AGREEMENT BETWEEN COMPTON COMMUNITY COLLEGE DISTRICT AND THOMAS FALLO

THIS AGREEMENT is between the Compton Community College District (hereinafter "District") and Thomas Fallo (hereinafter "Mr. Fallo" or "State Special Trustee") and provides:

WHEREAS: The District intends to employ Mr. Fallo as the State Special Trustee, effective November 1, 2022; and

WHEREAS: Mr. Fallo is retired for service under the CalPERS and CalSTRS retirement systems, and the parties intend that Mr. Fallo be employed, without reinstatement from retirement, in a manner consistent with applicable rules under the Public Employees' Retirement Law (Government Code § 20000 et seq.) and the Teachers' Retirement Law (Education Code § 22000 et seq.).

NOW, THEREFORE, BE IT AGREED AS FOLLOWS:

1. The District will and hereby does employ Mr. Fallo as the State Special Trustee for the District effective November 1, 2022. Mr. Fallo has been appointed as the State Special Trustee by the Interim Chancellor for the California Community Colleges (State Chancellor), and shall serve in that capacity at the pleasure of the State Chancellor.

2. Under the direction of the State Chancellor, the primary responsibilities of the State Special Trustee are to maintain fiscal stability/solvency by enforcing the "principles of sound fiscal management," and to perform the following duties:

- a. Working closely with the State Chancellor, the Board of Trustees and CEO of the Compton Community College Districts, and representatives of the ACCJC.
- b. Reviewing, monitoring, and requiring modifications to the fiscal and educational plans deemed necessary in order to maintain fiscal stability, maintain accreditation, and ensure state emergency funds are properly administered.
- c. Determining and requiring appropriate district spending levels and priorities, to insure that the district's fiscal stability and accreditation standards are secured.
- d. Ensuring compliance with the standards and requirements of ACCJC.

3. The State Special Trustee will be required to attended monthly Compton Community College District Board meetings and will have "Stay and rescind" authority (or such other authority as the State Chancellor shall designate in writing) over the elected Compton Community College District governing board when board action is inconsistent with the fiscal and accreditation recovery plan for Compton Community College District. 4. When the District requests in writing that they wish the State Special Trustee to attend an educational conference, or to otherwise travel on the District's behalf to destinations outside the District, the District shall reimburse the State Special Trustee for necessary transportation, meals, lodging, and registration fees in accordance with existing District policy and regulations.

5. The State Special Trustee agrees to defend, indemnify and hold harmless the District and its officers, agents and employees from and against all claims, damages, losses and expenses, including but not limited to attorney fees arising out of or resulting from the State Special Trustees performance of this Agreement, which are not caused by District negligence, willful misconduct or lack of good faith.

6. District agrees to defend indemnify and hold harmless the State Special Trustee and its officers, agents and employees from and against all claims, damages, losses and expenses, including but not limited to attorney fees arising out of or resulting from the Districts performance of this Agreement, which are not caused by State Special Trustees negligence, willful misconduct or lack of good faith.

7. The State Special Trustee is a retiree both from the California Public Employees' Retirement System (CalPERS) and the California State Teachers Retirement System (CalSTRS), and, as such, is employed subject to requirements of law applicable to post-retirement employment of CalPERS and CalSTRS retirees, including the following:

- a. The position of State Special Trustee is hereby deemed a retired annuitant position for purposes of the Public Employees' Retirement Law (Government Code § 20000 et seq., including, without limitation § 21229), and is a position performing retired member activities for purposes of the Teachers' Retirement Law (Education Code § 22000 et seq., including, without limitation, §§ 22119.5, 22164.5 and 24214).
- b. Pursuant to Government Code § 21229(a), in light of the temporary emergency circumstances arising from the District's loss of accreditation, which necessitate appointment of a State Special Trustee, and in light of Mr. Fallo's extensive experience as a Community College Chancellor, including serving as the Superintendent/President of El Camino Community College District, this appointment is made during an emergency to prevent stoppage of public business <u>and</u> because Mr. Fallo has specialized skills needed in performing work of limited duration.
- c. The State Special Trustee shall be compensated at an hourly rate based on the monthly compensation applicable to the District's President/CEO (i.e. annual compensation of \$328,911 divided by 12, for a monthly rate of \$27,409.25) divided by 173.333 to equal an hourly rate of \$158.13 per hour. Pursuant to Government Code §§ 7522.56(d) and 21229(a), and Education Code § 24214(b), the District represents this hourly rate is not less than the minimum nor greater than the maximum paid by the District to other employees performing comparable duties (e.g. the duties of President/CEO).

- d. The State Special Trustee shall cease working upon performing 960 hours in a fiscal year, pursuant to Government Code § 21229(a), or upon reaching the applicable CalSTRS post-retirement earnings limit), pursuant to Education Code section 24214(f) (for reference purposes, this amount is \$49,746 for the period July 1, 2022 through June 30, 2023), whichever occurs first. By way of example, if the State Special Trustee works 25 hours per month, he would receive \$3,953.25 for each month, totaling \$47,439 for each year, and, in the absence of other employment subject to CalPERS and/or CalSTRS, would not exceed the limits stated above.
- e. Pursuant to Government Code § 21229(a), the State Special Trustee shall not receive any District-paid health and welfare benefits or other fringe benefits, and shall not be entitled to paid holidays, paid vacation, or paid sick leave, and shall receive only such leaves of absence as are mandated by law.
- f. Pursuant to Education Code § 71093(e), the State Special Trustee has the option of reinstating to active service under the CalPERS and/or CalSTRS systems. The State Special Trustee expressly elects to retain his status as a retired member of both the CalPERS and CalSTRS systems; elects to work within the legal framework applicable to retired members who have not reinstated; and elects not to reinstate to active service under either the CalPERS or CalSTRS systems.

IN WITNESS WHEREOF, the Parties have executed this agreement on the 1st day November, 2022.

STATE SPECIAL TRUSTEE

2 12:49 PST)

Mr. Thomas Fallo

COMPTON COMMUNITY COLLEGE DISTRICT

Keith Curry, Ed.D., Chief Executive Officer

Tom Fallo Agreement 11.1.2022

Final Audit Report

2022-11-10

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