

PUBLIC ANNOUNCEMENT OF CLOSED SESSION BOARD ACTION DATE OF ACTION: FEBRUARY 6, 2021

The following statement was read in public session of the San Mateo County Community College District Board of Trustees on February 6, 2021:

"We are now reconvening into open session, and pursuant to California Government Code Section 54957.1, the following reportable action was taken in closed session this afternoon with all trustees present:

Pursuant to California Government Code Section 54957(a) (5), the Board, by a unanimous approval, voted to rescind and otherwise terminate its relationship with the Chancellor Emeritus."

BACKGROUND TO BOARD ACTION

In light of the significant number of questions from various sources as to the San Mateo County Community College Board of Trustees' recent action to terminate its relationship with former Chancellor Ron Galatolo as announced on February 6, 2021, and in light of the Board's obligation to respond to public inquiries, the following background information is provided based on the information currently known to the Board:

- The Board of the College District has been carefully monitoring the investigation of the San Mateo County District Attorney's Office.
- In the course of the District's cooperation with that investigation, various matters have come to light that do not appear to have been presented to the Board by former Chancellor Galatolo.

- These matters include the apparent use of public funds for retirement incentives, undisclosed personal relationships with vendors for the District, and undisclosed receipt of gifts from contractors who work for the District.
 These gifts appear to have included high-end travel, concert tickets and meals and do not appear to have been reported on a Form 700 as required by law.
 - Form 700 is a disclosure form required by the California Fair Political Practices Commission. The disclosure is intended to ensure that no official or public employee participates in government decisions where they have a personal interest, and to provide transparency to the public regarding gifts received by such persons.
- Separate from the Form 700 issues, the nature and/or extent of Mr.
 Galatolo's activities with vendors doing business with the District were not disclosed to the Board.
- Mr. Galatolo had numerous opportunities to report these matters to the Board but he failed to do so during his time as Chancellor.
- Over the last nearly 18 months, Mr. Galatolo has served as Chancellor Emeritus, a paid employee of the District. Again, during that time, Mr. Galatolo did not raise these matters to the Board.
- Prior to the Board's action, the Board asked Mr. Galatolo to provide it with any exculpatory information. Mr. Galatolo refused to provide substantive responses to the Board's inquiry. Mr. Galatolo asserted instead that he should not be required to "incur the burden and expense of answering such allegations," even though he was being fully compensated as an employee of the District at the time.



BACKGROUND RE BOARD ACTION (FEBRUARY 6, 2021) Page 3

- As fiduciaries to the District and in consideration of its responsibilities to the public, the Board has now severed its relationship with Mr. Galatolo.
- The Board expects all employees of the District to be held to high standards of professionalism and integrity and it took action in a manner consistent with those standards.
- In making its decision, the Board is acting as an employer and fiduciary to the District.
- Any inquiries regarding the District Attorney's ongoing investigation of Mr.
 Galatolo should be directed to the District Attorney's Office or Mr.
 Galatolo's counsel.







3401 CSM Drive, San Mateo, CA 94402 P: (650) 574-6550 F: (650) 574-6566 www.smccd.edu

February 6, 2021

Mr. Ron Galatolo

CONFIDENTIAL -DELIVERED VIA EMAIL
WITH FEDERAL EXPRESS
TO FOLLOW

Dear Ron,

The Board of Trustees has received and reviewed your response to our letter of January 29, 2021. We are not satisfied that the information you have offered is sufficiently exculpatory to avoid rescission of your August 12, 2019 First Amended Employment Agreement for Chancellor Emeritus (the "2019 Agreement"), in which you assumed the position of Chancellor Emeritus for the College District.

Not only did you fail to address the vast majority of the Board's concerns¹ but you objected to our very inquiry claiming that you should not "incur the burden and expense of answering such allegations." You were, however, asked those questions in your capacity as an employee of the District, and you are highly compensated for your time—indeed, you are the most highly compensated person employed at the District. Given your compensation level and the fact that you have not provided any services to the District for over eighteen (18) months, your objection is specious, a breach of your fiduciary duties and a showing of conscious disregard of your obligations to the Board.

The Board asked you, in good faith, to respond to its concerns on the merits in an effort to determine if the concerns were warranted or if further information should be considered. You have refused to respond in any genuine manner. Given this refusal, we continue to believe that you withheld material information during the course of the negotiations leading up to the College District's offering the Chancellor Emeritus position to you. Had the College District been aware of the information you withheld, it would not have entered into the 2019 Agreement.

Accordingly, this letter will serve as formal notice that, pursuant to Civil Code section 1691, the San Mateo County Community College District hereby rescinds the 2019 Agreement, effective immediately.

The rescission of the 2019 Agreement returns both you and the College District to our respective positions as of August 11, 2019. At that time, the terms and conditions of your employment with

¹ While you provided a partial response on one issue, this is but one example in our letter and your partial response fails to address the question of Board action. Moreover, you have failed to explain why this issue was not raised in connection with either your 2017 employment contract or the 2019 agreements at issue.

Mr. Ron Galatolo February 6, 2021 Page 2

the College District, and the procedures for termination thereof, were documented in your July 1, 2017 Employment Agreement as Chancellor (the "2017 Agreement," copy attached). The 2017 Agreement was subject to termination pursuant to any of the procedures set forth in Section 15 and its subparts. The Board of Trustees believes that, based on the information it now has about your misconduct and breaches of fiduciary duty in your role as Chancellor, it would have had grounds in August of 2019 to terminate your employment for Cause, as defined in Section 15(c) of the 2017 Agreement. The Board has now decided to terminate your employment under the 2017 Agreement for Cause. The Board will provide you with all rights to a hearing under the 2017 Agreement should you desire to so proceed.

