

Tredyffrin/Easttown School District

Administration Offices, West Valley Business Center
940 West Valley Road, Suite 1700, Wayne, PA 19087

Phone: 610-240-1901

Employment Agreement - December 29, 2010 and ending June 30, 2015

Preamble

1. The parties to this Employment Agreement ("this Agreement") are the Board of School Directors of the Tredyffrin/Easttown School District (herein referred to as the "Board" and the "District" respectively) and Dr. Daniel E. Waters (hereinafter referred to as "Dr. Waters").
2. Pursuant to the provisions of the Pennsylvania Public School Code of 1949, as amended ("The Code"), the parties hereby enter into a written agreement of employment detailing their mutual rights, obligations and responsibilities. All prior agreements between the parties are declared null and void except as set forth in Section F, Activity at Termination of Employment.
3. On April 19, 1999, at a duly advertised public meeting, a majority of the Members of the Board voted to appoint Dr. Waters as Superintendent of Schools of the Tredyffrin/Easttown School District for a term of five (5) years from December 29, 2000 through December 28, 2005.
4. On January 24, 2005, at a duly advertised public meeting, a majority of the Members of the Board voted to reappoint Dr. Waters as Superintendent of Schools of the Tredyffrin/Easttown School District for a term commencing December 29, 2005 and ending December 28, 2010.

5. On February 22, 2010, at a duly advertised public meeting, the Board voted to reappoint Dr. Waters as Superintendent of Schools of the Tredyffrin/Easttown School District for a term of four and one half (4 1/2) years from December 29, 2010 through June 30, 2015.

Agreement

Intending to be legally bound, the parties agree upon the following terms:

A. Term of Agreement

The term of this Agreement shall be from December 29, 2010 until June 30, 2015. For the entire term of this Agreement, Dr. Waters will continue to serve as the duly appointed Superintendent of Schools. Dr. Waters agrees that, as a condition of his employment as Superintendent, he shall maintain valid certification from the Pennsylvania Department of Education to serve as Superintendent of Schools in the Commonwealth of Pennsylvania and otherwise fulfill the terms of this Agreement.

B. Duties

1. Dr. Waters shall be the chief administrative officer of the District. In this position, Dr. Waters shall carry out the following duties unless otherwise directed by the Board, and, where required by The Code, with the approval of the Board:
 - a. the duties of Superintendent of Schools as set forth in The Code;
 - b. the organization, reorganization and arrangement of the administrative and supervisory staffs, including instructional and noninstructional personnel, to best serve the District's public schools;

- c. the supervision of the administration of instruction within the District and the business affairs of the District in a manner designed to further the best interests of the District and maintain and improve educational opportunities for all students;
 - d. the responsibility for selection, placement and transfer of personnel to achieve efficiency and harmony within the District;
 - e. attendance at all Board meetings (with the exception of executive session(s) devoted to the preparation of Dr. Waters' performance evaluation or any discussion relating to Dr. Waters' contract); attendance at all meetings of Board and citizen committees; participation as ex-officio member on all Board committees; and providing administrative recommendations on all items of business considered by the Board and Board committees; and
 - f. the duty and authority to act at his discretion upon all emergency matters, subject to later report to the Board.
2. Dr. Waters may undertake consultative work, speaking engagements, writing, lecturing or other professional duties and obligations (including but not limited to teaching of graduate courses) provided that engaging in such activities does not materially interfere with his duties as Superintendent.

C. Compensation Package

1. Salary

Effective January 1, 2011, Dr. Waters' base compensation is Two Hundred Twenty-Four, Five Hundred Fifteen Dollars (\$224,515.00) per year. The District shall pay this salary to Dr. Waters in bi-weekly installments.

