CHIEF FINANCIAL OFFICER EMPLOYMENT CONTRACT

THIS CHIEF FINANCIAL OFFICER EMPLOYMENT CONTRACT ("AGREEMENT") made this 12th day of August 2026, BETWEEN THE BOARD OF EDUCATION OF J. STERLING MORTON HIGH SCHOOL DISTRICT NO. 201, COOK COUNT, ILLINOIS ("BOARD" AND/OR "DISTRICT") AND NICHOLAS VALDERAS ("CHIEF FINANCIAL OFFICER") in consideration of the mutual covenants and promises contained herein.

A. EMPLOYMENT AND COMPENSATION

I. Salary and Term of Employment. The Board hereby employs Chief Financial Officer for three (3) years, commencing July 1, 2026, and terminating on June 30, 2029, at an annual salary of for the 2026-27 Contract Year of $145,000 (One hundred forty-five thousand dollars). The Chief Financial Officer's annual salary for each subsequent year will increase by the December Consumer Price Index for All Urban Consumers (CPI-U) from the previous year with a maximum of five percent (5%). The Board may not unilaterally decrease the Chief Financial Officer's salary contract year to contract year but reserves the right to increase from time to time the salary and benefits payable hereunder, based upon performance evaluation, without entering into a new contract or extending the term of this contract. The salary shall be payable in equal installments in accordance with the rules of the Board governing payments of other administrative staff members in the district.

In addition to the base salary listed above, The Board agrees to increase the Chief Financial Officer's base salary, as described in Exhibit "A", when yearly goals are met. Yearly goals will be determined by the Superintendent and approved by The Board by August 15 for each year of this agreement.

The Chief Financial Officer hereby accepts employment upon the terms and conditions hereinafter set forth by this Agreement.

II. Illinois Municipal Retirement Fund. In addition to the annual salary and other compensation stated in this Agreement. the Board shall pay on behalf of the Chief Financial Officer to the State of Illinois Municipal Retirement Fund the Chief Financial Officer's entire required contributions to said pension system and health fund. If the current IMRF required employee contribution rate decreases, the Board shall pay the difference to the Chief Financial Officer salary to the extent the Board's total cost for salary and pick up of the IMRF contribution equals the Board's total cost before the IMRF rate of contribution decreases.

The Chief Financial Officer 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 Municipal Retirement Fund. Except as expressly provided above, both parties acknowledge that the Chief Financial Officer did not have the option of choosing to receive the contributed amounts directly, instead of having such contributions paid by the Board to the Illinois Municipal Retirement Fund and further acknowledge that such contributions are made as a condition of employment to secure the Chief Financial Officer's future services, knowledge and experience.

B. CONDITIONS OF EMPLOYMENT

I. **License.** During the term of this Agreement, the Chief Financial Officer shall hold a valid and properly registered license issued by the Illinois State Board of Education qualifying him to act as Chief Financial Officer of the School District.

II. **Waiver of Tenure.** The Chief Financial Officer acknowledges that, pursuant to Section 10-23.8 of the School Code, he waives any right to tenure in the School District by virtue of entering into this multi-year contract and any multi-year extension thereof.

III. **Physical Examination.** The Chief Financial Officer shall submit to an annual physical examination by a physician licensed in Illinois to practice medicine and surgery in all its branches and shall provide the Board with evidence of physical fitness to perform duties assigned and freedom from communicable disease, including tuberculosis. The Board shall pay the full cost of such examination and shall receive a written report of the examination of the Chief Financial Officer certifying that the Chief Financial Officer is fit to perform his duties as Chief Financial Officer. As a condition of employment, the Chief Financial Officer also agrees to comply with all health requirements established by law.

C. BENEFITS

1. **Reimbursement of Business Expenses.** The Board shall reimburse the Chief Financial Officer for reasonable monthly expenses incurred in performance of his duties, including but not limited to a cell phone/PDA and related fees. Itemization shall be made by the Chief Financial Officer of all expenses incurred.

2. **Sick Leave.** The Chief Financial Officer shall be granted sick leave in the amount of eleven (11) working days per year. Unused sick leave days shall accumulate without limitation.

3. **Personal Days.** The Chief Financial Officer shall be granted personal days in the amount of three (3) working days per year. The Chief Financial Officer may convert one sick day to an additional personal day each year with Superintendent approval. Unused personal days shall accumulate as sick leave.

