

**EMPLOYMENT AGREEMENT
BY AND BETWEEN
THE BETHLEHEM CENTRAL SCHOOL DISTRICT
AND
JUDITH KEHOE**

This Agreement made this 7 day of January, 2009, by and between the **BETHLEHEM CENTRAL SCHOOL DISTRICT**, hereinafter referred to as the "District" and

JUDITH KEHOE, presently residing at, [REDACTED] hereinafter referred to as "the Chief Business and Financial Officer".

WHEREAS, the Board of Education of the District (hereinafter referred to as the "Board"), at its meeting of January 7, 2009 appointed Ms. Kehoe as the Chief Business and Financial Officer of the District and wishes to employ her in such capacity; and

WHEREAS, Ms. Kehoe has accepted such appointment and employment as the Chief Business and Financial Officer; and

WHEREAS, the parties wish to enter into a written agreement relative to the terms and conditions of such employment and appointment.

THEREFORE, in consideration of the foregoing premises and of the agreements hereinafter set forth, and other good and valuable consideration, the parties agree as follows:

**ARTICLE I
WORK YEAR AND TERM OF EMPLOYMENT**

- A. The Chief Business and Financial Officer shall work a twelve (12) month work year.
- B. Subject to the provisions for termination as hereinafter provided, the term of this Agreement shall be two and one-half (2 1/2) years, effective on January 7, 2009 and shall terminate on June 30, 2011.

**ARTICLE II
CERTIFICATION, DUTIES AND RESPONSIBILITIES OF
CHIEF BUSINESS AND FINANCIAL OFFICER**

- A. Judith Kehoe shall hold and maintain all civil service certifications required by the New York State Education Department and/or the New York State or Albany County Civil Service Department. It is understood that continued employment as the Chief Business and Financial Officer is subject to all rules and regulations of those agencies, including but not limited to being reachable on any appropriate Civil Service testing list.

B. The duties and responsibilities of the Chief Business and Financial Officer shall be those duties and responsibilities prescribed by the Education Law, the Civil Service Law, other applicable statutes, laws, rules and/or regulations, and those duties and/or responsibilities established by the Board pursuant to such statutes, laws, rules and regulation and those duties and/or responsibilities delegated to Chief Business and Financial Officer by the Superintendent of Schools.

C. During the term of this Agreement, the Chief Business and Financial Officer shall faithfully, diligently and in accordance with accepted professional standards perform and discharge the duties and responsibilities of Chief Business and Financial Officer of the District as the same are set forth in Education Law and other applicable statutes, laws, rules and/or regulations, those duties and/or responsibilities established by the Board pursuant to such statutes, laws, rules and regulation and those duties and/or responsibilities delegated to Chief Business and Financial Officer by the Superintendent of Schools.

D. During the term of this Agreement, the Chief Business and Financial Officer shall devote her full time, skills, labor and attention to the performance and discharge of her various assigned and prescribed duties and/or responsibilities, provided, however, that upon the express written consent of the Superintendent, the Chief Business and Financial Officer may, on occasion, undertake consultation work, speaking engagements, and/or professionally related work provided that any such activity is performed at no expense to the District and does not materially affect the performance and/or discharge of the Chief Business and Financial Officer's duties and/or responsibilities under this Agreement.

ARTICLE IV COMPENSATION

A. The Chief Business and Financial Officer shall be paid as follows:

- (i) \$ 110,000 for the 2008-2009 school year, pro-rated for time worked.
- (ii) In addition to the above salary, the Chief Business and Financial Officer annual income for a particular year during the term hereof may be increased in accordance with an annual goal setting process designed to provide an opportunity for the employee and the Superintendent to mutually develop a planned professional growth program with a targeted outcome. If, in the sole judgment of the Superintendent, the targeted growth has been accomplished within the particular year involved, the employee shall receive an additional amount of compensation not to exceed Seven Hundred Fifty and no/100 Dollars (\$750.00) which amount shall not be deemed to be included in the Chief Business and Financial Officer's base salary for any purpose.
- (iii) For future school years, the exact salary shall be determined by negotiations between the Board and the Chief Business and Financial

Officer based upon Superintendent's evaluation of the Chief Business and Financial Officer's performance during the prior school year and recommendation to the Board of Education.

