

## OAKLAND SCHOOLS

### SUPERINTENDENT'S CONTRACT OF EMPLOYMENT

This Superintendent's Contract of Employment (hereinafter the "Contract") is made and entered into at Waterford, Michigan, by and between the OAKLAND SCHOOLS, a Michigan Intermediate School District (hereinafter the "School District"), and DR. VICKIE L. MARKAVITCH (hereinafter the "Superintendent").

#### **IT IS AGREED:**

1. This Contract revokes and otherwise supersedes any and all other contracts or agreements that may be in effect as of this date which concern the employment relationship between the Superintendent and the School District, including but not limited to those in effect prior to the Superintendent's retirement under the Michigan Public School Employees Retirement System (MPSERS).
2. **EMPLOYMENT:** The School District hereby employs the Superintendent and the Superintendent agrees to continue to work for the School District commencing on July 1, 2011, and ending on June 30, 2014, subject to all covenants and conditions of this Contract. It is understood and agreed that the Superintendent is employed in the capacity of Superintendent, as defined in the Michigan Revised School Code, effective July 1, 2011. During the term of this transition contract, the Superintendent has agreed to serve the School District for up to three years while the School District is exercising due diligence in planning for superintendent-level succession. It is further understood that once the School District determines that it has a satisfactory succession plan in place, it may terminate this contract upon giving 90 days written notice to the Superintendent.
3. **DUTIES:** The Superintendent agrees to serve the School District and perform the duties in her capacity as Superintendent as directed by the Board of Education for the School District and as required by the laws of the State of Michigan. The Superintendent further agrees to obey and fulfill the policies, rules, and regulations as established from time to time by the Board of Education of the School District and to carry out its programs and policies during the term of this Contract. It is further agreed that the Superintendent shall be deemed to serve in the capacity of a fiduciary on behalf of the School District and, as such, shall act in a manner that assures at all times during the term of this Contract there is authority for her actions on behalf of the School District, either by operation of the Revised School Code or as a result of established Board policies and procedures or other form of Board action.
4. **SALARY:** For the Superintendent's annual services, the School District agrees to continue the Superintendent's 2011-12 salary at the 2010-11 rate in the amount of Two Hundred Twelve Thousand One Hundred Eighty Three (\$212,183.00) Dollars. The Superintendent may annually request and the School District may annually approve a reduced work year, in which case the Superintendent's salary would be proportionately reduced as well. The salary for later years within the above-established employment term shall be fixed by later agreement

between the parties, but shall be no less than the amount established for the 2011-12 school year unless the School District's declining financial situation results in a general salary/wage decrease to other employees, in which case the Superintendent's salary shall be similarly reduced. The Superintendent shall also be entitled to the same fringe benefits that are available to other senior administrators of the School District, with the single exception that she shall not be entitled to Medical/Health insurance benefit as specified in paragraph 19 herein. The Superintendent agrees to devote her undivided time, skill, labor, and attention to the employment created by this Contract and to otherwise perform faithfully the duties of Superintendent for the School District, as directed by the Board of Education or as otherwise required by law or the dictates of prudent judgment as an educator and administrator. The above annual salary shall be paid in equal installments in accordance with the policy of the Board of Education governing payment of other senior administrators of the School District.

**A. Furlough Days:** Due to the District's declining financial situation, the Superintendent agrees that the District may reduce the salary stated in this Employment Contract by five work days during the 2011-2012 school year and each year thereafter. In return, it is agreed that the Superintendent will be permitted to take five furlough days.

5. **WORK YEAR:** The Superintendent shall perform her duties over the full twelve (12) months of the School District's fiscal year (July 1 to June 30), less applicable vacation, leave, and holidays available to other non-bargaining unit employees of the School District, with the understanding that the Superintendent may annually request and the School District may annually approve a reduced work year, in which case the Superintendent's salary and leave time would be proportionately reduced as well. The Superintendent shall be expected to attend meetings of the Board of Education and its committees and to attend and participate in School District functions or, on occasion, other civic activities having relation to the School District's interests within or without Oakland County. The time expended in attending such meetings and activities has been taken into account in setting the aforesaid salary and, thus, no additional compensation shall be forthcoming for such attendances and participations. Upon approval of the Board of Education, compensatory time off may be allowed where the time dedicated to such meetings and activities is extraordinary.
6. **TENURE:** It is expressly agreed that the Superintendent shall not be deemed to be granted continuing tenure in her capacity as Superintendent or in any other administrative capacity by virtue of this Contract of Employment.
7. **EVALUATION:** The Board of Education shall review and evaluate in writing the Superintendent's progress in achieving established goals and working relationships with the Board, the staff, and the Oakland County community annually. The Superintendent shall initiate the process of establishing goals and promoting working relationships for the immediately succeeding school year by submitting her written proposal for same to each Board of Education member by no later than the end of each school year for consideration and approval by the Board of Education. The Board of Education shall consider same and either agree to the Superintendent's proposal or to modify/change same promptly following

receipt of the Superintendent's proposal. The Board of Education's failure to act on the Superintendent's proposal by October 1 of each school year shall, by default, serve to authorize and approve the Superintendent's proposal, as timely submitted.

