

It is hereby agreed by and between the Board of Education of the Hudson Area School District (hereinafter "Board") and Michael Osborne (hereinafter "Superintendent") that pursuant to Section 1229 of the Revised School Code of the State of Michigan, *MCL 380.1229*, the Board in accordance with its action has and does employ the said Michael Osborne for a 3-year period, commencing on July 1, 2015 and ending on June 30, 2018 according to the terms and conditions as described and set forth herein as follows.

1. The Superintendent shall perform the duties as prescribed by the Board pursuant to the Revised School Code of the State of Michigan and as may be established, modified, and/or amended from time to time by the Board. Superintendent acknowledges the ultimate authority of the Board with respect to his responsibilities and direction.
2. Superintendent represents that he possesses, holds and will maintain all certificates, credentials, and qualifications required by law, including the regulations of the Department of Education, and those required by the Board to serve in the position assigned. Additionally, Superintendent agrees, as a condition of continued employment, to meet all continuing education requirements for the position assigned as may be required by the State Board of Education. If at any time Superintendent fails to maintain all certificates, credentials, continuing education requirements and/or qualifications for the position assigned as required herein, this contract shall automatically terminate and the Board shall have no further obligation hereunder.
3. Superintendent agrees to devote his talents, skills, efforts, and abilities toward competently and proficiently fulfilling all duties and responsibilities of the position assigned. Superintendent agrees to faithfully perform those duties assigned by the Board and to comply with the directives of the Board with respect thereto. Further, Superintendent agrees to comply with and fulfill all responsibilities and tasks required by state and federal laws and regulations and by the Board to carry out the educational programs and policies of the School District during the entire term of this Agreement. Further, Superintendent pledges to use his best efforts to maintain and improve the quality of the operation of the School District and constantly promote efficiency in all areas of his responsibility.

The Superintendent shall formulate and recommend to the Board long-term, strategic plans for the District. The Superintendent shall then be responsible for implementation of the plan consistent with Board policy and directive. The Superintendent shall be primarily responsible for evaluations of administrative staff and its organization. Modifications to the organization of the Administrators shall be subject to Board approval. The Superintendent shall, in his duties, address the financial management and marketing of the District.

Further, the parties recognize that community relations are an important facet of the Superintendent's responsibilities and duties. Thus, the Superintendent shall be active in community activities.

4. Superintendent shall be paid an annual salary of **\$110,601 for the 2015-2016 school year, \$112,813 for the 2016-2017 school year and \$115,069 for the 2017-2018 school year** school year, in consideration of his performance of the duties and responsibilities of the position of Superintendent of Schools in conformance with the requirements and expectations of the Board as set forth herein. The annual salary shall be paid in twenty-six (26) equal bi-weekly installments during the applicable twelve (12) month period July 1 through June 30. The Superintendent shall annually receive a tax-deferred annuity in the amount of \$2,000 after twelve (12) months of service.

The annual salary adjustment of the Superintendent is fully negotiable between the Board and Superintendent. Said salary shall be subject to upward revision by agreement of the parties. In no case shall the salary be lowered. Any adjustment in salary made during the term of this Contract shall be in the form of a written amendment and when executed by the Superintendent and Board, shall become a part of this Contract. Salary adjustments shall be based, in part upon Superintendent's meritorious performance and evaluations.

5. Superintendent is employed on the basis of fifty-two (52) weeks of work per year (July 1 through June 30) as scheduled by the Board.
6. In addition to the salary indicated in this Contract, Superintendent shall be entitled to the following benefits:
 - A. The Board of Education will contribute the full-cost for family hospitalization insurance. The Board of Education will contribute toward family hospitalization insurance not to exceed the state mandated health insurance cap.
 - B. The Board will contribute the full cost of the monthly premium cost for family dental and vision insurance coverage.
 - C. The Superintendent shall be provided with an annual term life insurance policy, including AD&D with a face value of \$200,000. The superintendent may choose to take the cost of the premium to purchase a policy of his choice and in his name or to invest in an annuity.