- (iv) In no event shall the Chief Business and Financial Officer's salary for any school year be less than the amount of salary received in the prior school year.
- B. The aforesaid compensation shall be paid in equal installments in accordance with the policy of the District governing payment of other professional employees.
- C. Deductions from the salary of the Chief Business and Financial Officer will be made as authorized by the Chief Business and Financial Officer or as required by law.

ARTICLE V BENEFITS

- A. Sick Leave:
 - (i) Personal Sick Leave: The Chief Business and Financial Officer will receive sixteen (16) sick leave days annually, which may be accumulated from year to year, if unused.
 - (ii) Family Sick Leave: In addition to the personal sick leave, the Chief Business and Financial Officer shall be entitled to six (6) days per year for illness in the immediate family which days shall not be cumulative. "Immediate family" for purposes hereof, shall include the Chief Business and Financial Officer's spouse, father, mother, father-in-law, mother-in-law, son, daughter, son-in-law, daughter-in-law, brother, sister, brother-in-law, sister-in-law, grandfather, grandmother, grandfather-in-law, grandmother-in-law, grandchild or any other relative, by marriage or otherwise, living as a member of her household.
- B. Bereavement Leave: The Chief Business and Financial Officer shall be entitled to five (5) days of paid leave due to a death in her immediate family. "Immediate family" is defined in A(ii) above.
- C. Personal Leave:
 - (i) The Chief Business and Financial Officer shall be entitled to three (3) days of paid personal leave per school year. Whenever possible, the Chief Business and Financial Officer shall notify the Superintendent at least five (5) days prior to the dates of her personal leave.

(ii) Unused personal leave days shall be added to the Chief Business and Financial Officer's accumulated sick leave days pursuant to paragraph A(i) of this Article.

D. Vacation Leave: The Chief Business and Financial Officer shall receive twenty (20) days of vacation annually, exclusive of the District published holiday schedule. All vacation must be taken within the fiscal year during which it is earned or within three (3) months thereafter. At the time of retirement, the Chief Business and Financial Officer may cash in up to (10) days of unused vacation leave at her then current daily rate of pay (1/260th).

E. Holidays: The Chief Business and Financial Officer shall be entitled to paid holiday leave on the following days, provided that school is not in session.

Independence Day (July 4 th)	New Year's Day (2 days)
Labor Day	Martin Luther King Day
Columbus Day	Presidents' Day
Veterans' Day	Good Friday
Thanksgiving Day and the day after	Memorial Day
Christmas Day and either the day before or the day after	

F. Health, Dental and Prescriptive Drug Insurance Plans: The Chief Business and Financial Officer shall be eligible to participate in any health insurance, dental insurance and prescriptive drug plan (except as otherwise provided herein) currently available pursuant to any group coverage offered through the District.

Chief Business and Financial Officers may participate in either Par Plus, Secure Blue Preferred or the Capital District Physicians Health Plan. Effective July 1, 2008, the District's contribution for two persons, families or domestic partners shall be 80%. Any indemnity or out of network benefit plan made available through the District will include a \$250/500 annual deductible with an out-of-pocket limit of \$2,500.00 per individual and \$5,000.00 per family, per year.

The District agrees to contribute the sum of One Hundred Eighty and no/100 Dollars (\$180.00) per year toward the premium for individual dental coverage for Chief Business and Financial Officer or Three Hundred Forty and no/100 Dollars (\$340.00) for family dental coverage should Chief Business and Financial Officer elect to procure same; provided however, that in no event shall the amount contributed by the District for such coverage exceed the amount required to be contributed by said Chief Business and Financial Officer.