2. Benefits

- (a) Dr. Waters shall receive all fringe benefits contained in the District's Administrator Compensation Plan in effect during the term of this Agreement including any revisions to the plan adopted during the term of this Agreement ("the then current ACP") to the extent that such benefit is not inconsistent with any benefit specifically provided for in this Agreement. In the case of any conflict, the benefit specifically provided for in this Agreement shall govern. Furthermore, if the July 1, 2001 through June 30, 2014 Administrator Compensation Plan between the District and its administrators ("the 2001 ACP") provides for a specific benefit or benefits, including without limitation, sick leave, vacation leave, life insurance, and disability insurance, which benefit or benefits is more advantageous to Dr. Waters, Dr. Waters may elect the specific benefit or benefits as set forth in the 2001 ACP. For example, Dr. Waters may elect the sick leave and vacation leave benefits set forth in the 2001 ACP and the other benefits as set forth in the then current ACP. Dr. Waters will notify the President or Vice-President of the Board in writing of the benefits he elects no later than July 1 of the preceding school year. Additionally, Dr. Waters shall maintain his sick leave accrued both (1) at

the District and (2) elsewhere for which the District has credited him as of December 29, 2010 for his use as needed during his employment.

- (b) In addition to the salary amount set forth above for each contract year, the District shall expend an amount of money equal to fifteen percent (15%) of Dr. Waters' salary from which Dr. Waters' benefits are purchased. The amounts expended for the plans chosen by Dr. Waters shall be deducted from the aforementioned fifteen percent (15%) of Dr. Waters' base salary. The residual amount, less any withholding required by law, shall be paid by the District to Dr. Waters in four (4) quarterly installments during the course of each contract year, except for the last partial year (December 29, 2014 through June 30, 2015) in which only two quarterly payments (which together shall total 7.5% of Dr. Waters annual base salary for that time period) shall be made. Such contributions shall be treated so that they have no effect for purposes of PSERS. In other words, no PSERS contribution will be made by Dr. Waters or the District with respect to this benefit and the amount of the benefit will not affect Dr. Waters' PSERS entitlement.
- (c) Assuming Dr. Waters elects not to participate in one or more of the District benefit programs, he shall provide certification of long-term disability, hospitalization, medical/surgical and major medical coverage from some other source. In the absence of such certification, Dr. Waters shall be enrolled by the District for such coverage, the premiums for which shall be deducted from the fifteen percent (15%) benefit allowance.

- (d) As an additional benefit to Dr. Waters, the District agrees to reimburse Dr. Waters for his employee contribution to the Pennsylvania State Employee Retirement System pursuant to the rate as established by law.

3. 2006 Competitive Market Rate Adjustment

As part of Dr. Waters' benefits, beginning on January 1, 2011 and on or about January 1 of each contract year, the amount of Thirty Five Thousand Dollars (\$35,000.00) shall be added to the residual amount referenced in subsection (b) above to be paid by the District to Dr. Waters in four (4) quarterly installments during the course of each contract year except for the last partial year (December 29, 2014 through June 30, 2015) in which only two quarterly payments of \$8,750 each shall be made. This \$35,000.00 payment shall be considered part of Dr. Waters' base salary for purposes of calculating his "Retirement Supplemental Pension" set forth in the Administrator Compensation Plan in effect at the time the payment is made.

4. Retention Bonus

- a. The District shall pay Dr. Waters a retention bonus ("the Retention Bonus") of Five Thousand Dollars (\$5,000) per each full contract year worked by Dr. Waters after December 29, 2010 through the end of this Agreement. This bonus is payable to Dr. Waters or his beneficiary within thirty days of (a) his retirement under the provisions of the Public School Employee Retirement System (b) his death, (c) illness or physical disability preventing him from fulfilling the terms of this Agreement (d) the termination of this Agreement by the Board or (e) the end of the term of this Agreement, whichever occurs first.

This retention bonus shall be considered part of Dr. Waters' base salary in the last year of his employment for purposes of calculating his "Retirement Supplemental Pension" set forth in the Administrator Compensation Plan in effect at the time the retention bonus is paid.

- b. Dr. Waters shall not be entitled to the Retention Bonus if he fails to provide the eighteen (18) months written notice of his termination of this Agreement required by Section I of the Employment Agreement, unless prevented by illness, physical disability or death or unless this Agreement is terminated by the Board.
- c. For purposes of this subsection (4), the period from December 29, 2014 through June 30, 2015 shall constitute a full contract year.

