

**RESOLUTION AUTHORIZING
DISCHARGE FOR JUST CAUSE OF SUPERINTENDENT**

WHEREAS, the Board of Education of Calumet City School District No. 155 County of Cook, State of Illinois, has the responsibility to manage and operate the schools of the District and to employ a superintendent to have charge of the administration of schools under the direction of the Board of Education, pursuant to Section 10-21.4 of the Illinois School Code;

WHEREAS, Dr. Troy Paraday ("Paraday") is employed by the Board of Education as District Superintendent pursuant to an employment contract dated August 15, 2013;

WHEREAS, the Board of Education has the power to discharge the Superintendent for just cause during the term of the Superintendent's employment contract pursuant to Section 4.c. of the employment contract;

WHEREAS, on October 6, 2018, Dr. Paraday was placed on administrative leave with pay pending an investigation of alleged misconduct by him in his position as Superintendent;

WHEREAS, Dr. Paraday was offered the opportunity to respond as part of the District's investigation of his alleged misconduct, and he elected to waive this opportunity;

WHEREAS, on October 19, 2018, Dr. Paraday was provided with letter a detailing written charges and particulars in support of a recommendation to Board of Education for discharge for just cause;

WHEREAS, the October 19, 2018 letter notified Dr. Paraday of his contractual right to a hearing before the Board of Education as to the written charges for discharge for just cause, and a hearing date was set for October 25, 2018;

WHEREAS, on October 22, 2018, Dr. Paraday notified the District that he would exercise his right to a hearing before the Board of Education;

WHEREAS, the Board of Education has considered the recommendation for discharge for just cause, the written charges and particulars in support thereof, and the evidence presented during the hearing on the written charges;

WHEREAS, due to Dr. Paraday's misconduct in violation of Board Policy and Illinois law, and contrary to his duties and responsibilities as Superintendent, which actions have significantly and adversely affected the District's operations and business management, the Board of Education hereby approves the Superintendent's discharge for just cause;

NOW, THEREFORE, BE IT RESOLVED by the Board of Education of Calumet City School District No. 155, County of Cook, State of Illinois, as follows:

Section 1: That the Board of Education has reviewed and considered the written charges and particulars in support of the recommendation for Dr. Paraday's discharge for just cause.

Section 2: That the Board of Education hereby adopts the specific reasons for Dr. Paraday's discharge for just cause, as set forth in the Notice of Discharge for Just Cause (Exhibit A) and the Bill of Particulars (Exhibit B).

Section 3: That Dr. Paraday is hereby discharged for just cause as the District's Superintendent pursuant to Section 4.c. of his employment contract.

Section 4: That because Dr. Paraday is hereby discharged for just cause as the District's Superintendent pursuant to Section 4.c. of his employment contract, he is not entitled to any severance payment or any post-contractual or post-retirement benefits that may be provided for in his employment contract.

Section 5: That the Secretary of the Board of Education is authorized and directed to serve or cause to be served via email, UPS or FedEx delivery, and regular mail to Dr. Paraday and his attorney, if any, a true and correct copy of this Resolution and the Notice of Discharge for Cause (Exhibit A) and the Bill of Particulars (Exhibit B).

Section 6: This Resolution shall be in full force and effect immediately upon its adoption by the Board of Education.

ADOPTED this 26th day of October, 2018, by the following vote:

AYES: 6

NAYS: 0

ABSENT: 1

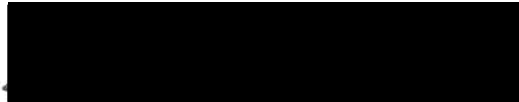
Board of Education
Calumet City School District No. 155
Cook County, Illinois

By:



President

ATTEST:



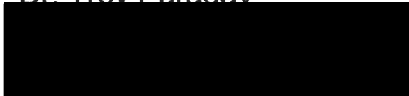
Secretary

EXHIBIT A

NOTICE OF DISCHARGE FOR JUST CAUSE

October 26, 2018

TO: Dr. Troy Paraday



VIA EMAIL, UPS or FedEx delivery and
Regular Mail

Dear Dr. Paraday:

You are hereby notified that you are discharged as Superintendent of Calumet City School District No. 155 for just cause, effective October 26, 2018, based upon the following specific reasons:

1. Engaging in Destruction and Alteration of District Records and Documents in Violation of Board Policy and Illinois Law.
2. Engaging in Destruction and Alteration of District Records for the Purpose of Misrepresenting When You Were Working or Off of Work.
3. Omitted Claimed or Projected Liabilities on the FY19 Budget You Presented to the Board in Violation of Board Policy and Your Job Duties.
4. Misrepresented a Balanced Budget to Board During Presentation on FY19 Budget Prior to Approval of the FY19 Budget in Violation of Board Policy and Your Job Duties.
5. Misrepresented Facts to the Board's Attorney.
6. Improperly Granted a 6% Increase in Your Total Creditable Earnings for FY19.
7. Effectuated a Compensatory Time Scheme for Employees Not Eligible for Overtime, Including the Superintendent, to Result in a Sizeable Financial Gain to Only the Superintendent Following Retirement, Contrary to the District's Best Interests and Detrimental to District Finances.
8. Failed to Store or Backup District Files and Documents on the District's Network in Violation of District Policy.
9. Insubordination by Not Returning All External Hard Drives or Electronic Devices that Contain District Records as Directed on October 9, 2018.
10. Failure to Demonstrate the Qualification to Be of Good Character and of Unquestionable Morals and Integrity Required by Board Policy 3:40.
11. Violated the Last Chance Agreement.

A Bill of Particulars detailing and supporting these specific reasons for your discharge is attached hereto.

Board of Education
Calumet City School District No. 155
Cook County, Illinois

By:


President

ATTEST:


Secretary

EXHIBIT B

BILL OF PARTICULARS

October 26, 2018

TO: Dr. Troy Paraday



VIA EMAIL, UPS or FedEx delivery and
Regular Mail

Dear Dr. Paraday:

You are hereby provided with a Bill of Particulars supporting the specific reasons for your discharge for just cause as Superintendent of Calumet City School District No. 155.

Specific Reason No. 1

Engaging in Destruction and Alteration of District Records and Documents in Violation of Board Policy and Illinois Law.

- a. The District issued you a desktop computer and laptop computer for use in the performance of your job duties as Superintendent. You also have a District-issued email account through Google mail.
- b. On October 4, 2018, you were notified that the Board of Education was not interested in contracting your services or employing you in any capacity after your intended retirement date.
- c. On October 6, 2018, you deleted or modified numerous events in your District Google calendar between the months of July 2017 and October 2018. Among the events you deleted or modified were:
 - District Audit @ District Officer from August 21-25, 2017
 - "Troy Out" from October 30-November 10, 2017
 - "Triple I" from October 16-19, 2017
 - "Troy Out" on December 6 and 13, 2017
 - "Troy out of office" on December 19, 2017
 - "Troy out" on December 16, 2017
 - "Troy comp" on August 26-29, 2017
 - "Troy out" on April 24 and 25, 2018
 - "Troy out of office" on May 2, 2018
 - "Troy out" on May 30-June 9, 2018
 - "Troy out" July 23-26 and 30-31, 2018
 - "Troy out" on August 29-31, 2018
 - Events marked "busy" throughout the months.
 - Discussions or meetings with District employees and vendors.
- d. On or about the week of October 1, 2018, you deleted almost all of your emails maintained in your District-issued email account.

- e. On October 4, 2018, you deleted Internet browser history and apps from your District-issued laptop, after searching “Bing” and “Google” for instructions on how to complete these tasks.
- f. There is no evidence that you notified the Local Records Commission of your intention to destroy or alter District documents and records. Board Policy 2:250 provides:

“Preserving Public Records

Public records, including email messages, shall be preserved and cataloged if: (1) they are evidence of the District’s organization, function, policies, procedures, or activities, (2) they contain informational data appropriate for preservation, (3) their retention is required by State or federal law, or (4) they are subject to a retention request by the Board Attorney (e.g. a litigation hold), District auditor, or other individual authorized by the School Board or State or federal law to make such a request. Unless its retention is required as described in items numbered 3 or 4 above, a public record, as defined by the Illinois Local Records Act, may be destroyed when authorized by the Local Records Commission.”

