

COPY

**AMENDMENT AND CERTIFICATION TO
EMPLOYMENT AGREEMENT EFFECTIVE JULY 1, 2012
AS AMENDED BY AGREEMENT EFFECTIVE JULY 1, 2013**

**between
DR. STEVEN L. WALTZ
and
THE PRINCE WILLIAM COUNTY SCHOOL BOARD**

This is to certify that the agreements made and entered into effective July 1, 2012, as amended by amendment and certification effective July 1, 2013 (collectively hereinafter referred to as the “**EMPLOYMENT AGREEMENT**”), by and between the Prince William County School Board (hereinafter referred to as the “School Board”) and Dr. Steven L. Waltz (hereinafter referred to as the “Division Superintendent”), were amended by action of the School Board at a public meeting held on May 28, 2014, in the Kelly Leadership Center, Manassas, Virginia as reflected in the minutes of that meeting attached hereto. The Division Superintendent consents to the amendments below as evidenced by his signature hereto; and

WHEREAS, in order to recognize the contributions of the Division Superintendent to the Prince William County Schools (hereinafter referred to as the “District”) to date, and in order to further enhance administrative stability and continuity within the District, it is the decision of the School Board to amend the EMPLOYMENT AGREEMENT;

NOW THEREFORE, the School Board and the Division Superintendent, for the consideration herein specified, and as authorized by the vote of the School Board made in public session on May 28, 2014, hereby agree that the EMPLOYMENT AGREEMENT is amended effective July 1, 2014, as follows:

I. Section I, Employment and Term, of the EMPLOYMENT AGREEMENT is deleted and replaced with the following italicized paragraphs:

I. EMPLOYMENT AND TERM

The School Board agrees to employ the Division Superintendent and the Division Superintendent agrees to accept such employment, subject to the terms and conditions contained herein, for a term commencing July 1, 2014 and ending June 30, 2018.

The Board may, by specific action and with the consent of the Division Superintendent, extend the termination date of this Agreement to the full extent permitted by the laws of the Commonwealth of Virginia.

II. Paragraph A. of Section IV, Compensation, of the EMPLOYMENT AGREEMENT is deleted and replaced with the following italicized Paragraph A. of Section IV, Compensation:

IV. COMPENSATION

A. SALARY.

The School Board shall pay the Division Superintendent an annual salary of \$287,153.00 (Two Hundred Eighty-Seven Thousand and One Hundred Fifty-Three Dollars), payable on a semi-monthly basis, commencing July 1, 2014, and continuing thereafter during the term of this Agreement, unless in accordance with this paragraph, the annual salary is later increased. This salary increase is the same percentage increase approved for all Division employees for 2014-15. The annual salary of the Division Superintendent may be adjusted or increased by Amendment for any subsequent fiscal year during the term of this Agreement, but in no event shall the Division Superintendent be paid less than \$287,153.00. Any such adjustment or increase in salary made during the life of this Agreement shall be set by the School Board after the Division Superintendent's annual performance evaluation and shall be in the form of an Amendment and become part and parcel of this Agreement, but it shall not be deemed that the School Board and Division Superintendent have entered into a new Agreement, nor that that termination date of the existing Agreement has been extended, unless expressly provided by subsequent Amendment or new Agreement.

III. Paragraphs B. (1) and (2) of Section IV, Compensation, of the EMPLOYMENT AGREEMENT are deleted and replaced with the following italicized Paragraphs B. (1) and (2) of Section IV, Compensation:

IV. COMPENSATION

B. PURCHASE AND CONTRIBUTIONS TO RETIREMENT SERVICE.

(1) In addition to all purchases of retirement service and all contributions to the Virginia Retirement System made by the School Board to date on behalf of the Division Superintendent, and in addition to all amounts contributed by the School Board to date on behalf of the Division Superintendent to any supplemental retirement accounts including, but not limited to, any 403 (b), 415 (c) or 457 (b) accounts, the School Board agrees to make future annual employer discretionary contributions to the Division Superintendent's qualified supplemental retirement accounts over the course of the term of this Agreement, commencing July 1, 2014 and ending June 30, 2018, providing that the Division Superintendent is in the employ of the School Board at the time each payment is due, and as set forth herein.