- D. The Board will contribute monthly premiums for an insured income continuation plan for long-term disability exceeding ninety (90) days. Such plan shall provide an insured income continuation plan for liability extending beyond the Superintendent's accumulated sick leave. The plan shall guarantee continuation of sixty-six and two thirds percent (66 2/3%) of salary as per standard insurance industry norms, offsets, and limitations with a \$4,500 monthly cap.
- E. Twenty-five (25) vacation days, twelve (12) sick days shall be accrued per year. The Superintendent shall be awarded ninety (90) days sick leave upon approval of this agreement. These days shall not be considered in calculating the number of paid leave days at severance. Unused sick days for the year may be claimed at a per diem rate with a limit of five (5) days.. Vacation days can be used through August 31 of the subsequent year.

Upon leaving the system, vacation days are paid per diem, and accumulated sick leave days up to 100 are paid at a rate of \$50.00 per day. In the event the Superintendent dies, his legal spouse, shall receive this amount for all unused days the Superintendent had accumulated at the time of his death.

- F. The Superintendent is entitled to the following ten- (10) holidays for which no service to the school district is required: January 1, Good Friday, Memorial Day, July 4, Labor Day, Thanksgiving, Friday after Thanksgiving, December 24, 25 and 31.
- G. Bereavement leave for immediate family (Parents, siblings, spouse, child, parent-in-law, grandparent, son/daughter-in-law, and steps, or any other member of the family or household who clearly stood in the same relationship as any of these.) is not to be deducted from the personal leave days. Bereavement leave is five (5) days for each bereavement.
- H. The Board will provide the Superintendent with a \$400.00 per month allotment, which will cover the costs of automobile expenses in the performance of his official duties during employment under this contract. This sum shall be subject to state and federal income tax as may be appropriate.
- I. The Superintendent may attend appropriate professional meetings and may participate in professional activities at the local and state levels. The Superintendent may attend one (1) national conference each year as long as necessary budgeted funds are available; any additional national conference attendance is subject to prior Board approval. The Superintendent shall be reimbursed for his expenses in connection therewith and for any other reasonable out-of-pocket expenses incurred on behalf of the Board.

- J. 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 MASA Regional dues, as well as other appropriate affiliations.
- K. The Board agrees to pay the premium for errors and omissions insurance coverage for the Superintendent while engaged in the performance of a governmental function and while the Superintendent acting within the scope of his authority. The policy limits for this coverage shall not be less than an aggregate policy limit of five million (\$5,000,000.00) dollars. The terms of the errors and omissions insurance policy shall be controlling respecting defense and indemnity of the Superintendent. The sole obligation undertaken by the Board shall be limited to the payment of premium amounts for the above errors and omissions coverage. In the event that such coverage is not available, the Superintendent has the right to terminate this contract.

The District agrees to defend the Superintendent, through counsel of the Superintendent's choosing, and indemnify the Superintendent of and from the claims made and any costs and liabilities incurred as a result thereof, including defense and appeal, alternative dispute resolution costs, attorney fees and payment of any judgment, mediation, facilitation, or arbitration award or any settlement, as a result of any and all demands, claims, suits, actions and legal proceedings brought against the Superintendent in his individual capacity, or in his official capacity as an agent and employee of the District, provided that the incident giving rise to any such demand, claim, suit, action or legal proceeding arose while the Superintendent was acting within the scope of his employment. Unless there is a finding of criminal action, actual fraud, corruption or actual malice, the District shall hold harmless and indemnify the superintendent from any and all demands, claims, suits, actions and legal proceedings brought against the Superintendent in his individual capacity in his official capacity as an agent and employee of the District provided that the incident giving rise to any such demand, claim, suit, action or legal proceeding arose while the Superintendent was acting within the scope of his employment. Such indemnification and hold harmless shall be for any and all claims arising out of or related to this contract and its provisions, duties and responsibilities of the Superintendent's job performance including any extension of this agreement.

- L. The superintendent shall receive reimbursement for tuition costs that were incurred for a Ph.D. during the period of summer 2002 to summer 2007. The payments will be made in equal annual installments. The last payment is to be made by June 30, 2018. Payments will cease at the termination of employment.

7. The Board reserves the right to change the identity of the insurance carrier, policyholder, or third party administrator for any of the above coverages, provided that comparable coverage, as determined by the Board, is maintained during the term of this agreement. The Board shall not be required to remit premiums for any insurance coverage for Superintendent and his eligible dependents if enrollment or coverage is denied by the insurance underwriter, policyholder, or third-party administrator. The terms of any contract or policy issued by any insurance company of 3rd party administrator shall be controlled by the district as to all matters concerning benefits, eligibility, coverage, termination of coverage and other related matters. Superintendent is responsible for assuring completion of all forms and documents needed to receive the above-described insurance coverage. The School District, by payment of the premium payments required to provide the above-described insurance coverage, shall be relieved from all liability with respect to insurance benefits.
8. The Board shall evaluate superintendent's performance annually. The Board and Superintendent shall meet and mutually agree upon performance goals for consideration in this evaluation. This evaluation will be completed in December of each year. These performance goals may be modified by mutual agreement of both parties.
9. The Board shall be entitled to terminate Superintendent's employment at any time during the term of this Contract for good and just cause or if the Superintendent breaches the terms and conditions of this Agreement.