As of February 12, 2021, the College District will have paid you a total of 18 months of salary and benefits since August 12, 2019. You have provided no services in return, and you have now refused merely to answer the Board's legitimate questions so that it can assess various matters that are fundamentally at odds with the underlying agreements and your ongoing employment. We believe that, under any scenario, no further compensation is owed to you. Your compensation will therefore end effective February 8, 2021. You will receive in due course the paperwork that you will need to continue your benefits pursuant to COBRA, and any other paperwork normally provided upon cessation of employment with the College District. Please be advised that the District reserves all rights to claw-back funds paid to you to date including funds paid under the 2019 Agreement as well as funds paid to an annuity.

Please know that we are disappointed and saddened by this turn of events and your blatant refusal to even respond to the substance of our concerns. Our decision has not been lightly made. We are proceeding in what we believe is in the best interests of the College District and of the public that we serve.

Sincerely,

Thomas A. Nuris

President of the Board of Trustees

cc: Vice President and Trustee Richard Holober

Trustee Maurice Goodman

Trustee Lisa Petrides

Trustee John Pimentel

Chancellor Michael Claire

Dianne Sweeney, Esq., & Marcia Pope, Esq., Pillsbury

Ed Swanson, Esq., & Mary McNamara, Esq., Swanson & McNamara





FIRST AMENDED EMPLOYMENT AGREEMENT FOR CHANCELLOR EMERITUS

This First Amendment to Employment Agreement (the "Agreement") is made and entered into on August 12, 2019 by and between the Board of Trustees of the San Mateo County Community College District (referred to as either the "District" or the "Board," as appropriate) and Ronald D. Galatolo (the "Employee"). The Parties mutually agree to the following:

- EMPLOYMENT. The Board employs the Employee as Chancellor Emeritus with compensation (the "Position") for the term beginning August 8, 2019 through and including March 31, 2022. Employee is an administrator as defined in the Education Code.
- 2. DUTIES. Employee's primary responsibility shall be the performance of duties as directed by the District's chancellor in the development and administration of the CSU Silicon Valley 2+2 Program and Initiative pilot project. In addition, and as reasonably and mutually agreed upon between Employee and the District's chancellor, Employee shall perform other appropriate duties. Employee shall perform his duties from a home office or other remote office. With approval of the District's chancellor, Employee shall be provided reasonable administrative assistance as needed. Employee shall devote his time, skills, labor and attention to performing in the Position.
- REPORTING RELATIONSHIP. Employee shall report directly and solely to the Chancellor of the District.
- 4. OUTSIDE EMPLOYMENT. The District grants Employee permission to teach, consult or conduct other non-District related business, provided the outside activities do not interfere with Employee's ability to perform his duties for the District.
- 5. SALARY. Employee shall be compensated in the amount of \$38,975.00 per month. Any general salary increase granted by the Board to management employees shall be applied to the monthly salary then in place. Although the Board reserves the right to increase the salary of this position from time to time, such increases shall not be interpreted as a new agreement or operate as an extension or renewal of this Agreement.
- 6. ALLOWANCES. In addition to the salary set forth above, Employee is entitled to the following allowances:

Reimbursement for Actual Approved Expenses. The District, upon approval by the District's chancellor, will reimburse Employee for actual and necessary expenses incurred by Employee in the performance of Employee's duties, including travel expenses, incurred outside the District and those incurred in attending conventions and conferences and in the performance of other duties for the District.

- 7. VACATION LEAVE. During the term of this Agreement, Employee shall accrue vacation at 18.75 hours/month for each full month of employment and use it in accordance with the terms and conditions as approved by the Board. Employee shall be entitled to any increase in this vacation allowance as may be granted from time to time to all other unrepresented managers by the Board. Said vacation may be taken only at times that are convenient to the operation of the District. The maximum vacation accumulation shall not exceed two times (2x) the annual vacation allowance then in place, which shall include any portion of unused vacation for the current year. Once Employee reaches the maximum amount, Employee will cease to accrue additional vacation hours until that balance falls below the maximum amount. However, if Employee is unable to take vacation days because the District has been unwilling to allow utilization of those days, and Employee's accumulation will exceed the maximum, Employee shall be paid for said days in cash. In addition, at Employee's option, Employee may receive twenty (20) days, or such higher amount as approved by the Board of Trustees, of vacation pay out in cash from earned and accumulated vacation leave each fiscal year.
- 8. SICK LEAVE. During the term of this Agreement, Employee shall accrue one (1) day of sick leave per month for each full month of employment and use it in accordance with the terms and conditions as approved by the Board. Upon termination of employment, unused sick leave will have no cash value to Employee, other than its use as potential service credit with the Public Employees Retirement System as may be allowed by law. Employee shall be entitled to any increase in this sick leave allowance as may be granted from time to time to all other unrepresented managers by the Board.
- 9. PAID HOLIDAYS AND OTHER LEAVES. Employee shall be entitled to all paid holidays granted by the District during the term of this Agreement to all other unrepresented management employees, and those other holidays which might be required by the California Education Code. Employee shall be entitled to such other leaves of absence granted by the Education Code, District Rules and Regulations, or offered from time to time to all other unrepresented managers by the Board.
- health and welfare benefits which presently include health, medical, dental, vision, and life insurance for which Employee is eligible, and shall have the premiums for such plans paid by the District up to the employer contribution limit set for all other unrepresented managers of the District. It is agreed and understood that these fringe benefits may be amended and modified or deleted in their entirety from time to time as determined by the Board. At the conclusion of employment with the District, Employee shall receive the same retiree health benefits as the District provides for managers who meet certain age and service requirements as set forth in Exhibit A (which is attached and by reference incorporated as a part of this agreement); provided, however that for purposes of defining eligibility for benefits and other terms of employment, and specifically as it pertains to Exhibit A, the Employee will be treated as if he had been employed by the District prior to January 1, 1987.