For each fiscal year that the Division Superintendent remains in the employ of the School Board under this Agreement, the School Board agrees to contribute to the Division Superintendent's qualified supplemental retirement account(s), one-hundred percent (100 %) of the maximum amounts permitted as of January 1 of each fiscal year under Sections 403(b), 415(c) and 457(b) of the Internal Revenue Code.

To the extent permitted by law, all such contributions shall be made as regular semi-monthly payroll deductions, and the School Board shall supplement the Division Superintendent's salary in the amount of each semi-monthly contribution in order that such contribution shall be made as a payroll deduction. For any fiscal year in which any portion of such contribution cannot be disbursed as payroll deduction(s), the School Board shall pay the

remaining portion in one lump sum contribution during the first business week of January of that fiscal year. The Division Superintendent may direct the payment of such supplemental retirement contributions to the accounts of his choice; however, all such contributions shall be made through payroll deductions to the extent permitted by law.

(2) In the event that on or after July 1, 2014 and prior to June 30, 2018, the Division Superintendent terminates his employment, is terminated for sufficient cause or for disability by the School Board, or the Division Superintendent's employment is terminated by mutual agreement, the Division Superintendent agrees to reimburse the District for the total cost of any amounts contributed in lump sum amounts under Section IV, Compensation, Subsection B, paragraph 1 of this Agreement to any supplemental retirement account(s) on behalf of the Division Superintendent from July 1, 2014 through the date of termination of this Agreement, prorated for the balance of the unfulfilled days of the term of this Agreement. Such reimbursement shall be an amount equal to the total cost of all lump sum contributions made to any supplemental retirement account from July 1, 2014 through the date of termination, multiplied by a fraction, the numerator of which shall be the number of calendar days remaining between the date of termination and June 30, 2018, and the denominator of which fraction shall be the total number of calendar days between July 1, 2014 and June 30, 2018.

All remaining terms and conditions of Paragraph B. of Section IV, Compensation, remain in full force and effect.

IV. Paragraph D. of Section IV, Compensation, of the EMPLOYMENT AGREEMENT is deleted and replaced with the following italicized Paragraph D. of Section IV, Compensation:

IV. COMPENSATION

D. SUPPLEMENTAL BENEFIT.

As a Supplemental Benefit, the School Board agrees effective July 1, 2014, to pay the Division Superintendent up to the amount of \$28,245.00 (Twenty-Eight Thousand, Two Hundred and Forty-Five Dollars) annually for expenses not otherwise provided for in the Agreement, or in addition to those provided for in the Agreement, and incurred by the Division Superintendent during the term of the Agreement for any of the following:

Health care and health maintenance reimbursement

Prescription drugs and health care expenses

Insurance for the Division Superintendent and/or dependents, including, but not limited to, whole life insurance, term life insurance, split life insurance, disability insurance, or mortgage insurance

IRS tax-sheltered plans, such as 403 (b), 415 (c) or 457 (b) plans, for example

Dependent care, including educational expenses, and the securement thereof

Home security

College savings plans

Medical expenses

Dental expenses

Vision care expenses

Expenses associated with the operation of the Division Superintendent's automobile

In those years that District employees are granted a step and/or COLA increase in their salaries, the Division Superintendent's annual supplemental benefit payment shall be increased by the average employee's rate of increase, effective July 1st of every year that the Division Superintendent remains in the employ of the School Board under this Agreement.

