**Section 1501.803 Employment Contracts**

a) Severance Pay. Any community college district that *enters into*, amends, renews or extends *an employment contract that includes a provision for severance pay must include the following in the contract*:

1) The limitation of severance pay to *not exceed any amount greater than 20 weeks of compensation; and*

2) *A prohibition of severance pay when an employee has been fired by the* *district* *for misconduct.* [5 ILCS 415/10]

b) *Any employment contract entered into,* amended, renewed, or extended *with* an *employee of the community college district* shall adhere to the following limitations:

1) *A contract with a determinate start and end date may not exceed 4 years* [110 ILCS 805/3-65(b)(2)];

2) *The contract may not include any automatic rollover clauses* [110 ILCS 805/3-65(b)(3)]; *and*

3) All renewals or extensions of contracts must be made during an open meeting of the board.

c) President and Chancellor Employment Contracts

1) *Final action on the formation, renewal, extension, or termination of the employment contract of a president or chancellor must be made during an open meeting of the board.* [110 ILCS 805/3-70(2)]

2) *Any performance-based bonus or incentive-based compensation to the president or chancellors must be approved by the board in an open meeting. The performance criteria and goals upon which the bonus or incentive-based compensation is based must be made available to the public* on the district's official website *no less than 48 hours before board approval.*  [110 ILCS 805/3-70(4)]

d) Public Notice. *Public notice*, pursuant to the Illinois Open Meetings Act [5 ILCS 120], of an employment contract entered into, amended, renewed, extended, or terminated shall be provided by publication of the board item documenting, at a minimum, *a description of the proposed financial components of the* contract and a description of the action to be taken by the board.

1) If the proposed contract is written prior to the board meeting, a copy of the contract, including all addendums or any other documents that change an initial contract, shall be posted *prior to* board *action* on the district's official website. [110 ILCS 805/3-70(3)]

2) If the proposed contract is not written prior to the board meeting, the board may take action to approve the contract or terms of the contract, provided that public notice was provided pursuant to this Section. As soon as possible following board action, copies of the contract enacted, including all addendums and other documents that change an initial contract, shall be posted to the district's official website.

e) This Section does not apply to collective bargaining agreements.

(Source: Added at 44 Ill. Reg. 18680, effective November 13, 2020)