- g. Your intentional destruction or alteration of District documents and records without authorization of the Local Records Commission violated the Board Policy on Preserving Public Records (Board Policy 2:250) and Illinois law (50 ILCS 205/7, 205/10).
- h. Official and employee calendars are also subject to disclosure under the Illinois Freedom of Information Act (FOIA) to the extent they bear on public duties of public employees.
- i. Your intentional destruction and alteration of District documents and records violated the essential duty contained in the Superintendent’s job description of, “[c]arries out all policies established by the Board of Education,” and the related essential duties of “work with other Board employees and advisors, including but not limited to, auditors, architects, attorneys, consultants and contractors,” and “hold such meetings with teachers and other employees as is necessary for the discussion of matters concerning the improvement and welfare of schools.”
- j. Your intentional destruction and alteration of District documents and records violated Board Policy 5:120, Employee Ethics, which requires all District employees to demonstrate integrity and honesty, and 5:130, Responsibilities Concerning Internal Information, which states that District employees are responsible for maintaining the integrity and security of all internal information.

Specific Reason No. 2

Engaging in Destruction and Alteration of District Records for the Purpose of Misrepresenting When You Were Working or Off of Work.

- a. See Written Charge No. 1(a)-(e) and 1(g)-(j) above.
- b. See Written Charge No. 7(a)-(m) below.

Specific Reason No. 3

Omitted Claimed or Projected Liabilities on the FY19 Budget You Presented to the Board in Violation of Board Policy and Your Job Duties.

- a. The FY19 budget approved by the Board of Education on September 20, 2018 did not account for the amount you calculated for payout of all your unused sick, personal, and vacation days upon your retirement on October 31, 2018.
- b. During Summer 2018, Ms. Judy Caban, District Comptroller, whom you supervise, asked you where to insert in the FY19 budget the amount you calculated for payout of all your unused sick, personal and vacation days. You directed her not to include it in the FY19 budget and said that the Board could always do an amendment later.
- c. The FY19 budget approved by the Board of Education on September 20, 2018 did not account for the amount you calculated for a post-retirement severance payment payable to you after your retirement on October 31, 2018.
- d. The FY19 budget approved by the Board of Education on September 20, 2018, did not account for the Accelerated Payment Invoice the District received from IMRF on July 10, 2018 for former employee William Manuszak. You applied for an exemption from this payment and had not yet received a determination, so you knew of the potential liability for FY19.
- e. The FY19 budget approved by the Board of Education on September 20, 2018, did not account for the contribution the Board would be required to pay during FY19 to TRS for your FY18 salary, which exceeded the Governor's salary.
- f. Your omissions violated your responsibility as Superintendent for the administration, fiscal and business management of the District schools and your obligation to ensure the efficient and cost-effective operations of the District's business management. Your omissions also demonstrate your failure to exemplify honesty and integrity and to honor the public trust when entrusted with public funds and property. Board Policy 2:130, Board-Superintendent Relationship, 3:10, Goals and Objectives, 3:40, Superintendent, 4:00, Fraud, 4:10, Fiscal and Business Management, and 5:120, Employee Ethics and the corresponding procedure.

Specific Reason No. 4

Misrepresented a Balanced Budget to Board During Presentation on FY19 Budget Prior to Approval of the FY19 Budget in Violation of Board Policy and Your Job Duties.

- a. See Written Charge No. 3(a)-(f) above.
- b. During the September 20, 2018 meeting, you presented a balanced budget for FY19.

Specific Reason No. 5

Misrepresented Facts to the Board's Attorney.

- a. See Written Charge No. 4(a)-(b) above.
- b. On October 2, 2018, you provided the Board's attorney, Catherine Locallo, with the amounts you calculated for payout of all unused sick, personal and vacation days and your post-retirement severance payment.
- c. On October 2, 2018, you informed Ms. Locallo that the amount you calculated for payout of all unused sick, personal and vacation days and your post-retirement severance payment was accounted for in the budget approved by the Board.
- d. This inappropriate conduct violates your duty to work with other Board employees, including the Board's attorney, as outlined in the Superintendent's job description.