5. Automobile

The District shall provide a motor vehicle bearing conventional license plates for the exclusive business and family use of Dr. Waters. The District will provide for or reimburse Dr. Waters for all expenses relating to the operation of this automobile including gasoline, lubricants, repairs, maintenance and liability and property damage insurance. Dr. Waters shall be liable for taxes on the "imputed value" in accordance with IRS guidelines for his personal use of the car each year.

D. Other Terms of Employment

1. Discharge of Duties

Dr. Waters agrees to devote his time, skill, labor and attention to his employment with the Board on a full time basis for two hundred forty six (246) days per contract year (defined as January 1 through December 31). For each day that Dr. Waters works in addition to the 246 days (“base days”) in a particular year, he is entitled to compensation at his then current per diem rate up to fourteen (14) additional days per year. The 246 base days includes days actually worked by Dr. Waters during a particular year and any leave days taken pursuant to this Agreement. Nothing in this subsection is intended to limit Dr. Waters right to carry over or be reimbursed for vacation days as provided in the Administrator Compensation Plan in effect at the time. Any payment received pursuant to this provision shall be considered part of Dr. Waters’ base salary for purposes of calculating his “Retirement Supplemental Pension” set forth in the Administrator Compensation Plan in effect at the time the payment is made. For the period from December 29, 2014 through June 30, 2015, Dr. Waters shall be entitled to compensation at his then current per diem rate up to seven (7) additional days above 123 days worked during that time period.

2. Professional Development

The Board encourages the continuing professional growth and development of Dr. Waters through his participation in, among other things, some or all of the following: activities conducted or sponsored by local, state and national school administrator and school board associations; seminars and courses offered by public or private educational institutions; and informational meetings with other persons whose particular skills or backgrounds would serve to improve the

capability of Dr. Waters to perform his professional responsibilities for the District. Dr. Waters is authorized to devote time and incur reasonable expenses as he deems appropriate in connection with his professional development and in the discharge of his duties. The expenses of such attendance shall be paid by the District. In addition, Dr. Waters shall be entitled to be a member of appropriate nonsectarian civic, service and professional organizations, the fees (including usual and customary donations) for membership in which shall be reimbursed to Dr. Waters by the District.

3. Leaves of Absence for Professional Development

The District and Dr. Waters recognize that Dr. Waters will become eligible for a leave of absence for professional development during the term of this Agreement. The parties recognize and agree, however, that it is in the best interest of the students and staff of the District to maintain continuity of Dr. Waters' service. Therefore, Dr. Waters agrees that, in consideration of the benefits provided in this Agreement, he will not request a leave of absence for professional development during the term of this Agreement.

4. Certification of Fitness

As a condition of his employment as substitute Superintendent or Superintendent, Dr. Waters shall, at least once a year, undergo a comprehensive medical examination at District expense by a physician chosen by Dr. Waters and file with the President or Vice-President of the Board a statement from that physician certifying to his medical fitness to perform the duties of Superintendent. Such statements shall be treated as confidential information by the Board. In connection

with his physical circumstances, Dr. Waters hereby certifies and covenants with the District that, as of the date of entering into this Agreement, he is not aware of any medical condition or diagnosis which applies to him that would prevent him from satisfactorily completing the duties of his position for the full term of this Agreement. This provision is not intended to either limit or expand the rights of the Board to require a special medical examination for Dr. Waters as provided by Section 1418 of The Code.

5. Computer Equipment

The District agrees to provide appropriate personal computer equipment and software for Dr. Waters' exclusive use both at his District office and at his home. Assuming the equipment and software provided for work at home are at least two (2) years old, the District shall allow Dr. Waters the option of purchasing such equipment and any non-proprietary software at its current market value at such time as Dr. Waters' employment with the District is terminated.

E. Evaluation

The Board shall devote at least one meeting annually (which meeting(s) will be held in executive session unless the law requires the meeting to be conducted in another manner) to a discussion of the working relationship between the Board and the Superintendent. The evaluation process will be conducted in the same manner as prior Board evaluations of Dr. Waters unless the process is altered by mutual agreement.

