MEMORANDUM DECISION

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IN THE
COURT OF APPEALS OF INDIANA

Linda Rugg,
Appellant-Plaintiff,

v.

Gary Community School Corporation, Karon Ramsey, and Nakia Douglas,
Appellees-Defendants.

July 29, 2022

Court of Appeals Case No.
21A-PL-2714

Appeal from the
Lake Superior Court

The Honorable
John M. Sedia, Judge

Trial Court Case No.
45D01-2106-PL-434

Friedlander, Senior Judge.

[1] Linda Rugg appeals the trial court's judgment on the pleadings in favor of Appellees. Finding no cause for reversal, we affirm.

[2] According to Rugg's complaint, in May of 2019 she signed a three-year contract with Gary Community Schools to serve as principal of one of the elementary schools. In a December 2019 meeting with school administrators Karon Ramsey and Nakia Douglas, Rugg was informed that she could either resign or be terminated. Rugg resigned and signed an Agreement to Resolve Employment Status.

[3] Thereafter, Rugg filed suit claiming retaliatory discharge and breach of contract. Particularly, Rugg alleged that her resignation was effectively a retaliatory discharge for complaints she made concerning the conditions of the school and that her resignation agreement was invalid because it was supported by inadequate consideration and obtained by duress. Appellees moved for judgment on the pleadings. Following a hearing, the court granted Appellees' motion. This appeal ensued.

[4] The sole issue on appeal is whether the trial court erred by entering judgment on the pleadings for Appellees only as to Rugg's claim of inadequate consideration for her resignation agreement.

[5] A motion for judgment on the pleadings tests the sufficiency of a claim presented in the pleadings and should be granted only where it is clear from the face of the complaint that under no circumstances could relief be granted. *Buchanan v. State*, 122 N.E.3d 969 (Ind. Ct. App. 2019), *trans. denied*. Because we base our ruling solely on the pleadings, we accept as true the material facts alleged in the complaint, and we review de novo a ruling on a judgment on the

pleadings. *Id.* Where, as here, a written instrument is attached to the complaint, the written instrument is part of the pleadings. *Id.*

[6] Attached to Rugg's complaint as Exhibit E is her Agreement to Resolve Employment Status. *See* Appellant's App. Vol. 2, pp. 67-70. Numbered paragraph two states:

> **2. Independent Consideration Exchanged for Rugg's Release of Claims Relating to Her Employment & Resignation.**
>
> In exchange for the release of claims provided by Rugg in this Agreement, the School Corporation agrees that it will refrain from initiating a contract cancellation action to involuntarily terminate her employment with the Gary Community Schools. Rugg will be permitted to continue on the School Corporation's health insurance plan through January 31, 2020.

Id. at 67.

[7] Although in retrospect Rugg may have decided she did not like the terms of her resignation agreement, where the parties have agreed upon consideration of an indeterminate value, this Court will not inquire into the adequacy of that consideration but instead will respect the judgment of the parties and enforce the contract. *Putz v. Allie*, 785 N.E.2d 577 (Ind. Ct. App. 2003), *trans. denied*. Therefore, we are reluctant to inquire into the adequacy of the consideration exchanged in a contract, and nothing in this case suggests we should forego this basic tenet of contract law. The parties here agreed that in exchange for Rugg's release of claims against the school corporation the corporation would refrain from initiating a contract cancellation action and would permit Rugg to remain

on its health insurance plan for an additional period. Thus, by implication, the parties equated the value of these actions.

[8] Moreover, the rights of parties under their contracts must be determined upon the theory that they knew and correctly interpreted the law affecting their interests. *Bd. of Sch. Comm'rs of City of Indianapolis v. State ex rel. Bever*, 211 Ind. 257, 5 N.E.2d 307 (1936). To that end, we observe that numbered paragraphs four and five of Rugg's Agreement to Resolve Employment Status provide:

> **4. Acknowledgement.**
>
> Rugg expressly agrees and acknowledges that she understands the terms and conditions of this Agreement, (ii) she has knowingly and voluntarily entered into this Agreement, (iii) she has been advised by an attorney in connection with reviewing and entering into this Agreement or has otherwise been given the opportunity to consult with an attorney prior to entering into this Agreement, (iv) she has been given the opportunity to take at least twenty-one (21) days to review and consider the original draft of this Agreement before signing this Agreement, and (v) this Agreement, when signed by the School District and Rugg, is legally binding upon the School District and Rugg, as well as their heirs, assigns, successors in interest, executors, administrators, and agents, even if Rugg has decided not to utilize the full twenty-one (21) days given to her for that purpose.
>
> **5. Right of Revocation.**
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> Rugg may revoke this Agreement by giving written notice of such revocation at any time prior to seven (7) days following the date this Agreement is signed by the parties.

Appellant's App. Vol. 2, pp. 68-69. Under these terms, Rugg had twenty-eight days to consider the agreement and consult with counsel before signing. We can assume that, after availing herself of any advice she deemed necessary during the allotted time and considering her choices, she chose the option in her best interest. Accordingly, we will not interfere with the agreement reached by the parties.

[9] In sum, we do not find cause for reversal, and we affirm the trial court's entry of judgment on the pleadings for Appellees.

[10] Judgment affirmed.

Bradford, C.J., and Vaidik, J., concur.