V. Paragraph A. (2) of Section V, Benefits, of the EMPLOYMENT AGREEMENT is deleted and replaced with the following italicized Paragraph A. (2) of Section V, Benefits:

V. BENEFITS

A. GENERAL ADMINISTRATIVE BENEFITS.

(2) In addition to any annual leave accrued by the Division Superintendent under Regulation 542.01-1, Annual Leave, the Division Superintendent shall continue to earn two days of additional annual leave for each fiscal year served during the term of this Agreement, with the accrual date of such additional annual leave commencing July 1 of each fiscal year. At any time that this Agreement remains in effect, the Division Superintendent, if still in the service of the District, may convert up to an annual total of twenty-one (21) days of accrued annual leave to a cash-payout at the rate of 100 % of the Division Superintendent's per diem or hourly rate as of June 30th of the fiscal year during which the payout is made. In addition to any sick leave accrued by the Division Superintendent under Regulation 542.02-1, Sick Leave, the Division Superintendent shall continue to earn one day of additional sick leave for each fiscal year served during the term of this Agreement, with the accrual date of such additional sick leave commencing July 1 of each fiscal year.

All remaining terms and conditions of Paragraph A of Section V, Benefits, remain in full force and effect.

VI. Paragraph B of Section V, Benefits, of the EMPLOYMENT AGREEMENT is deleted and replaced with the following italicized Paragraphs B of Section V, Benefits:

V. BENEFITS

B. LIFE INSURANCE

In addition to the basic life insurance provided by the District to all employees, the School Board shall purchase, through the Virginia Retirement System, optional term life insurance for the Division Superintendent, up to the \$750,000 limit of coverage, and optional term life insurance for the Division Superintendent's spouse and children in the maximum limits available under that insurance plan.

VII. Section VIII. Renewal of Agreement is deleted and replaced with the following italicized Section VIII. Renewal of Agreement:

VII. RENEWAL OF AGREEMENT

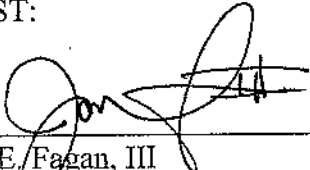
This Agreement may be renewed by the School Board and the Division Superintendent by mutual agreement in writing. On or before September 30, 2017, the Division Superintendent shall notify the School Board in writing of his intent with respect to the renewal of this Agreement and the term of any requested renewal. The School Board shall give notice to the Division Superintendent in writing on or before October 30, 2017, of its proposed intention to renew or to not renew this Agreement. Such communications shall be treated confidentially and shall be held in closed meeting, subject to the requirements of the Virginia Freedom of Information Act. Nothing contained herein shall prohibit a mutually agreed upon dissolution of this Agreement.

VIII. All other terms of the EMPLOYMENT AGREEMENT effective July 1, 2012, as amended effective July 1, 2013, remain unchanged and continue in full force and effect, as modified only by this Amendment and Certification.

IN WITNESS WHEREOF, the Prince William County School Board has caused five originals of this Amendment and Certification to be executed on its behalf by its Chairman in accordance with action by the School Board authorizing such execution on May 28, 2014, and the Division Superintendent has executed the five originals of this Agreement.

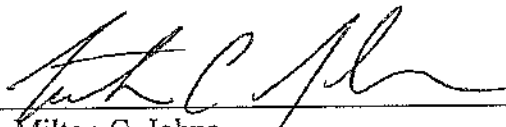
EXECUTED this 4th day of June, 2014.

ATTEST:



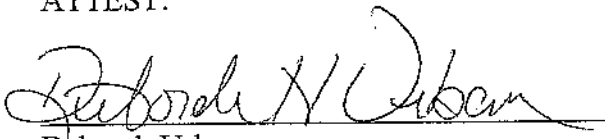
James E. Fagan, III
Division Counsel

Prince William County School Board

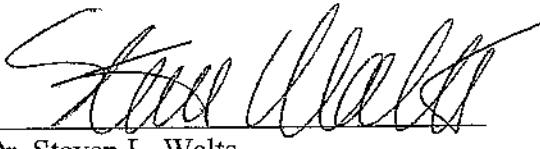
By: 

Milton C. Johns
Chairman-at-Large
Prince William County School Board

ATTEST:



Deborah Urban
Clerk to the School Board

By: 

Dr. Steven L. Walts
Division Superintendent

Attachment: Minutes of the May 28, 2014, Meeting of the Prince William County School Board