4. **Insurance Benefits.** The Board shall provide the Chief Financial Officer with the Insurance Benefits outlined below.

   a) Major medical and hospitalization insurance for the Chief Financial Officer and his family as provided under any program effective in the district. The Chief Financial Officer shall be required to make any of the employee contributions due to said coverage to the same extent as other certified staff in the district, specifically the Teachers within the Morton Council Union. If the provision of health insurance contemplated by this contract provision could result in the Board being obligated to pay a penalty, excise tax, or other fee due to changes and/or interpretations of the *Internal Revenue Code* or other laws, or their related rules and regulations, affecting the provision of insurance benefits, the Board may revise its contribution toward such insurance benefit to another form of compensation or combination of compensation and insurance to the extent necessary to avoid the imposition of such penalty, excise tax, or fee. In the event the Board makes such a determination, the Board shall collaborate with IMRF so as to avoid the loss of creditable earnings to the extent permitted by law and to the extent a penalty to the Board does not result. The Board's action to revise a benefit under this paragraph shall be in implementation of this provision of this contract and shall not constitute or require an amendment to this contract.

b) Dental insurance for the Chief Financial Officer and his family. Chief Financial Officer shall be required to make any of the employee contributions due to said coverage to the same extent as other certified staff in the district; specifically, the Teachers within the Morton Council Union. If the provision of health insurance contemplated by this contract provision could result in the Board being obligated to pay a penalty, excise tax, or other fee due to changes and/or interpretations of the *Internal Revenue Code* or other laws, or their related rules and regulations, affecting the provision of insurance benefits, the Board may revise its contribution toward such insurance benefit to another form of compensation or combination of compensation and insurance to the extent necessary to avoid the imposition of such penalty, excise tax, or fee. In the event the Board makes such a determination, the Board shall collaborate with IMRF so as to avoid the loss of creditable earnings to the extent permitted by law and to the extent a penalty to the Board does not result. The Board's action to revise a benefit under this paragraph shall be in implementation of this provision of this contract and shall not constitute or require an amendment to this contract.

c) Long Term Disability Insurance shall be provided by the Board to Chief Financial Officer. Such Long-Term Disability Insurance shall consist of salary continuation at a benefit level equal to sixty percent (60%) of Chief Financial Officer's gross salary as listed in Article A(l) of this Agreement as coordinated with any other benefits (Illinois Municipal Retirement Fund, Workman's Compensation, Social Security, etc.). The duration of the salary continuation under this plan is defined by Social Security. This coverage contains a ninety (90) day waiting period or the length of sick leave the individual has occurred.

Long Term Disability Insurance, which features benefits of sixty percent (60%) of the Chief Financial Officer's current gross salaries, is subject to a maximum monthly indemnity benefit of $7,500.

The parties hereto recognize the importance of the district's obligations to persons with disabilities under the Americans with Disabilities Act. To that extent, nothing in this agreement shall limit or otherwise interfere with actions by the district that are either taken to accommodate disabled employees as required by or otherwise intended to comply with the ADA.

d) Board agrees to provide Chief Financial Officer term life insurance and accidental death and dismemberment insurance in an amount of three hundred thousand ($300,000.00). Upon the attainment of age sixty-six (66) the face value of the policy is reduced thirty-five per cent (35%) to age seventy (70) and fifty percent (50%) at age seventy.

Life insurance terminates on the final day of employment at Morton or after one (1) year on disability.

Chief Financial Officer shall be given the opportunity to purchase additional amounts of insurance on a payroll deduction plan through Morton's group life carrier.

e) Liability Insurance.

5. **Vacation.** The Chief Financial Officer shall receive twenty (20) working days of vacation annually, exclusive of legal and school day holidays. Vacation days that are not taken within the contract year are forfeited. At the time of separation from employment, the Board shall pay the Chief Financial Officer for any remaining unused vacation days at the Chief Financial Officer's then current per diem after the Chief Financial Officer's final workday and after the Chief Financial Officer 's receipt of his final paycheck.

6. **Professional and Civic Organizations**. Subject to approval of the Board, the Board shall provide and pay for dues and membership fees as defined below for local, state and national professional organizations including, but not limited to, the Illinois Association of School Administrators, American Association of School Administrators, Association of School Business Officials International, and Illinois Association of School Business Officials.

The Board shall provide and pay for such dues and membership fees for organizations approved by the Board, as stated above, in an amount not to exceed two thousand dollars ($2,000.00) per year of this Agreement. Any dues and/or membership fees which are approved by the Board for participation by the Chief Financial Officer, but which are in excess of two thousand dollars ($2,000.00) per year shall be the responsibility of and paid for by Chief Financial Officer.

