and suggestions called to the Board's attention to the Superintendent for study and appropriate action, and the Superintendent shall investigate such matters, or cause such matters to be investigated, and when requested or is otherwise necessary, shall inform the Board of the results of such investigations. The Superintendent shall have the right to attend all Board meetings and all Board and citizen committee meetings, serving as an ex officio member and providing administrative recommendations on each item of business considered, except as otherwise provided herein.

The Superintendent agrees to devote his time, skill, labor, and attention to said employment during the term of this contract, provided, however, that the Superintendent may undertake various professional duties and obligations, including writing, lecturing, and speaking engagements. The Board should be provided with notice of any such commitments which may require or involve a significant time commitment.

The District encourages the continuing professional growth of the Superintendent

through his participation, as he might decide in light of his responsibilities as Superintendent, in (a) the operations, programs, and other activities conducted or sponsored by local, state, and national school administrator and school board associations; (b) seminars and courses offered by public or private educational institutions; and (c) informational meetings with other persons whose particular skills or backgrounds would serve to improve the capacity of the Superintendent to perform his professional responsibilities for the District. In its encouragement, the District shall permit a reasonable amount of released time for the Superintendent to attend such matters and pay for the necessary fees for travel and subsistence expenses as provided by the District in the annual budget.

3. COMPENSATION

The Board shall pay the Superintendent an annual salary of One Hundred Eight-Six Thousand Dollars (\$186,000). The annual salary rate shall be paid to the Superintendent in accordance with the schedule of salary payments in effect for other certificated employees of the District. The Board and the Superintendent may mutually agree to adjust the salary of the Superintendent during the term of this contract, based on satisfactory performance, but in no event shall the Superintendent be paid less than \$186,000. Any adjustments in salary made during the life of this contract shall be in the form of an amendment and become part and parcel of this contract, but it shall not be deemed that the District and the Superintendent have entered into a new contract or that the termination date of the existing contract has been extended. The Superintendent shall have the option of designating any part of his salary to be contributed directly by the District to an annuity plan of the Superintendent's choice.

4. BENEFITS

(a) The Superintendent shall be entitled to all benefits of administrative

employees of the District, with the exception of sick leave and vacation leave, which are treated specifically as provisions of this contract.

(b) The Superintendent shall receive 15 days of sick leave annually. The Superintendent's sick leave may be used for personal illness, medical issues, or leave as provided for in the Family and Medical Leave Act. The Superintendent's sick leave may be accumulated, but he shall not receive reimbursement for unused sick leave.

(c) The Superintendent shall receive 20 days of vacation leave annually. Such vacation leave may be accumulated upon written notice to the Board, but the Superintendent shall not be reimbursed for any unused vacation leave upon the termination of this contract. Through June 30, 2011, the Superintendent shall receive 10 days of vacation leave.

(d) The Board will provide the Superintendent with a term life insurance policy, face value of One Hundred Thousand Dollars (\$100,000), with the beneficiaries to be designated by the Superintendent, so long as he is employed by the Board.

(e) The District shall make a contribution to an annuity of the Superintendent's choosing in an amount equivalent to five percent (5%) of the Superintendent's base contractual annual salary on June 30, 2011. Contingent upon receipt of a satisfactory evaluation for the 2011-12 school year, as determined in good faith by the Board, an annual contribution to an annuity of the Superintendent's choosing shall be made in an amount equivalent to ten percent (10%) of the Superintendent's base contractual annual salary; contingent upon receipt of a satisfactory evaluation for the 2012-13 school year, as determined in good faith by the Board, an annual contribution to an annuity of the Superintendent's choosing shall be made in an amount equivalent to fifteen percent (15%) of the Superintendent's base contractual annual salary. In subsequent school years, the District shall make a contribution to

an annuity of the Superintendent's choosing in an amount equivalent to fifteen percent (15%) of the Superintendent's base contractual annual salary, contingent upon receipt of a satisfactory evaluation each year.

(f) The District will provide the Superintendent with a cell phone at District expense for District business.

5. EXPENSES

The District shall pay the Superintendent's dues to the American Association of School Administrators, the South Carolina Association of School Administrators, and any other professional group membership which the Superintendent believes is necessary to maintain and improve his professional skills. The Board shall further pay or reimburse the Superintendent for reasonable expenses incurred by the Superintendent in the continuing performance of his duties under this employment contract, as provided in the District budget.