- 11. **RETIREMENT.** Employee acknowledges that the Position is covered by the Public Employee Retirement System, and that Employee will be required to participate in this program with the requisite employee contribution rate.
- BONDING. The District shall bear the full cost of any fidelity or other bonds required of Employee under any law or District Rule or Regulation.
- PERFORMANCE EVALUATIONS. Employee will be evaluated by the District's chancellor, in accordance with the District's Policy and Procedures for evaluation.
- 14. **RENEWAL.** This position is for the term as set forth in Section 1 above and is not eligible to be renewed or extended. The parties accordingly waive the provisions of Education Code section 72411.
- 15. TERMINATION OF CONTRACT. While the Employee serves in the Position at the pleasure of the District, this Agreement may only be terminated in accordance with the following:
 - <u>Mutual Consent.</u> Employee and the District may agree, in writing, to terminate this Agreement by mutual consent.
 - <u>b.</u> <u>Termination by Employee.</u> Employee may terminate Employee's obligations under this Agreement by providing no less than 60 days' written notice to the Board of Trustees.
 - <u>C.</u> Termination for Cause. This Agreement may be terminated for cause if Employee has materially breached the terms of this Agreement, has neglected to perform the duties under it, or committed an act specified in Education Code Section 87732. Prior to termination on this basis, Employee shall be entitled to a pre-disciplinary letter outlining the charges and evidence to support the dismissal. The matter shall be presented to Honorable Richard A. Kramer, Judge of the Superior Court (Ret.), under such procedures as Judge Kramer shall determine to be appropriate under the circumstances, who shall be the sole and exclusive trier of fact as to whether just cause exists for said termination. This opportunity to be heard shall be provided within thirty (30) school days after being served with the pre-disciplinary letter. The decision of Judge Kramer shall be final and binding on both Employee and the District. In the event of Judge Kramer's unavailability, the parties shall immediately confer to agree upon a suitable replacement.
 - <u>d.</u> <u>Termination without Cause.</u> Notwithstanding any other provision of this Agreement, the Board shall not be entitled to terminate this Agreement without cause.



SAN MATEO COUN'TY COMMUNITY COLLEGE DISTRICT

- 16. SEVERABILITY. If any provision of this Agreement is held to be contrary to law by a court of competent jurisdiction, such provision shall not be deemed valid and subsisting except to the extent permitted by law, but all other provisions shall continue to remain in full force and effect.
- 17. WAIVER. The failure or neglect of either party to exercise any right hereunder or under law, shall not constitute a waiver of any other rights or privileges hereunder.
- 18. MODIFICATION. This Agreement cannot be changed or supplemented orally. It may be modified or superseded by mutual, written agreement, executed by both the parties.
- 19. APPLICABLE LAW, RULES AND REGULATIONS. This contract is subject to all applicable laws of the State of California, the rules and regulations of the Board of Governors of the California Community Colleges, and the rules, regulations and policies of the District, all of which are made a part of the terms and conditions of this contract as though set forth herein. This Agreement shall prevail over any conflicting District rules, regulations, policies or procedures.
- 20. VENUE. The Parties agree that in the event of any dispute regarding the understanding, interpretation, and/or performance under this Agreement, all such disputes shall be submitted to the Honorable Richard A. Kramer, Judge of the Superior Court (Ret.) for resolution in accordance with the process and/or procedures established by Judge Kramer. Any and all decisions regarding the interpretation, and/or performance under this Agreement shall be determined exclusively by Judge Kramer, whose decision(s) thereon shall be final and binding between the parties. In the event of Judge Kramer's unavailability, the parties shall immediately confer to agree upon a suitable replacement.
- 21. ENTIRE AGREEMENT. This agreement contains the entire agreement and understanding between the parties. There is no oral understanding, or terms and conditions not contained or referenced in this Agreement. This Agreement cannot be changed orally.



SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

By: Maurice Goodman Board President

ACCEPTANCE OF EMPLOYMENT AGREEMENT

I have reviewed this Employment Agreement and I accept this Employment Agreement and the terms and conditions of that employment. I have not agreed to employment and/or contracted for employment with the governing board of any other school district or community college district which will, in any way, conflict with my duties in this position

Employee Signature:

Ronald D. Galatolo

Date: August 12, 2019



SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

EXHIBIT A MANAGEMENT RETIREE HEALTH AND WELFARE BENEFITS

1. RETIREE MEDICAL AND DENTAL BENEFITS: The District will provide medical and dental benefits, as described in the benefits handbook available in the Office of Human Resources, to managers who were employed as regular faculty, classified or management employees by the District prior to January 1, 1987. The eligible retired manager, and that manager's spouse shall be eligible for continuation of benefits during the life of the retired manager, and, following the death of the retired manager, during the life of the un-remarried surviving spouse.

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (the "Agreement") is made and entered into as of the date all signatories below have executed the Agreement (the "Effective Date") by RONALD D. GALATOLO (hereinafter "Employee") and SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT (hereinafter "Employer"). Employee and Employer are collectively referred to herein as the "Parties," and each of the Employee and Employer may be referred to individually as a "Party."

RECITALS

This Agreement is entered into with reference to the following facts and recitals which are true to the best of the Parties' knowledge and belief, and are made part of this Agreement:

WHEREAS, on July 1, 2017, Employee and Employer entered into an employment agreement entitled "Employment Agreement for Chancellor," which employment agreement has been previously ratified on an annual basis since Employee's employment with Employer commenced in 1999 (the "Employment Agreement");

WHEREAS, Paragraph 1 of the Employment Agreement provides that Employee's title is "Chancellor" and further provides that the Employment Agreement terminates on June 30, 2021;

WHEREAS, Paragraph 2 of the Employment Agreement assigns a list of "duties" that Employee is obligated to undertake in connection with his employment;

WHEREAS, Paragraph 3 of the Employment Agreement provides that Employee's salary is \$35,122 per month and further provides Employer with the right to afford discretionary salary increases;