Specific Reason No. 6

Improperly Granted a 6% Increase in Your Total Creditable Earnings for FY19.

- a. You prepared your employment contracts with the District.
- b. Your final employment contract with the District is for five (5) years, from November 1, 2013 through October 31, 2018, at a base salary of \$245,023.00 for the 2013-2014 school year. Per Section 9(d) of the contract, "Retirement Benefits," the Board agreed to "grant the Superintendent increases in his total TRS creditable earnings, of six percent (6%) per year, over the previous year's total creditable earnings, for each year of employment before retirement that the Superintendent provides notice – up to four (4) years prior to retirement." These increases were to begin with FY15, and your retirement date was October 31, 2018. The District's fiscal year is the same as your contract year, July 1 to June 30.
- c. You received 6% increases in FY15, FY16, FY17 and FY18, for a total of four (4) years.

- d. You told Ms. Caban that the Board authorized a 6% increase in total creditable earnings for FY19, which was accordingly paid to you through the payroll on October 19, 2018. This resulted in an inflated annual, bi-weekly and per diem pay rate for FY19.
- e. The Board did not authorize a 6% increase for FY19.
- f. You exceeded your authority as Superintendent and violated Board Policies 2:130, Board-Superintendent Relationship, 3:40, Superintendent, 4:00, Fraud, 4:10, Fiscal and Business Management, and 5:120, Employee Ethics and the corresponding procedure.

Specific Reason No. 7

Effectuated a Compensatory Time Scheme for Employees Not Eligible for Overtime, Including the Superintendent, to Result in a Sizeable Financial Gain to Only the Superintendent Following Retirement, Contrary to the District's Best Interests and Detrimental to District Finances.

- a. As the Superintendent and chief executive officer of the District, your position is exempt from the overtime provisions of the Fair Labor Standards Act ("FLSA").
- b. Since beginning your employment with the District, you have always earned a salary in excess of \$110,000.00. Based on your calculations, your base salaries, without other creditable earnings, were: FY15 (\$297,943.75), FY16 (\$315,814.02), FY17 (\$336,240.94) and FY18 (\$356,415.40).
- c. Since FY06, you have accumulated compensatory time ("comp. time"). For each fiscal year, you maintained a record of your accumulated and used comp. time. You permitted yourself to accrue comp. time without limit and to carry over any balance until the next fiscal year. You permitted yourself to accumulate comp. time for any day in which you worked over eight (8) hours. In many years, you had an accumulation of over 300 comp. time hours. For hours used, you included the date and time used, but not the reason.
- d. You permitted yourself to accumulate comp. time for, among other things, attending Board meetings, attending collective bargaining negotiations with the District's unionized employees, attending conferences/conventions, attending graduation, conducting employee evaluations, meeting with union representatives, and conducting administrative candidate interviews. Such are part of your regular job duties and responsibilities as Superintendent, as detailed in your job description.
- e. Since FY06, you used 2,484.65 hours of comp. time. This is the equivalent of 310 days.
- f. You prepared your employment contracts with the District. There is no provision in your contract for comp. time, nor accrual or use of comp. time. You are the only administrator with contract language providing for the accumulation of sick, vacation and personal days without limit and payment of same following retirement.