G. Retirement Benefits: If, after ten (10) years of service as the Chief Business and Financial Officer in the District, Ms. Kehoe shall retire from active service in the District under the New York State Employees' Retirement System, she shall be entitled to the following benefits:

1. Health Insurance: The cost of the applicable coverage's set forth above, shall continue to be borne by the District at the percentage level in effect at the time immediately prior to such retirement, for the duration of the life of said Chief Business and Financial Officer
2. Employer Non-Elective Contribution to 403(b) Plan

- a. No Cash Option: The employee may not receive cash in lieu of or as an alternative to any of the Employer's Non-elective Contribution(s).

- b. Employer Non-Elective Contribution: The Employer agrees to make an Employer Non-Elective Contribution to the 403(b) account for an eligible employee calculated as follows:

A benefit equal to \$65 for each accumulated sick day, provided, however, that in no event shall such benefit exceed \$25,000.

- c. Contribution Limitations: In any applicable year, the maximum Employer Contribution shall not cause an employee's 403(b) account to exceed the applicable contribution limit under Section 415(c)(1) of the Code, as adjusted for cost-of-living increases. In the event that the calculation of the Employer Non-elective Contribution referenced in the preceding paragraph exceeds the applicable Contribution Limit, the Employer shall first make an Employer Non-elective Contribution up to the Contribution Limit of the Internal Revenue Code and then pay any excess amount as compensation directly to the Employee. In no instance shall the Employee have any rights to, including the ability to receive, any excess amount as compensation unless and until the Contribution Limit of the Internal Revenue Code are fully met through payment of the Employer's Non-Elective Contribution.

- d. 403(b) Accounts: Employer contributions shall be deposited into the 403(b) account selected by employee to receive Employer contributions, provided such account will accept Employer Non-elective Contributions. If the employee does not designate a 403(b) account to receive Employer's contributions, or if the account designated will not accept Employer's Non-elective Contributions for any reason, then Employer shall deposit contributions, in the name of the employee, into the endorsed 403(b) program.

- e. This contribution program shall be subject to IRS regulations and rulings. Should any portion be declared contrary to law, then such portion shall not be deemed valid and subsisting, but all other portions shall continue in full force and effect. As to those portions declared contrary to law, the Employee and Employer shall promptly meet and alter those portions in order to provide the same or similar benefit(s) which conform, as close as possible, to the original intent of the parties.
- f. This contribution program shall further be subject to the approval of the 403(b) Provider, which shall review the plan solely as a matter of form and as the provider of investment products designed to meet the requirements of Section 403(b) of the Internal Revenue Code. Upon request, the 403(b) Provider shall provide the Employer with a standard hold harmless agreement as the provider of 403(b) accounts for receipt of Employer Non-elective Contributions.

Payment shall be made on the first payday following the effective date of retirement. If the District elects to implement any New York State provided early retirement incentive plan, the Employee may select either the State incentive or the accumulated sick leave benefits provided for herein.

- H. Life Insurance: The District shall pay the annual cost of a whole life insurance policy upon the life of the Chief Business and Financial Officer in the face amount of One Hundred Thousand (\$100,000.00) Dollars.
- I. Mileage Reimbursement: The District shall reimburse the Chief Business and Financial Officer for mileage at the IRS rates when she is required to use her personal car in the performance of her official duties as Chief Business and Financial Officer.
- J. Flex Plan: The Chief Business and Financial Officer shall be able to participate in the district-provided cafeteria flex plan under IRC 125.
- K. Medical Examination: The District may, at its expense, require a medical examination, including a psychiatric examination, of the Chief Business and Financial Officer at any time it deems appropriate and the Chief Business and Financial Officer covenants and agrees that in such event she will cooperate in all respects in such examination and authorize the release of all medical or psychiatric findings and reports including test results, to the District.

**ARTICLE VI
PROFESSIONAL LIABILITY:**

The District agrees that it will, to the extent allowed by law, defend, hold harmless and indemnify the Chief Business and Financial Officer from any and all demands, claims, suits, actions or legal proceedings including administrative proceedings brought against her in her individual or official capacity with the District, provided the incident arose while the Chief Business and Financial Officer was acting within the scope of her employment, provided however that nothing contained herein shall be construed as rendering the individual members of the Board of Education personally liable to the Chief Business and Financial Officer for such indemnification or other obligations. The District shall have the right to select the legal counsel to be retained to represent her, provided however that such provision shall not apply where such legal counsel is provided pursuant to insurance coverage unless coverage expressly allows selection or approval.