Additionally, the Districts shall reimburse the Superintendent for all reasonable and appropriate expenses as determined in good faith by the Board incurred in relocating the Superintendent and his family from their present residence in Richland County to School District Five of Lexington and Richland Counties. The Superintendent will keep the Board reasonably apprised of the status of his efforts on this matter.

6. AUTOMOBILE ALLOWANCE

The Board shall provide the Superintendent with a monthly automobile allowance, to be determined annually, but not less than \$850 monthly for reimbursement for any District travel. Any professional travel outside the District shall be reimbursed pursuant to existing District policy.

7. PROFESSIONAL LIABILITY

The District agrees that it shall defend, hold harmless, and indemnify the Superintendent from any and all demands, claims, suits, actions, and legal proceedings brought against the Superintendent in his individual capacity or in his official capacity as an agent/employee of the District, provided the incident or occurrence giving rise to the claim or action took place while the Superintendent was acting within the scope of his employment and, provided the Superintendent and the District do not have adverse interests in the matter. In no case shall an individual Board member be considered personally liable for indemnifying the Superintendent against such demands, claims, suits, actions, and legal proceedings.

8. MEDICAL EXAMINATION

In light of the unique nature of the professional duties of the Superintendent, the District shall, at its expense, provide to the Superintendent a complete annual medical examination by a physician licensed to practice medicine in South Carolina. The Superintendent shall direct the physician to advise the Board, in writing, of the continued fitness of the Superintendent to perform his duties. The contents of the report shall be kept confidential.

The first such report shall be provided to the Board Chair on or before June 1, 2011. The receipt of an acceptable report as provided herein shall be a condition precedent to the Superintendent's continued employment pursuant to this contract.

9. EVALUATION

The Board and Superintendent shall meet at least once annually and may include other appropriate school officials of the District for the purpose of establishing District goals and objectives for the ensuing school year. Said goals and objectives shall be reduced to writing and be among the criteria by which the Superintendent is evaluated as hereinafter provided. This

annual meeting shall normally be held during the summer; however, the initial such meeting shall be scheduled for the summer of 2011.

The Board shall evaluate the performance of the Superintendent at least once a year during the term of this agreement. For this purpose, the Superintendent shall submit to the Board a recommended format for conducting the evaluation. The Board shall meet and discuss the proposed format, attempting in good faith to reach consensus with the Superintendent as to a mutually agreeable evaluation format. Thereafter, the Board shall adopt an evaluation format and shall evaluate the Superintendent pursuant thereto.

To conclude the evaluation, the Board shall meet in executive session for the purpose of discussing the results of the evaluation and any related matters, such as the terms of the Superintendent's contract. The Superintendent shall not be present during the Board's discussion of his evaluation and/or contract terms until the Board requests his presence. The results of the evaluation and any conclusions drawn by the Board shall be shared with the Superintendent, both orally in executive session, and in the form of a written summary. The Superintendent shall have the right to respond to the results either during the executive session, or in writing, following the executive session. Any written response, along with the written summary of the results, shall be made a part of the Superintendent's personnel file. Following the Superintendent's evaluation or his written response, and at the request of either party, the Board may meet with the Superintendent in executive session to discuss the matter further.

The annual evaluation shall normally be conducted during the summer, with the first annual evaluation scheduled for the summer of 2012. The Board, however, reserves the right to conduct an interim evaluation of the Superintendent's performance during the winter of 2012.

10. RENEWAL

If the District does not notify the Superintendent in writing, before January 15, 2015, that this employment contract will not be renewed, it shall be deemed that the District has renewed this employment contract for one year, extending from the termination date set forth above. The Superintendent shall remind the Board in writing of the existence of this automatic renewal clause. Such notice shall be provided two months prior to the December 2014 Board meeting.

11. TERMINATION

This contract shall be terminated by:

- (a) mutual agreement of the parties;
- (b) disability of the Superintendent;

In the event of disability by illness or incapacity, the Board may terminate this contract by written notice to the Superintendent at any time after the Superintendent has exhausted any accumulated sick leave and such other leave as may be available, and has been absent from his employment, for whatever cause, for a continuous period of 90 days. All obligations of the District shall cease upon such termination.