WHEREAS, Employee's current monthly salary is \$38,975.00;

WHEREAS, disputes arose between the Parties regarding their employment relationship, which disputes the Parties agreed to submit to mediation before the Honorable Richard A. Kramer (Ret.) ("Judge Kramer") on August 7, 2019;

WHEREAS, classes for the 2019-2020 academic year are scheduled to commence on August 14, 2019, and in anticipation thereof, all Employer's faculty are scheduled to meet on August 12, 2019 ("Opening Day");

WHEREAS, following the August 7, 2019, mediation, the Parties agree that it is in their mutual interests to avoid the uncertainty and expense of litigating disputes between them by reaching a settlement and accommodation of the certain matters encompassed herein, without any admission of law or fact and without any admission of wrongdoing by either Party;

NOW, THEREFORE, in consideration of the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties covenant and agree as follows:

TERMS OF AGREEMENT

Employee and Employee do hereby agree that the foregoing Recitals are incorporated herein by reference, and further agree as follows:

- Consideration. In consideration of the mutual releases set forth below, the Parties agree as follows:
 - a. Execution of Superseding Employment Agreement: The Parties agree that concurrent with their execution of the instant Agreement, the Parties will execute a First Amended Employment Agreement that will supersede and replace the current Employment Agreement (the "Superseding Employment Agreement"), attached hereto as Exhibit A. The terms of the Superseding Employment Agreement will be the same as those set forth in the current Employment Agreement, with the following exceptions:
 - The Superseding Employment Agreement shall provide that Employee's title is that of "Chancellor Emeritus," which position shall be added to the Executive Salary Schedule;
 - The Superseding Employment Agreement shall provide for a termination date of March 31, 2022 (the "Termination Date");
 - iii. The Superseding Employment Agreement shall provide that Employee's "duties" are limited to the administration of the "2+2" program and any other such work as is reasonably and mutually agreed upon by the Employee and the Chancellor;
 - iv. The Superseding Employment Agreement shall provide that Employee, in performing his "duties" under the Superseding Employment Agreement, will work from a home office, with reasonable administrative assistance as needed and as deemed necessary by the Employer;
 - v. The Superseding Employment Agreement shall provide that Employee does not report to the Board in the performance of the Employee's "duties." Instead, Employee shall report to and be provided direction by the District's chancellor.
 - vi. The Superseding Employment Agreement shall provide for a monthly salary of \$38,975.00.
 - b. Communications Regarding Agreement and Employment. The Parties agree that they will meet and confer and execute a mutually acceptable Joint Press Release and associated talking points regarding the terms of the instant Agreement and the Superseding Employment Agreement and further agree that these shall govern statements to the public at large and to individuals, including any and all future communications regarding Employee's employment, whether external or internal, including both Employee's and the Board of Trustees' remarks at Opening Day, which shall be consistent with the contents of said Joint Press Release and talking points.
 - c. <u>Employee's Participation in "Opening Day"</u>. The Parties agree that Employee will participate in Opening Day presentations.
 - d. <u>Future Disputes</u>. The Parties agree that any and all future disputes between the Parties regarding the interpretation or enforcement of this Agreement, or the terms of the Superseding Employment Agreement, shall

be brought only before the Honorable Richard A. Kramer of JAMS ("Judge Kramer"), who will have exclusive jurisdiction and full authority to interpret, enforce and decide the same in the context of the Parties' rights and obligations pursuant to said agreements and such procedures as Judge Kramer shall determine to be appropriate under the circumstances. Said determinations shall be final and binding and may be enforced as necessary in a court of competent jurisdiction under appropriate court procedures. The parties waive any right to have a jury resolve any such disputes..

Release of Claims by Employee.

- Except for the obligations and rights expressly set forth and reserved in a. Paragraph 2.b. of this Agreement, in consideration of the recitals, covenants and agreements set forth in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby expressly acknowledged, Employee hereby releases and forever discharges Employer, including Employer's current and former officers, directors, commissioners, board members, trustees, agents, employees, representatives, attorneys, insurers, departments, divisions, sections, successors and assigns and all those who claim through them or could claim through them (collectively the "Released Parties"), from any and all claims, complaints, demands, causes of action, obligations, damages, costs, expenses, liens, attorneys' fees, warranties, rights and liabilities of any nature whatsoever, whether known or unknown, suspected or not suspected to exist, claimed or not claimed, which Employee may have, including but not limited to any claims that could be brought under Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, the Whistleblower Protection Act and any other related state or federal law protecting whistleblowers, and the California Fair Employment and Housing Act for harassment, retaliation, or discrimination on the basis of race, age, ancestry, color, religion, sex, marital status, national origin, physical or mental disability, medical condition, sexual orientation, or any other protected classification(s), which have arisen in connection with his employment by Employer, or any other matter of any nature whatsoever from the beginning of time up to the date of the execution of this Agreement. Employee represents that he has no lawsuits, claims or actions pending in Employee's name or on his behalf against Employer or any other Released Party. Employee agrees that in the event Employee brings a claim covered by this release in which Employee seeks damages against Employer or in the event Employee seeks to recover against Employer in any claim brought by a governmental agency on Employee's behalf, this Agreement shall serve as a complete defense to such claims.
- b. The Release contained in Paragraph 2.a. of this Agreement expressly excludes any claims pertaining to or arising out of the amount of Employee's pension to be determined by California's Public Employees Retirement System ("CalPERS") (the "Excluded Claims"). Said Excluded Claims are those claims pertaining to or arising out of any determination by CalPERS as to the amount of the monthly distribution to which Employee is entitled upon retirement. Further, in recognition of the possibility that any determination by CalPERS as to the amount of the monthly distribution to which Employee may be entitled upon retirement may not be made until after the Termination Date, the Parties agree that

the applicable statute of limitations for bringing any Excluded Claims is tolled from the date of this Agreement until September 30, 2022, which date is six months from the Termination Date as provided in the Superseding Employment Agreement. The resolution of any such Excluded Claim shall initially require exhaustion of CalPERS' administrative remedies. If Employee wishes after such exhaustion of CalPERS administrative remedies to bring an Excluded Claim, the Parties shall first participate in confidential non-binding mediation to be conducted by Judge Kramer. Should the matter not be resolved in mediation, the matter shall proceed to final and binding arbitration before a mutually-agreeable arbitrator. The prevailing party in such arbitration shall be entitled to recover reasonable attorneys' fees and costs.