F. Activity at Termination of Employment

At the time Dr. Waters' employment with the District as District Superintendent terminates for any reason, he, or his spouse if Dr. Waters dies prior to his entitlement to benefits lapsing, will receive the retirement severance payment, annual benefit allowance, life insurance benefit and other retirement benefits provided by the then current ACP or the 2001 ACP at his option, or his spouse's option if she survives him. The amount of payment shall be the greater of the following: (1) the 100% level as if Dr. Waters retired effective December 28, 2010 or (2) the level set forth in the then current ACP. This payment shall be made to Dr. Waters or his spouse regardless of whether Dr. Waters actually retires from the Pennsylvania public school system at the time his employment with the District as District Superintendent terminates. Upon becoming eligible to do so, Dr. Waters, or his spouse if she survives him, shall purchase Medicare insurance as a condition to continued eligibility for this benefit. The purpose of this section is to entitle Dr. Waters to the same benefit he would have received had he retired effective December 28, 2010 pursuant to the terms of his December 29, 2005 employment agreement as amended.

G. Violation of Agreement: Rights Retained

Dr. Waters shall fulfill all terms and conditions of this Agreement, any exception thereto being only upon mutual consent of the Board and Dr. Waters. Except as provided in Paragraph D.3. above, with respect to a leave of absence for professional development, nothing herein contained is intended to limit the rights of the Board or Dr. Waters as are otherwise provided in The Code.

H. Indemnification

The Board agrees to provide legal counsel and indemnify Dr. Waters against all uninsured financial loss arising out of any claim, demand, suit or judgment by reason of alleged negligence or other conduct resulting in bodily injury or other injury to any person or damage to the property of any person committed while he is acting within the scope of his employment or under the direction of the Board.

I. Termination

1. Termination by Dr. Waters

Recognizing the length of time required to select a Superintendent and in order for Dr. Waters to assist in the transition of his successor in a manner to be decided by the Board at that time, Dr. Waters, unless prevented by illness, physical disability or death, agrees to provide eighteen (18) months written notice of his termination of this Agreement, if termination is to occur at any time other than the conclusion of the term of this Agreement. Such notice shall be effective upon delivery to the President of the Board, with a copy to the Secretary of the Board. All salary, emoluments, benefits, deferred compensation and any other payments and entitlements under this Agreement shall cease on Dr. Waters' last day of employment, except for those specifically set forth in Section F.

2. Termination by the Board

The Board may not terminate Dr. Waters' employment as Superintendent for any reason whatsoever other than the causes set forth in Section 1080 (or other applicable section) of The Code.

J. Entire Agreement

This written Agreement represents the entire agreement of the parties and supersedes any prior oral agreements or representations by the parties. Any alteration or modification of this Agreement shall be in writing, signed by both of the parties hereto and shall be governed by the applicable provisions of The Code.

K. Governing Law

The parties agree that the laws of the Commonwealth of Pennsylvania shall govern all questions relative to the interpretation and construction of this Agreement and the performance of the parties hereunder.

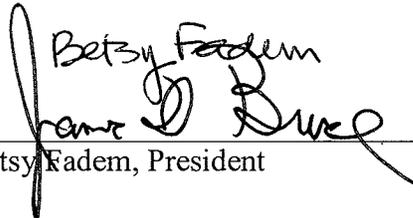
IN WITNESS WHEREOF, intending to be legally bound hereby, the parties have duly executed this Agreement on the date indicated by their respective signatures.

ATTEST:

BOARD OF SCHOOL DIRECTORS OF
TREDYFFRIN/EASTTOWN SCHOOL DISTRICT



Arthur J. McDonnell,
Secretary

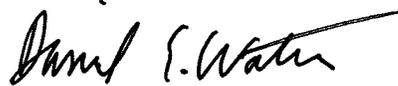


By: _____
Betsy Fadem, President

Date: 2/22/10

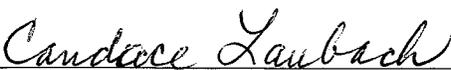
Date: 2/22/10

(Seal)



By: _____
Dr. Daniel E. Waters

Witness:



Date: 2/23/10