



Public Schools of Petoskey

A Special Place for Everyone

**Employment Contract
between
John P. Scholten
and
Public Schools of Petoskey
In the County of Emmet, State of Michigan**

THIS CONTRACT, entered into this 16th day of July, 2015, between the Board of Education, hereinafter called the "Board" and Dr. John P. Scholten hereinafter called "Superintendent".

WITNESSETH:

1. Duties

The Superintendent agrees, during the period of this contract, to faithfully perform his duties and obligations in such capacity for the School District including, but not limited to, those duties required by the School Code and the Board. He will act as an advisor to the Board on matters pertaining to the school administration or the School District, and he will inform the Board of significant administrative action taken on its behalf. The Superintendent shall recommend, effect, or cause to be effected, the policies and programs of the Board of Education as may be needed. He will faithfully and diligently fulfill all the duties and obligations incumbent upon him as the executive head of the School District.

2. Term

The Board agrees to employ Dr. John P. Scholten as Superintendent of its schools for the term of three (3) years from July 1, 2015 to and including June 30, 2018.

The Board of Education shall review this contract with the Superintendent annually, and shall, on or before March 31 of each ensuing year, consider whether the contract should be extended for an additional year. The Superintendent shall be notified, in writing, of any action taken by the Board to extend this contract.

The Superintendent shall annually advise the Board of this obligation during the month of January.

3. Evaluation

The Board shall evaluate the Superintendent, at least annually, using the criteria and an evaluation process mutually agreed to by the Board and Superintendent. In the event the Board and Superintendent do not come to agreement, the Board can determine the evaluation criteria and process.

4. Tenure

The Superintendent shall not be deemed to be granted continuing tenure in any administrative capacity, but shall be eligible to acquire continuing tenure as an active classroom teacher in accordance with the provisions of the Michigan Teacher Tenure Act.

5. Professional Liability

The District agrees that it shall defend, hold harmless and indemnify Superintendent from any and all demands, claims, suits, actions and legal proceedings, brought against Superintendent in his individual capacity, excepting those arising from his intentional acts and/or his acts of gross negligence, or in his official capacity as agent and employee of the District, provided the incident arose while Superintendent was acting within the scope of his employment and the scope of his authority. Criminal litigation shall be excluded from the District's obligation to defend, hold harmless and indemnify.

The Board shall provide liability insurance for the Superintendent to cover legal expenses in defense of claims and payment of judgments resulting from his functioning as Superintendent and will reimburse him for any portion of such expense and judgments not covered by insurance. In no case will individual Board members be considered personally liable for indemnifying the Superintendent against such demands, claims, suits, actions and legal proceedings.

6. Professional Growth

The Superintendent may attend professional meetings at the local and state levels, the expenses of said attendance to be paid by the District. The Superintendent may attend professional meetings at the national level, the expenses of said attendance to be paid by the District only with prior approval of the Board.

The District shall reimburse the Superintendent for all reasonable expenses resulting from the performance of his duties as Superintendent.

7. Professional Dues

The District shall pay the Association dues of the Superintendent for the American Association of School Administrators, the Michigan Association of School Administrators and the M.A.S.A. region in which the School District is located, as well as other appropriate affiliations as approved by the Board President. The District shall also pay any annual dues to local service organizations the Superintendent may join, as approved by the Board President.

8. Medical Examination

The Superintendent agrees to have a comprehensive medical examination once every year. A statement certifying to the physical competency of the Superintendent shall be submitted to the President of the Board of Education and shall be treated as confidential information. Any costs of said medical examination not covered by the Board provided health insurance shall be paid by the District. A physician acceptable to the Board shall conduct the medical examination.

9. Compensation

The Board agrees to pay the Superintendent for his services during each year of said contract in equal installments, unless otherwise agreed to by the parties. Compensation shall be as follows:

July 1, 2015 to June 30, 2016: \$126,353

In year two, July 1, 2016 to June 30, 2017, and thereafter, said salary shall be reviewed annually and is subject to upward revision by agreement of the parties. In no case will the salary be lowered.