- ADEA Waiver and Release. Employee hereby completely releases and forever discharges the Released Parties from any claims, known or unknown, foreseen or unforeseen, arising under the Age Discrimination in Employment Act of 1967 ("ADEA") up to the Effective Date. Employee acknowledges that he is knowingly and voluntarily waiving and releasing any rights he may have under the ADEA, as amended. Employee also acknowledges that the promise/s provided in this Agreement constitute independent consideration for said waiver and is/are in addition to any other promise/s to which Employee is entitled. Employee further acknowledges that he has been advised by this writing, as required by the ADEA, that: (a) his waiver and release with respect to ADEA claims do not apply to any rights or claims that may arise after the date se executes this Agreement; (b) he has been advised hereby that he has the right to consult with an attorney prior to executing this Agreement; (c) he has twenty-one (21) days to consider this Agreement before signing it and that, in the event he decides to sign it sooner, he voluntarily waives the 21-day period provided by said Act; (d) he has seven (7) days following his execution of this Agreement to revoke the Agreement ("Revocation Period"); and (e) this Agreement will not be effective until the date upon which the Revocation Period has expired. To revoke this Agreement, a written notice of revocation by Employee must be received by Douglas N. Freifeld, Esq., Fagen Friedman & Fulfrost LLP, 70 Washington Street, Suite 205, Oakland, California 94607, within the seven (7) day period stated.
- discharges Employee, and his agents, servants, employees, attorneys, shareholders, successors, assigns and affiliates (hereinafter the "Employee Released Parties"), from any and all claims, liabilities, demands, causes of action, costs, expenses, attorneys' fees, damages, indemnities and obligations of every kind and nature, in law, equity, or otherwise, known and unknown, suspected and unsuspected, disclosed and undisclosed, arising out of or in any way related to agreements, events, acts or conduct at any time prior to and including the date the Parties sign this Agreement, including but not limited to: any and all such claims and demands, directly or indirectly, arising out of or in any way connected with Employee's employment with Employer. Employer represents that it has no lawsuits, claims or actions pending in Employer's name or on behalf of any other person or entity, against Employee or any other Employee Released Parties. Employer agrees that in the event Employer brings a claim covered by this release in which Employer seeks damages against Employee or in the event Employer seeks to recover against Employee in any claim brought by a governmental agency on Employer's behalf, this Agreement shall serve as a complete defense to such claims.

Waiver of Unknown Claims. The Parties understand that, with the exception of the Excluded Claims, this is a full and final release of any and all claims and causes of action which the Parties now have, or in the future may have, against the Released Parties or the Employee Released Parties, for any and all alleged actions or inactions of the persons or entities released, including any and all claims for any alleged injuries or damages of any type or description arising out of, or in any way connected with, Employee's employment with Employer. The Parties hereby acknowledge that there is a risk that subsequent to the execution of this Agreement, the Parties may incur, suffer or sustain injury, loss, damage, costs, attorneys' fees, expenses or any of these. which are in some way caused by or connected with Employee's employment with Employer and which are unknown or unanticipated at the time this Agreement is executed. The Parties further acknowledge that there is a risk that such damages as are presently known may become more serious than the Parties now expect or anticipate. Nevertheless, the Parties acknowledge that this Agreement has been negotiated and agreed upon in light of these realizations and the Parties hereby expressly waive all rights that the Parties may have in such unknown or unanticipated claims related to Employee's employment with Employer. In so doing, the Parties understand and knowingly, voluntarily and specifically waives all rights they may have under California Civil Code Section 1542, which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

The Parties hereby acknowledge that while Section 1542 is phrased as a general release and the parties are not providing a general release because of the retention of the Excluded Claims, it is the intent of the parties to mutually release each other to the fullest extent possible, except for the Excluded Claims. The Parties hereby expressly waive and relinquish all rights and benefits under that section and any law of any jurisdiction of similar effect with respect to their release of any unknown or unsuspected claims the Parties may have against the Released Parties or the Employee Released Parties.

- 5. <u>Non-Admission of Liability</u>. This Agreement is not an admission of guilt or wrongdoing by the Parties, any Released Parties or Employee Released Parties.
- 6. <u>Non-disparagement</u>. For the term of this Agreement, neither Employee nor the Board of Trustees nor any individual Trustee shall make statements that purposefully disparage or cast the other's personal or professional reputation in a bad light. Additionally, Employee and the Board of Trustees and each individual Trustee will not make public comments that disparage the other directly or indirectly.
- 7. Entire Agreement. This Agreement constitutes the complete, final and exclusive, embodiment of the entire agreement between the Parties with regard to the Superseding Employment Agreement as set forth herein on this subject matter. It is entered into without reliance on any promise or representation, written or oral, other than those expressly contained herein, and it supersedes any other such promises, warranties or representations.
- 8. <u>Modification</u>. This Agreement may not be modified or amended except in writing signed by both Parties.
- Successors and Assigns. This Agreement shall bind the heirs, personal
 representatives, successors and assigns of both Parties, and inure to the benefit of both Parties,
 their heirs, successors and assigns.