7. **Annuity**. For each year of this Agreement, the Board shall contribute a non-elective employer contribution to a qualified annuity plan that has been established by District 201 under Section 403(b) of the Internal Revenue Code, 26 U.S .C. 403(b) in an amount equal to 1.0% of the Chief Financial Officer's annual base salary. The Chief Financial Officer shall not have the option to receive this amount in the form of salary or cash. District contributions will be paid on June 30^{th} of each school year. To administer the 403(b)-matching plan, the Board may employ the services of a third party.

D. DUTIES

1. Duties. Chief Financial Officer shall perform such duties as listed on Exhibit "B" attached hereto and incorporated herein by reference and shall perform such other duties as may be assigned by the Superintendent.
2. Extent of Service. The Chief Financial Officer shall devote his entire time, attention, and energy to the business of the School District and related professional activities. However, the Chief Financial Officer may attend university courses, seminars or other professional growth activities;serve as a consultant to another district or educational agency for short-term duration without loss of salary; lecture; and engage in writing activities and speaking engagements. The foregoing activities shall not interfere in a

material and substantial manner with the Chief Financial Officer's obligations set forth in this Agreement. The Chief Financial Officer may not jeopardize the function of the School District by any lengthy and conspicuous absence for such professional activities.

E. RENEWAL, EXTENSION, AND TERMINATION OF CONTRACT

1. **Non-Renewal**. Notice of intent not to renew this contract shall be given to the Chief Financial Officer by the Board no later than March 1st of the year in which the Agreement expires. Said notice shall be in writing and state the specific reason for non-renewal. Failure to provide the notice of intent not to renew by the Board shall extend this contract for one (1) additional year. Upon his request, the Chief Financial Officer shall have a right to have a hearing before the Board in closed session on the Board's determination of non-renewal.
2. **Renewal.** On or before March 1st of the contract year in which the Agreement expires, the Board and Chief Financial Officer may renew the employment upon such terms and conditions as they may mutually agree. In such event, the Board shall enter into a new contract of employment.
3. **Grounds for Termination.** This employment contract may be terminated by:
    a. Mutual agreement.

    b. Disability of the Chief Financial Officer. Should the Chief Financial Officer be unable to perform the duties and obligations of this Agreement, by reason of illness, accident or other cause beyond the Chief Financial Officer's control and such disability exists for a period of more than three (3) months after the exhaustion of accumulated sick leave days and vacation days during any school year, the Board, in its discretion, may make an appropriate deduction from the salary stipulated. If such disability continues for an additional three (3) months, or if such disability is permanent, irreparable or of such nature as to make the performance of the Chief Financial Officer's duties impossible, the Board, at its potion, may terminate this Agreement, whereupon the respective duties, rights and obligations of the parties shall terminate. Prior to termination for disability, the Chief Financial Officer may request a hearing before the Board.

    c. Discharge for Cause. The Chief Financial Officer shall be subject to discharge for just cause. Notice of discharge for just cause shall be given in writing and the Chief Financial Officer shall be entitled to appear before the Board to discuss such causes. If the Chief Financial Officer chooses to be accompanied by legal counsel at such meeting, he shall bear any costs therein involved. Such meeting shall be conducted in closed, executive session.

    d. In the event Chief Financial Officer resigns from his position with an effective date prior to the final day of this Agreement, it would cause the Board inconvenience, expense and damages that are of a nature which are difficult for the parties to quantify. Thus, the Board and Chief Financial Officer therefore agree that, in the event Chief Financial Officer resigns from his position with the Board during the term of this Contract without prior mutual agreement of the parties, Chief Financial Officer shall pay to the Board, as liquidated damages and not as penalty, 30% of the total salary amount remaining in the year the Chief Financial Officer resigns. Chief Financial Officer hereby authorizes the Board to deduct such liquidated damages from his remaining paychecks, up to the maximum amount allowed by law. Chief Financial Officer agrees to pay any remaining liquidated damages to the Board within thirty (30) days of the effective date of their resignation.