**ARTICLE VII
EVALUATION**

The Superintendent of Schools, utilizing to the extent possible, a format mutually acceptable to the parties, shall meet with, evaluate and assess in writing the performance of the Chief Business and Financial Officer at least once during each school year, provided however that such evaluation and assessment shall in no event be later than the 30th day of June of the then current school year. In the event the Superintendent determines the performance of the Chief Business and Financial Officer to be unsatisfactory in any respect, he/she shall describe same in reasonable detail in writing, offer suggestions for improvement, and provide a copy of same to her. The Chief Business and Financial Officer shall have the right to respond to same in writing, and if either party so requests, a meeting to discuss said evaluation report and response. All such reports and responses shall become a permanent part of her personnel file.

**ARTICLE VIII
DISCIPLINE & TERMINATION**

- A. This Agreement may be terminated at any time, without cause by mutual agreement, in writing, between the Chief Business and Financial Officer and the Board or by the Chief Business and Financial Officer's written resignation on thirty (30) days notice to the Superintendent.

- B. During probation, the Chief Business and Financial Officer may be disciplined or terminated by the District on reasonable notice to her. Once permanent, the Chief Business and Financial Officer may be disciplined or have her employment terminated pursuant to Civil Service Law section 75 as specified therein.

**ARTICLE IX
DISABILITY**

The Board reserves the right, during the Chief Business and Financial Officer's term, in the event of her absence, illness, injury or other disability, to appoint an Acting Chief Business and Financial Officer of Schools who shall temporarily perform the duties of Chief Business and Financial Officer at the pleasure of the Board. In the event of such illness, injury or disability, the Chief Business and Financial Officer shall cause her physician(s) to make a written report to the Superintendent of her condition, and shall, at the District's expense, submit to an examination by the District's physician(s) designated for that purpose, at such reasonable time or times as the Superintendent shall request.

**ARTICLE X
MISCELLANEOUS**

- A. The validity of enforceability of any particular provision of this Agreement shall not affect its other provisions and this Agreement shall be construed in all respects as if such invalid or unenforceable provision has been omitted.
- B. This Agreement shall be construed and enforced in accordance with the laws of the State of New York.
- C. The failure of either party at any time to require the performance by the other of any of the terms, provisions or agreement hereof shall in no way affect the right thereafter to enforce same and shall not constitute the waiver of either party hereto of any breach of any of the terms, provisions or agreement or be construed as a waiver of any succeeding breach.
- D. The original of this Agreement shall be filed with the Clerk of the Board of Education.
- E. This Agreement constitutes the entire contract between the parties and contains all the agreements between them with respect to the subject matter hereof. There are no other Agreements between the parties either express or implied.

IN WITNESS WHEREOF, the parties have caused this Agreement to be subscribed on the day and year first above written

BETHLEHEM CENTRAL SCHOOL DISTRICT

By: _____
James Lytle, President

SUPERINTENDENT OF SCHOOLS

Dr. Michael Tebbanno

CHIEF BUSINESS AND FINANCIAL OFFICER

Judith Kehoe

AMENDMENT TO EMPLOYMENT AGREEMENT
by and between
THE BETHLEHEM CENTRAL SCHOOL DISTRICT
and
JUDITH KEHOE

THIS AMENDMENT TO EMPLOYMENT AGREEMENT (this "Amendment"), made as of this 20th day of January, 2010 by and between the BETHLEHEM CENTRAL SCHOOL DISTRICT (the "District") and JUDITH KEHOE (the "Employee").