- 10. Severability. If any provision of this Agreement is determined to be invalid or unenforceable, in whole or in part, this determination will not affect any other provision of this Agreement and the provision in question shall be modified by the court so as to be rendered enforceable.
- 11. Choice of Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.
- 12. Voluntary Execution. The Parties represent that each has carefully read this Agreement, that each knows and understands the content and consequences of it, and signs it of their own free act, without any mistake, duress or undue influence. In delivering this Agreement, Employee relies upon Employee's own judgment, belief and knowledge and has not been influenced in any way by any representations or statements not set forth in this Agreement regarding its contents by any party who is hereby released or by anyone representing said part(ies).
- 13. Attorneys' Fees. With the exception of any dispute between the Parties heard or mediated by Judge Kramer or by his replacement if any, in the event either i) a dispute is brought for resolution under paragraphs 1d or 2b, above, or ii) any action or suit is brought alleging a default under or breach of this Agreement, or for any claim, demand or cause of action found to have been discharged hereby, the prevailing party in such action, suit or arbitration shall be entitled to recover reasonable attorneys' fees and costs.
- 14. <u>Counterparts</u>. This Agreement may be executed in one or more counterparts, each of which shall constitute an original, and all of which shall constitute one instrument. It shall not be necessary in making proof of this Agreement to account for more than one counterpart.
- 15. <u>Headings</u>. The headings in this Agreement are intended solely for convenience of reference and shall be given no effect in the construction or interpretation of this Agreement.
- 16. Representations and Warranties. Employee and Employer each represent and warrant that:
 - Each has read this Agreement;
 - Each has made such investigation of the facts pertaining to this Agreement as each deems necessary;

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- c. Each understands all terms of this Agreement; and
- Each executes this Agreement voluntarily with full knowledge of its legal consequences.

PLEASE READ THIS AGREEMENT CAREFULLY. THIS AGREEMENT INCLUDES A GENERAL RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS.

Dated: August 12, 2019

By: RONALD D. GALATOLO

Dated: August 12, 2019

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

By:

Maurice Goodman

President, Board of Trustees

San Mateo County Community College District



EMPLOYMENT AGREEMENT FOR CHANCELLOR

This Employment Agreement (the "Agreement") is made and entered into on **July 1**, **2017** by and between the Board of Trustees of the San Mateo County Community College District (referred to as either the "District" or the "Board", as appropriate) and **Ronald D. Galatolo** (the "Employee"). The Parties mutually agree to the following:

- EMPLOYMENT. The Board employs the Employee as Chancellor (the "Position") for the term beginning July 1, 2017 through and including June 30, 2021. Employee is an administrator as defined in the Education Code. Employee shall be required to render twelve (12) months of full and regular service to the District during each year of this Agreement.
- 2. DUTIES. Employee shall perform duties as required by law; as described in the job announcement on file for the Position or in any subsequent description prepared by the Office of Human Resources; and/or as assigned by the District. In addition to the duties and responsibilities enumerated in the job description, Employee is expected to represent the College and/or District by attending and participating in a variety of community and civic programs and events, public service occasions, social events, job-related meetings at the local and state level, and other activities. Employee shall devote his/her time, skills, labor and attention to performing in the Position.
- REPORTING RELATIONSHIP. Employee shall report directly and solely to the Board of Trustees.
- 4. OUTSIDE EMPLOYMENT. The District grants Employee permission to teach, consult or conduct other non-District related business, provided the outside activities do not interfere with Employee's ability to perform his duties for the District, including the supervision of personnel and departments Employee is responsible for supervising.
- SALARY. Employee shall be compensated in accordance with the Executive Salary Schedule established and approved by the Board at Grade CH, in the amount of \$35,122.00 per month. Any general salary increase granted by the Board to management employees shall be applied to the monthly salary then in place. Although the Board reserves the right to increase the salary of this position from time to time, such increases shall not be interpreted as a new agreement or operate as an extension or renewal of this Agreement.
- ALLOWANCES. In addition to the salary set forth above, Employee is entitled to the following allowances:
 - a. <u>Reimbursement For Actual Approved Expenses</u>. The District agrees to reimburse Employee for actual and necessary expenses incurred by Employee in the performance of Employee's duties, including travel expenses, incurred outside the



District and those incurred in attending conventions and conferences and in the performance of other duties for the District.

- VACATION LEAVE. During the term of this Agreement, Employee shall accrue vacation at 18.75 hours/month for each full month of employment and use it in accordance with the terms and conditions as approved by the Board. Employee shall be entitled to any increase in this vacation allowance as may be granted from time to time to all other unrepresented managers by the Board. Said vacation may be taken only at times that are convenient to the operation of the District. The maximum vacation accumulation shall not exceed two times (2x) the annual vacation allowance then in place, which shall include any portion of unused vacation for the current year. Once Employee reaches the maximum amount, Employee will cease to accrue additional vacation hours until that balance falls below the maximum amount. However, if Employee is unable to take vacation days because the District has been unwilling to allow utilization of those days, and Employee's accumulation will exceed the maximum, Employee shall be paid for said days in cash. In addition, at Employee's option, Employee may receive twenty (20) days, or such higher amount as approved by the Board of Trustees, of vacation pay out in cash from earned and accumulated vacation leave each fiscal year.
- 8. SICK LEAVE. During the term of this Agreement, Employee shall accrue one (1) day of sick leave per month for each full month of employment and use it in accordance with the terms and conditions as approved by the Board. Upon termination of employment, unused sick leave will have no cash value to Employee, other than its use as potential service credit with the Public Employees Retirement System as may be allowed by law. Employee shall be entitled to any increase in this sick leave allowance as may be granted from time to time to all other unrepresented managers by the Board.
- 9. PAID HOLIDAYS AND OTHER LEAVES. Employee shall be entitled to all paid holidays granted by the District during the term of this Agreement to all other unrepresented management employees, and those other holidays which might be required by the California Education Code. Employee shall be entitled to such other leaves of absence granted by the Education Code, District Rules and Regulations, or offered from time to time to all other unrepresented managers by the Board.
- 10. **HEALTH AND WELFARE BENEFITS**. The District shall provide to Employee all health and welfare benefits which presently include health, medical, dental, vision, and life insurance for which Employee is eligible, and shall have the premiums for such plans paid by the District up to the employer contribution limit set for all other unrepresented managers of the District. It is agreed and understood that these fringe benefits may be amended and modified or deleted in their entirety from time to time as determined by the Board. At the conclusion of employment with the District, Employee shall receive the same retiree health benefits as the District provides for managers who meet certain age and service requirements as set forth in Exhibit A (which is attached and by reference incorporated as a part of this agreement); provided, however that for purposes of defining eligibility for benefits and other terms of employment, and specifically as it pertains to Exhibit A, the Employee will be treated as if he had been employed by the District prior to January 1, 1987.