e. Unilateral Termination. The Board, in its sole discretion, and by a minimum of sixty (60) days' notice to the Chief Financial Officer, shall have the right to terminate this contract for any reason at any time during the period of this Agreement. If the Board exercises its right to terminate this Agreement at any time, the district shall pay the Chief Financial Officer a severance payment equal to eighteen (18) months of the base salary as calculated by dividing the base salary for the contract year in which the unilateral termination is invoked by twelve and multiplying it by 18. This severance payment shall be paid within thirty (30) days after the date upon which the Chief Financial Officer receives his last paycheck of regular earnings. In the event of a termination pursuant to this paragraph, the Chief Financial Officer agrees that the payment required by this paragraph shall be in consideration of the full and complete settlement, satisfaction and release of all claims the Superintendent may make against the Board, including, but not limited to any claims for breach of contract, any claim to continued employment with the District in any capacity, any claimed breach of any tort duty or common law and any claims founded upon any claimed violation of any State or Federal statute, Constitution, law or other regulation. As further consideration for the payment required by this paragraph, the Chief Financial Officer agrees not to pursue any further claim against the Board, its officers, employees and assigns in law, equity or any administrative tribunal, except for such cause of action to enforce this subparagraph of the Agreement. The District and the Chief Financial Officer agree that any payment due because the Board of Education exercised its option to terminate this contract at any time shall be a severance payment that is not intended to be considered as being credible earnings by the Illinois Municipal Retirement Fund.

In addition to the severance payment received in the event of termination pursuant to Article E(S)(e), Chief Financial Officer and any other individuals properly covered under Chief Financial Officer's insurance pursuant to Article C(S)(a) and (b) shall continue to receive said coverage in accordance with the terms of this Agreement for a period of up to eighteen (18) months from the date of Chief Financial Officer's termination unless the Chief Financial Officer is employed in a position which provides insurance coverage similar to that provided in Article C(S)(a) and (b) of this Agreement.

f. Death

g. Morals Clause. The Agreement may also be terminated without need to proceed under Article E(4)(b) in the event of Chief Financial Officer being convicted or having entered no contest plea to any crime or offense involving moral turpitude that may touch upon Chief Financial Officer's employment with the district; Chief Financial Officer's intentional dishonesty with the Board and/or District; or acts of moral depravity; or sexual misconduct; or conviction of a felony or employment or drug-related misdemeanor; or intoxication or being under the influence if a psychoactive substance when performing duties under this contract, when students are present, when attending scheduled public events of appearances, or during media contacts related to the District.

F. EVALUATION AND PERFORMANCE AND IMPROVEMENT GOALS

1. **Evaluation.** The Board and Chief Financial Officer agree that periodically the Chief Financial Officer shall meet with the Superintendent to mutually discuss and evaluate their working relationship, report and understanding, as well as any established goals. By February 1st of each year of the Agreement, the Chief Financial Officer's performance shall be appraised by the Superintendent and a written evaluation of that performance be given to the Chief Financial Officer and shared with the Board. The Chief Financial Officer's progress toward and attainment of the performance goals set forth in paragraph F.2 of this Agreement shall also be assessed. After such evaluation, the parties may schedule a meeting to review the evaluation and determine, if necessary, the terms and conditions of the continued future employment of the Superintendent.

2. **Goals.** Annually, the Chief Financial Officer with the assistance of the administrative team, shall be measured on successfully meeting District Goals, including but not limited to running an efficient business operation, and completion or adequate progress towards yearly goals as listed in (A) (I) above and in Exhibit "A".

G. TECHNICAL CLAUSES

1. **Notice.** Any notice required to be given under this Agreement shall be deemed sufficient if in writing and sent by certified or registered mail to the address of record for Chief Financial Officer or President of the Board, as the case may be.
2. **Savings Clause.** If any portion of this Agreement is deemed illegal due to conflict with State or Federal law, the remainder of the contract shall remain in full force and effect; further, this contract does not constitute any obligation either written or implied for re-employment beyond the term set forth herein.
3. **Applicable Law.** This Agreement has been executed in the State of Illinois and shall be governed in accordance with the laws of the State of Illinois in every respect.
4. **Headings and Numbers.** Paragraph numbers and headings have been inserted for convenience of reference only, and if there shall be any conflict between such headings or numbers and the text of this Agreement, the text shall control.
5. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be considered an original, and all of which taken together shall be considered one and the same instrument.
6. **Advice of Counsel.** Both parties have had opportunity to seek advice from counsel.
7. **Entire Agreement.** This Agreement contains all the terms agreed upon by the parties with respect to the subject matter of this Agreement and supersedes all prior agreements, arrangements, and communications between the parties concerning such subject matter whether oral or written. Except as may otherwise be provided herein, no subsequent alterations, change or addition to this contract shall be binding upon the parties unless reduced in writing and agreed to by the parties.

IN **WITNESS WHEREOF,** the parties have executed this Agreement this 12th day of August, 2026.

CHIEF FINANCIAL OFFICER

Nicholas Valderas

BOARD OF EDUCATION OF
J. STERLING MORTON HIGH SCHOOL
DISTRICT 201, Cook County, Illinois

Board President

ATTEST:

Board Secretary