WITNESSETH:

WHEREAS, the District and the Employee entered into an Employment Agreement, dated as of January 7, 2009 (the "Agreement"), which sets forth the terms and conditions of the Employee's employment in the position of Chief Business and Financial Officer; and

WHEREAS, the District and the Employee desire to modify certain terms and conditions of the Agreement for the 2010-2011 school year.

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

1. This Amendment shall be effective as of July 1, 2010.
2. This Amendment amends the Agreement by revising Article IV, Section A.(i) to state as follows:

Effective July, 1, 2010, the Chief Business and Financial Officer shall receive an annual salary of One Hundred Sixteen Thousand, Six Hundred Fifty-Five Dollars and 00/100 (\$116,655.00).

3. This Amendment amends the Agreement by deleting Section A.(ii) of Article IV, a \$750.00 professional growth program allowance.
4. This Amendment amends the Agreement by revising the second paragraph of Article V, Section F. to read:

The Chief Business and Financial Officer may participate in either Par Plus, Secure Blue Preferred or the Capital District Physicians Health Plan. Effective July 1, 2008, the District's contribution for two persons, families or domestic partners shall be 80%. Any indemnity or out of network benefit plan made available through the District will include a \$250/500 annual deductible with an out-of-pocket limit of \$2,500.00 per individual and \$5,000.00 per family, per year. Effective July 1, 2010, if a \$25 co-pay option for office visits or such other services becomes available under the District health plan in which the Chief Business and Financial Officer

participates, then such \$25 co-pay shall apply to the Chief Business and Financial Officer.

5. Except as expressly modified in this Amendment, the District and the Employee hereby ratify and affirm the terms, provisions, covenants, conditions, rights, and obligations set forth in the Agreement.

IN WITNESS WHEREOF, the parties have executed this Amendment on the date set forth above.

The Bethlehem Central School District

Judith Kehoe

By: _____
James E. Dering
President of the Board of Education

AMENDMENT TO EMPLOYMENT AGREEMENT
by and between
THE BETHLEHEM CENTRAL SCHOOL DISTRICT
and
JUDITH E. KEHOE

THIS AMENDMENT TO EMPLOYMENT AGREEMENT (this "Amendment"), made as of this 27 day of April, 2011 by and between the BETHLEHEM CENTRAL SCHOOL DISTRICT (the "District") and JUDITH E. KEHOE (the "Employee").

WITNESSETH:

WHEREAS, the District and the Employee entered into an Employment Agreement, dated as of January 7, 2009 and amended such Agreement on January 20, 2010 (the "Agreement"), which sets forth the terms and conditions of the Employee's employment in the position of Chief Business and Financial Officer; and

WHEREAS, the District and the Employee desire to modify certain terms and conditions of the Agreement for the 2011-2012 school year.

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

1. This Amendment shall be effective as of July 1, 2011.
2. This Amendment amends the Agreement by revising Article V, Section D, Vacation Leave, to state as follows:

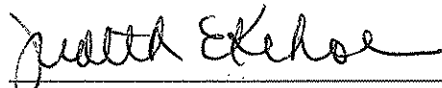
Effective July 1, 2011, the Chief Business and Financial Officer shall receive twenty-five (25) days of vacation annually, exclusive of the District published holiday schedule. All vacation must be taken within the fiscal year during which it is earned or within three (3) months thereafter. At the time of retirement, the Chief Business and Financial Officer may cash in up to ten (10) days of unused vacation leave at her then current daily rate of pay (1/260th).

3. Except as expressly modified in this Amendment, the District and the Employee hereby ratify and affirm the terms, provisions, covenants, conditions, rights, and obligations set forth in the Agreement.

{signatures appear on the next page}

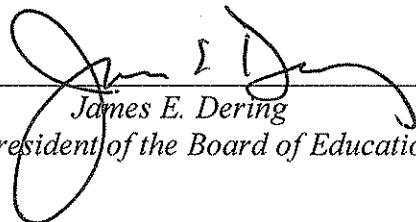
IN WITNESS WHEREOF, the parties have executed this Amendment on the date set forth above.

The Bethlehem Central School District



Judith E. Kehoe

By:



James E. Dering
President of the Board of Education