- RETIREMENT. Employee acknowledges that the Position is covered by the Public Employee Retirement System, and that Employee will be required to participate in this program with the requisite employee contribution rate.
- BONDING. The District shall bear the full cost of any fidelity or other bonds required of Employee under any law or District Rule or Regulation.
- 13. PERFORMANCE EVALUATIONS. Employee will be evaluated in accordance with the District's Policy and Procedures for the evaluation of the Position. Compliance with the Section by the District shall not be a condition precedent to the right of the District to reassign Employee, terminate and/or renew this Agreement and the failure to timely evaluate Employee shall not constitute a basis to challenge any reassignment, termination or decision not to renew this Agreement.
- 14. **RENEWAL.** Any notice to Employee that this Agreement will not be renewed shall be provided twelve (12) months in advance of the expiration date of this Agreement. If District fails to reemploy Employee by appointment or Agreement upon expiration of this Agreement, and the notice required for in this paragraph was not given, the Employee shall be deemed reemployed by District for a period of one year, from the expiration date of the current Agreement, with all other terms and conditions remaining unchanged.
- 15. TERMINATION OF CONTRACT. Employee serves in the Position at the pleasure (at-will) of the District. This Agreement may be terminated in accordance with the following:
 - a. <u>Mutual Consent</u>. Employee and the District may agree, in writing, to terminate this Agreement by mutual consent.
 - Termination by Employee. Employee may terminate Employee's obligations under this Agreement by providing no less than 60 days' written notice to the Board of Trustees.
 - c. <u>Termination for Cause</u>. This Agreement may be terminated for cause if Employee has materially breached the terms of this Agreement, has neglected to perform the duties under it, or committed an act specified in Education Code Section 87732. Prior to termination on this basis, Employee shall be entitled to a pre-disciplinary letter outlining the charges and evidence to support the dismissal. Employee shall have a right to an evidentiary hearing before the Board of Trustees or an impartial hearing officer selected by the Board to render an advisory decision to the Board. This opportunity to be heard shall be provided within thirty (30) school days after being served with the pre-disciplinary letter. The decision of the Board of Trustees shall be final.
 - d. <u>Termination without Cause</u>. Notwithstanding any other provision of this Agreement, the Board, or its designee, shall have the option to terminate this Agreement by providing Employee with a written notice of termination. If the Board elects to



terminate this Agreement pursuant to this section, Employee shall receive eighteen (18) months of Employee's salary and benefits, which shall be paid out on a monthly basis commencing on the date of termination.

- 16. SEVERABILITY. If any provision of this Agreement is held to be contrary to law by a court of competent jurisdiction, such provision shall not be deemed valid and subsisting except to the extent permitted by law, but all other provisions shall continue to remain in full force and effect.
- WAIVER. The failure or neglect of either party to exercise any right hereunder or under law, shall not constitute a waiver of any other rights or privileges hereunder.
- 18. MODIFICATION. This Agreement cannot be changed or supplemented orally. It may be modified or superseded by mutual, written agreement, executed by both the parties.
- 19. APPLICABLE LAW, RULES AND REGULATIONS. This contract is subject to all applicable laws of the State of California, the rules and regulations of the Board of Governors of the California Community Colleges, and the rules, regulations and policies of the District, all of which are made a part of the terms and conditions of this contract as though set forth herein. This Agreement shall prevail over any conflicting District rules, regulations, policies or procedures.
- VENUE. The Parties agree that in the event of litigation, venue shall be the proper state
 or federal court serving San Mateo County, State of California.
- 21. ENTIRE AGREEMENT. This agreement contains the entire agreement and understanding between the parties. There is no oral understanding, or terms and conditions not contained or referenced in this Agreement. This Agreement cannot be changed orally.





SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

By: Tom Mohr Board President

ACCEPTANCE OF EMPLOYMENT AGREEMENT

I have reviewed this Employment Agreement and I accept this Employment Agreement and the terms and conditions of that employment. I have not agreed to employment and/or contracted for employment with the governing board of any other school district or community college district which will, in any way, conflict with my duties in this position.

Employee Signature:

Ronald D. Galatolo

Date:



EXHIBIT A MANAGEMENT RETIREE HEALTH AND WELFARE BENEFITS

- 1. <u>RETIREE MEDICAL AND DENTAL BENEFITS:</u> The District will provide medical and dental benefits, as described in the benefits handbook available in the Office of Human Resources, to managers who were employed as regular faculty, classified or management employees by the District prior to January 1, 1987. The eligible retired manager, and that manager's spouse at the time of the manager's retirement, shall be eligible for continuation of benefits during the life of the retired manager, and, following the death of the retired manager, during the life of the un-remarried surviving spouse.
- 1.1 Employed On or After 1/1/1987 and Prior to 9/8/1993: For those employed as regular faculty, classified or management employees by the District on or after January 1, 1987, the maximum amount paid by the District for retiree medical benefits will be the amount the District would have been required to pay had the retiree selected the appropriate Kaiser Health Plan.
- 1.2 Employed On or After 9/8/1993: For managers whose first day of paid service as a regular faculty employee, classified employee or manager commences on or after September 8, 1993, the maximum amount paid by the District for retiree health benefits (medical and dental) shall be \$450/month until the manager becomes eligible for Medicare Part B. At that time, the District will then pay, for the manager only, the lowest cost medical plan available within the agreement between the parties.
- 1.3 10 Years of Service Required Employed Prior to 9/8/1993: For those managers hired as a regular faculty employee, classified employee or manager prior to September 8, 1993, to be eligible for District-paid retiree medical and dental benefits, the retiree must have ten (10) full years of service with the District and be at least 55 years of age. For a year of service to be counted, the assignment must have been such that the manager was eligible for medical insurance benefits if such benefits were available to employees.
- 20 Years of Service Required Employed On or After 9/8/1993: For those managers hired as a regular faculty employee, classified employee or manager whose first day of paid service commences on or after September 8, 1993, to be eligible for District-paid retiree medical and dental benefits, the retiree must have twenty (20) full years of service within the District, must be at least 55 years of age, must be currently employed by the District at the time of retirement, and the age at the time of retirement of the retiree (in full years), when added to the full years of service, must total 75 or more. For a year of service to be counted, the assignment must have been such that the manager was eligible for medical insurance benefits if such benefits were available to employees.



SUPPLEMENTAL EMPLOYMENT AGREEMENT FOR CHANCELLOR

This Supplemental Employment Agreement (the "Agreement") is made and entered into on **July 1, 2015** by and between the Board of Trustees of the San Mateo County Community College District (referred to as either the "District" or the "Board", as appropriate) and **Ronald D. Galatolo** (the "Employee"). The purpose of this Agreement is to memorialize previous agreements made between the District and the Employee. The Parties mutually agree to the following:

SERVICE CREDIT ANNUITY. The District agrees to contribute to an annuity the
value of five (5) years of PERS service credit for EMPLOYEE. The District shall
establish a deferred compensation vehicle for this purpose through an annuity to be
determined by the District and in accordance with State statutes and State and District
regulations.

The District shall contribute \$100,000 each year, in monthly installments, beginning January 1, 2016, until the total contribution equals the value of the five year service credit accumulated, plus interest, as shown on Exhibit 1 to this Agreement. Vesting of the annuity shall be effective upon the execution of this Agreement. Employee shall designate the type of annuity to be issued by the District on Employee's behalf.

If the legal limits for deferred compensation contributions are less than annual contribution amount set forth above, the difference between the legal limit and annual contribution amount will be paid to Employee as additional compensation.

- 2. **HEALTH AND WELFARE BENEFITS.** For the purpose of determining retiree health benefits, Employee will be deemed to have been employed in the District prior to January 1, 1987, and receive retiree health benefits as set forth in Exhibit 2 (which is attached and by reference incorporated as a part of this agreement).
- 3. **SEVERABILITY.** If any provision of this Agreement is held to be contrary to law by a court of competent jurisdiction, such provision shall not be deemed valid and subsisting except to the extent permitted by law, but all other provisions shall continue to remain in full force and effect.
- 4. **WAIVER**. The failure or neglect of either party to exercise any right hereunder or under law, shall not constitute a waiver of any other rights or privileges hereunder.
- MODIFICATION. This Agreement cannot be changed or supplemented orally. It may be modified or superseded by mutual, written agreement, executed by both the parties.
- 6. APPLICABLE LAW, RULES AND REGULATIONS. This contract is subject to all applicable laws of the State of California, the rules and regulations of the Board of Governors of the California Community Colleges, and the rules, regulations and policies



of the District, all of which are made a part of the terms and conditions of this contract as though set forth herein. This Agreement shall prevail over any conflicting District rules, regulations, policies or procedures.

- 7. **VENUE**. The Parties agree that in the event of litigation, venue shall be the proper state or federal court serving San Mateo County, State of California.
- 8. **ENTIRE AGREEMENT.** This agreement contains the entire agreement and understanding between the parties. There is no oral understanding, or terms and conditions not contained or referenced in this Agreement. This Agreement cannot be changed orally.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

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By: Patricia Miljanich

Board President

ACCEPTANCE OF SUPPLEMENTAL EMPLOYMENT AGREEMENT

I have reviewed this Supplemental Employment Agreement and I accept this Employment Agreement and the terms and conditions of that employment. I have not agreed to employment and/or contracted for employment with the governing board of any other school district or community college district which will, in any way, conflict with my duties in this position.

Employee Signature:

Ronald D. Galatolo

Date:



EXHIBIT 1 Service Credit Calculation

Pursuant to calculations performed by Bartell Associates LLC, 411 Borel Ave, San Mateo CA, the January 1, 2016 present value of 5 years of service credit is as follows:

Retirement Age	55	57	63
Present Value (in \$ Millions)	\$1.079	\$1.123	\$1.213

The District used a discount rate of 3% to perform the actual calculation. Accordingly, the District will accumulate interest on the unpaid contribution balance at the lesser of 3% per annum or the actual earning's rate experienced by the District on its cash investments.



EXHIBIT 2 MANAGEMENT RETIREE HEALTH AND WELFARE BENEFITS

- 1. RETIREE MEDICAL AND DENTAL BENEFITS: The District will provide medical and dental benefits, as described in the benefits handbook available in the Office of Human Resources, to managers who were employed as regular faculty, classified or management employees by the District prior to January 1, 1987. The eligible retired manager, and that manager's spouse at the time of the manager's retirement, shall be eligible for continuation of benefits during the life of the retired manager, and, following the death of the retired manager, during the life of the un-remarried surviving spouse.
- 1.1 Employed On or After 1/1/1987 and Prior to 9/8/1993: For those employed as regular faculty, classified or management employees by the District on or after January 1, 1987, the maximum amount paid by the District for retiree medical benefits will be the amount the District would have been required to pay had the retiree selected the appropriate Kaiser Health Plan.
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