If a question arises concerning the capacity of the Superintendent to return to his duties, the Board may require the Superintendent to submit to a medical examination, at District expense, to be performed by a physician of the Board's choice. The physician shall submit a report to the Board as to whether the Superintendent is fully capable of fully resuming his duties and responsibilities.

- (c) discharge for cause;

Discharge for cause shall constitute conduct which is prejudicial to the District, including but not limited to unprofessional conduct, neglect of duty, inefficiency, or incompetency. Notice of discharge for cause shall be given in writing and the Superintendent shall be entitled to appear before the Board, in executive session, to discuss such causes. If the Superintendent chooses to be accompanied by legal counsel at such meeting, he shall bear any costs therein involved. Following the meeting, the Superintendent shall be provided notice, in writing, of the results of the meeting.

- (d) unilateral termination of the Superintendent;

The Board may, at its option, unilaterally terminate this agreement upon an affirmative vote of a minimum of four members of the Board at any regular or special meeting of the Board. In the event of such termination, the Superintendent shall not be entitled to appear before the Board; however, the District shall pay to the Superintendent, upon the execution of a complete release satisfactory to the Board, severance pay the equivalent of three months' salary or the balance due on the contract, whichever is less. It is understood that this option should be exercised only after reasonable efforts pursuant to paragraph 11(a) of the contract has been concluded;

- (e) death of the Superintendent.

12. ADMINISTRATIVE LEAVE

At any time during the term of this Agreement when the Board Chairman deems it

in the best interest of the District, he/she may advise and then place the Superintendent on administrative leave with full pay and benefits. Such administrative leave shall continue until the Board as a whole meets and decides otherwise.

13. SAVINGS CLAUSE

If, during the term of this contract, it is found that a specific clause of the contract is illegal under either federal or state law, the remainder of the contract not affected by such ruling shall remain in force.

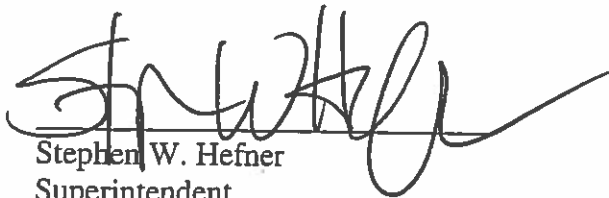
14. DECLARATION OF THE GOVERNOR

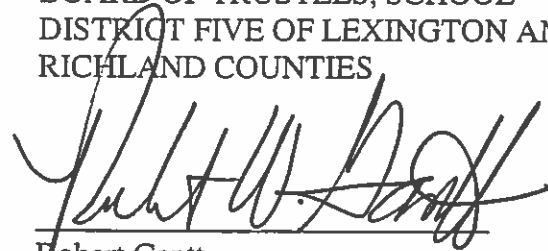
As required by S.C. Code Ann. § 59-18-1580, this contract shall be void should the Governor of South Carolina declare that the office of Superintendent in School District Five of Lexington and Richland Counties is vacant.


IN WITNESS WHEREOF, the Board has caused this employment contract to be approved in its behalf by its duly authorized Chairman and the Superintendent has approved this employment contract effective on the day and year specified above.

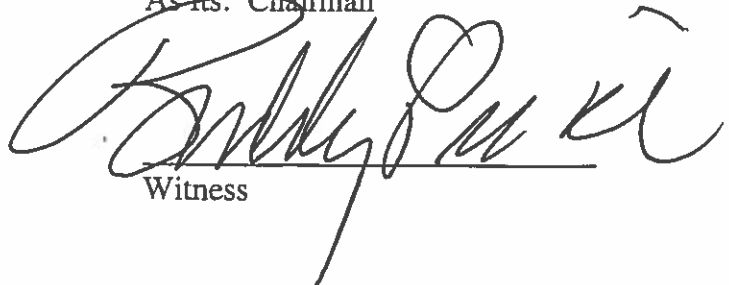
SUPERINTENDENT

BOARD OF TRUSTEES, SCHOOL
DISTRICT FIVE OF LEXINGTON AND
RICHLAND COUNTIES


Stephen W. Hefner
Superintendent


By: Robert Gantt
As Its. Chairman


Sybil M. Stover
Witness


Witness

3-29, 2011
Irmo, South Carolina