- g. You claim that you have never taken a sick day, vacation day or personal day during your 13.25 years of employment with the District.
- h. Your calculation of the payment due after retirement for unused sick, personal and vacation days is based on your claim that you have 3 unused personal days, 532 unused sick days and 350 unused vacation days, for a total of 885 days. You multiplied 885 days by a FY19 per diem of \$1,985.57 for a total alleged payment due of \$1,757,229.45.
- i. Your FY19 per diem was based on an improperly granted 6% increase for FY19. See Written Charge No. 6.
- j. Over the course of your employment, you "cashed in" 195 sick leave days for payment.
- k. An audit of your contracts shows that your vacation days for FY06 were "use it or lose it," and for FY07 and FY08, unused vacation days accumulated to sick leave. Beginning with FY09, you earned 30 vacation days per year, and as such, the maximum possible amount of vacation days would only be 300 at the end of FY18. You were only contracted to work for four (4) months during FY19, so your vacation should have been prorated at 10 days for FY19. Thus, at a maximum, accrued vacation including FY19 would be 310 days.
- l. You were not authorized to accumulate or use comp. time in the manner you did during your employment with the District. While your claimed accumulated and unused comp. time cancels your 310 vacation days for a balance of zero, your conduct in effectuating this scheme and seeking a payment of \$1,757,229.45 to be paid from public funds is nevertheless improper.
- m. Your conduct in this regard violated Board Policies 2:130, Board-Superintendent Relationship, 3:40, Superintendent, 4:140, Fiscal and Business Management, and 5:120, Employee Ethics and the corresponding procedure.

Specific Reason No. 8

Failed to Store or Backup District Files and Documents on the District's Network in Violation of District Policy.

- a. The District provided you with a District-issued desktop computer and a laptop. Both have a hard drive to save and store District records.
- b. You used at least one (1) external hard drive to save and store District records. The Board did not authorize use of an external hard drive. You did not save or back up the external hard drive to the District's network or the District's Google Drive.
- c. There are next to no documents or files on your laptop or desktop, and only a few documents saved to the District's Google Drive.

- d. Your failure to store or backup District files and documents violates Board Policy 2:250, Access to District Public Records, 5:120, Employee Ethics, and 5:130, Responsibilities Concerning Internal Information.

Specific Reason No. 9

Insubordination by Not Returning All External Hard Drives or Electronic Devices that Contain District Records as Directed on October 9, 2018.

- a. You returned a laptop computer and one (1) external hard drive to the District on October 9, 2018.
- b. The electronic hard drive you returned to the District on October 9, 2018, shows that all files were modified on September 13, 2018, which is indicative that the files were copied from another hard drive or electronic device on September 13, 2018, which was not returned to the District.
- c. The last modified date on the hard drive you returned to the District on October 9th had a last modified date of September 28, 2018. You had work days during the week of October 1, 2018, but it does not appear that any files or documents on the hard drive you returned were accessed after September 28th. This is indicative that there is another hard drive or electronic device which contains records after September 28, 2018, which was not returned to the District.
- d. Your District-issued laptop shows that another external hard drive exists. Another drive containing the path "work backup/supt/private..." was identified as being recently used with the laptop, but this does not correspond with the hard drive you returned. The path contains files or documents named: "sick day count for TRS," "request to be paid sick days," "past 5 years of total creditable earnings for retirement calculations," "How to get the last 3.5 years of pay without working," "How to determine creditable earnings and history," "distribution of comp, sick and vaca 3.5 years," "superintendent contracts and salary comps," "sell sick and vaca over last 7 years," and "vacation sick days paid out to staff," etc. These documents or files were not present on the external hard drive returned to the District on October 9th.
 - i. If you destroyed these documents or files and did not comply with Illinois Law or Board Policy, your conduct in this regard also falls under Written Charge No. 1 above.
- e. Your insubordinate conduct violates Board Policy 5:120, Employee Ethics.

Specific Reason No. 10

Failure to Demonstrate the Qualification to Be of Good Character and of Unquestionable Morals and Integrity Required by Board Policy 3:40.

- a. On February 10, 2010, you modified spreadsheets detailing scenarios for retirement in 2017 or 2018 based on accumulation of sick leave, sick leave to sell and TRS

annuity figures, noting items that can be “manipulated by my contract in my last 5 years” and “items that are undetermined and need Board approval.” These spreadsheets were saved on your hard drive in a folder which included Disney photos. This document demonstrates that you had established a detailed plan for the contract terms you drafted, your exit from the District, and the money and benefits you would presumably yield from the District during employment and post-retirement.

- b. See Written Charges Nos. 1-9 above.

Specific Reason No. 11

Violated the Last Chance Agreement.

- a. See Written Charges Nos. 1-10 above.