Good and just cause for termination of the Contract shall include, but are not limited to: (a) acts of moral turpitude or misconduct; (b) material breach of contract; and (c) mental or physical inability to perform the Superintendent duties in excess of 90 calendar days.

In the event that the Board undertakes to dismiss the Superintendent during the term of this Contract, he shall be entitled to written notice of charges and an opportunity for a hearing before the Board. The Superintendent shall be provided with at least ten- (10) day's prior notice of the Board hearing. The Board hearing may be closed or open session consistent with relevant law. In the event of termination of employment for just and stated cause during the term of this agreement, the Board shall have no further obligations hereunder.

10. The Board may non-renew this contract by giving written notice 90 days before the termination date of terms and conditions. The Board will take official action by March 1, 2010 to determine whether or not the Superintendent's contract is extended for an additional year and notify the Superintendent of its action in writing. If no action is taken by the Board, the contract shall be deemed to have been

renewed for an additional year. If during the term of this contract the Superintendent retires, any future years of the contract are deemed null and void.

11. In the event of any dispute between the parties relating to discharge of the Superintendent during the term of this Contract or alleged breach of the Contract, the parties hereby agree to submit to binding arbitration. Selection of the arbitrator and the arbitration proceedings shall be conducted under rules of, and administered by, the American Arbitration Association. The parties intend that this process of dispute resolution shall be inclusive of all contract and statutory claims advanced by Superintendent arising from Superintendents discharge during the term of the Contract including, but not limited to, claims of unlawful discrimination and all claims for damages or other relief. The Board and the Superintendent shall share the arbitrator's fee and the costs imposed by the American Arbitration Association equally. Any claim for arbitration under this provision must be filed with the American Arbitration Association, in writing, and served on the Board within ten (10) days of the effective date of Superintendent's discharge or the alleged breach of contract. The parties are entitled to have legal or other representation of their own designation, and each party shall be responsible for its own costs incurred in connection with such representation. The Decision and Award of the arbitrator shall be final and binding and judgment thereon may be entered in the County Circuit Court.
12. Superintendent hereby acknowledges and agrees that he shall not be deemed to be granted continued tenure in the position of Superintendent of Schools or in any capacity other than that of a classroom teacher, should the probationary period required for tenure as a teacher be fulfilled, by virtue of this Contract or any employment assignment with the School District. Tenure in any capacity other than as a classroom teacher is hereby expressly denied according to the provisions of Article III, Section 1, of the Michigan Teacher Tenure Act, *MCL 38.91*. The decision of the Board not to continue or renew the employment of Superintendent for any subsequent period in any capacity, other than as a classroom teacher as may be required by tenure law, shall not be deemed a breach of this Agreement or a discharge or demotion within the provisions of the Michigan Teachers' Tenure Act.
13. If any provision of this Contract becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable, or void, this Contract shall continue in full force and effect without said provision(s) provided, however, that no such severability shall be effective, if it materially changes the economic benefit of the Contract by any party.
14. This Contract contains the entire agreement and understanding by and between the Board and Superintendent with respect to the employment of Superintendent and no representations, promises, contracts, or understandings, written or oral, not contained herein, shall be of any force and effect. All prior agreements pertaining to, connected with, or arising in any manner out of the employment

of Superintendent by the Board, are hereby terminated and shall hereafter be of no force or effect whatsoever. No change or modification of this Contract shall be valid or binding unless it is in writing and signed by the Superintendent and the Board. No valid waiver of any provision of this contract, at any time shall be deemed a waiver of any other provision of this Contract at such time or any other time.

15. IN WITNESS WHEREOF, the parties have caused this Contract to be executed on the day and year first above written.

Dated: _____

Superintendent

BOARD OF EDUCATION

Dated: _____

By: _____
President

Dated: _____

By: _____
Vice-President