Tax Sheltered Annuity

The Superintendent shall also annually receive a Tax-Sheltered Annuity in the amount as follows:

July 1, 2015 to June 30, 2016: \$10,988

In year two, July 1, 2016 to June 30, 2017, and thereafter, said tax-sheltered annuity shall be reviewed annually and is subject to upward revision by agreement of the parties. In no case will the tax-sheltered annuity be lowered.

10. Fringe Benefits

The Board of Education shall provide the Superintendent with the following benefits:

- Health, dental, vision and long-term disability insurance provided other administrative employees.
- Life insurance in the amount of two (2) times his annual salary.
- The Superintendent shall commence employment with ninety (90) sick leave days. Beginning July 1, 2006 and each year thereafter, the Superintendent shall be awarded thirteen (13) sick days per year accumulative to 180 sick days.

- Twenty-five (25) vacation days per year. These shall be in addition to the holidays recognized by the District. The Board shall annually reimburse the Superintendent for up to five (5) unused vacation days at his per diem rate.
- Eleven and a half (11.5) paid holidays: July 4, Labor Day, Thanksgiving (2), Christmas (2), New Year's (2), President's Day (if no school), ½ Good Friday, Memorial Day, Floating Holiday (1).
- Three (3) paid personal business days per year accumulative to a maximum of five (5) days.

11. Per Diem Calculation

Per diem shall be determined by adding the current annual compensation plus the deferred compensation and dividing the sum by 260.

12. Payment for Unused Sick Leave

Upon termination of the Superintendent's employment with the District, provided the Superintendent has served a minimum of ten (10) years, the Superintendent shall be paid for his unused accumulated sick leave at his per diem rate up to and not to exceed 10% of total salary (total salary equals base salary plus deferred compensation).

13. Termination Provisions

The Superintendent shall be subject to discharge during the term of this contract, or any extension of this contract, for good and just cause, but the Board shall not arbitrarily and capriciously dismiss him. If a discharge is for good and just cause, it shall terminate the Board's obligations to the Superintendent under this contract. No discharge shall be effective until written charges have been served upon him and he shall have an opportunity for a fair hearing before the Board after ten (10) days notice in writing. Said hearing shall be public or private at the option of the Superintendent. At such hearing, he may have legal counsel at his own expense. Non-renewal of this contract, in accordance with Section 1229 of the Revised School Code, shall not constitute a discharge within the meaning of this contract.

14. Facilitative Mediation

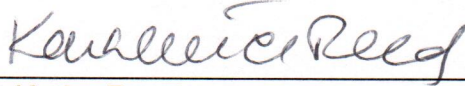
The parties shall attempt to resolve any claim, dispute or other matter arising out of or related to this Agreement by facilitative mediation prior to instituting any legal or equitable proceedings. The request for facilitative mediation shall be made in writing to the other party to this Agreement.

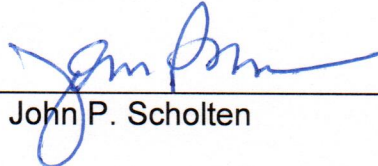
The mediator shall be mutually agreed upon. If the mediator cannot be mutually agreed upon, each party shall select a mediator. These mediators shall select a third neutral mediator who alone shall conduct the mediation. The parties shall share the mediator's

fee equally. Mediation shall be held within sixty (60) days of the written request for mediation in Petoskey unless another time period or location is mutually agreed upon.

Facilitative mediation discussions shall be confidential until such time as the parties reach mutual agreement. Agreements reached in mediation shall be enforceable as settlement agreements in any Court having jurisdiction. If mutual agreement is not reached by the parties, no testimony or evidence may be submitted by either party in a subsequent judicial proceeding with respect to the statements, discussions or recommendations of the parties or mediator which take place during the facilitated mediation session. Nothing in this Agreement is intended to limit either party in the full and unfettered introduction of independent proofs in defense or support of the cause of action of either party in a judicial proceeding.

IN WITNESS WHEREOF the parties hereto have set their hands the day and year above written.

By , Board President
Kathy Reed

By , Superintendent
John P. Scholten