8. **CERTIFICATE:** The Superintendent shall possess and maintain, throughout the life of this Contract, the educational or other qualifications that may be required by the Michigan Revised School Code or any successor statute thereto.
9. **CONFLICT OF INTEREST:** The Superintendent shall faithfully serve the School District and be regardful of its interest during the term of this Contract, to the extent required by this Contract and by law. The Superintendent shall not directly or indirectly acquire or otherwise possess any interest adverse to that of the School District. In the event that a question reasonably arises as to whether a given interest is in conflict with the interests of the School District, the Superintendent shall make full disclosure of same to the Board of Education for its review and disposition, which disposition shall be controlling and complied with by the Superintendent. Failure to adhere to this requirement shall provide a basis for termination of employment.
10. **OTHER WORK:** The Superintendent shall not undertake consultative work, speaking engagements, writing, lecturing, or other professional duties and obligations when such activities would be inconsistent with the discharge of her responsibilities under this Contract, unless the Board of Education gives its prior consent to such activities by Board of Education action adopted at a duly constituted meeting. The limitations imposed upon the Superintendent, as above expressed, are not intended to apply as a limitation on time spent for vacation purposes or non-work days where the Superintendent is on a reduced work-year contract.
11. **EXPENSES:** The Superintendent is encouraged to attend and participate in appropriate professional activities and conferences at the local, state, and national levels. The Superintendent is entitled to be reimbursed, consistent with Board of Education policy, for the reasonable expenses of travel and lodging in connection with such attendances and participations. The Superintendent may draw an advance for amounts that she reasonably anticipates expending in connection with long distance travel, subject to her making a prompt accounting for such funds and shall refund any unexpended portions of the advance promptly upon her return. The Superintendent is entitled to be reimbursed for the reasonable expenses incurred in attending and participating in local professional activities and conferences as she may deem to be appropriate on behalf of the School District. The Superintendent may be required to provide to the School District an itemized account and substantiation of the above reimbursed expenses in accordance with Board policy or for federal/state income tax, expense reporting purposes.
12. **MEMBERSHIP DUES:** The School District shall pay the cost of the Superintendent's membership in educational, professional, and local civic organizations as she deems reasonably appropriate which are approved in writing in advance by the Superintendent.


13. **MEDICAL EXAMINATION:** At least once a year during the term of this Contract, the Superintendent shall have a medical examination by a physician, to be selected by the Superintendent, the costs for which shall be paid by the School District to the extent not covered by the Superintendent's medical insurance. A copy of the report from the examination, or a certificate of the physician certifying the fitness of the Superintendent to serve in her capacity as Superintendent, shall be provided to the President of the Board of Education as soon as it is available following said medical examination. The Board of Education reserves the right at any time during the term of this Contract to direct the Superintendent to an examining physician, of the Board's choosing, for an examination and medical report if, in the its judgment, there are circumstances that warrant a verification of either the physical or psychological competence of the Superintendent. Any certificate or written report required by this paragraph shall be limited to the issue of whether the Superintendent is physically or mentally competent to perform the essential functions of her position with or without reasonable accommodation. The reports from both the annual examination and the latter examination may be shared by the President of the Board of Education with other Board of Education members, but shall at all times be maintained in confidence by the Board of Education trustees.
  
14. **BOARD MEETINGS:** Among her other duties, the Superintendent shall prepare the agenda for each Board of Education meeting in consultation with the President of the Board, or the President's delegate, and forward same to each member of the Board of Education, along with her recommendations and supporting documentation on each agenda item, sufficiently in advance of the meeting so that each Board of Education member can assimilate such information prior to the meeting to which the agenda applies. The Superintendent shall be entitled to attend all public meetings of the Board of Education. The Superintendent shall also be entitled to attend all closed meetings of the Board unless the subject of such closed meeting involves a) deliberations about the possible dismissal, suspension, or disciplining of the Superintendent, b) deliberations upon complaints or charges brought against her, or c) consideration of attorney/client privileged communications that concern the School District's rights or obligations vis a vis the Superintendent. In all of such cases, the Board shall exercise its discretion as to whether her participation in a closed meeting shall be permitted.
  
15. **DISABILITY:** Should the Superintendent be unable to perform the duties and obligations of this Contract by reason of illness, accident, or other causes, and such disability exists for a period of more than one hundred eighty (180) calendar days in any three hundred sixty-five (365) consecutive day period, the Board of Education, at its option, may terminate this Contract, whereupon the respective rights, duties, and obligations of the parties shall thereby terminate. Likewise, if it is immediately determinable that such disability is permanent, irreparable, or of such nature as to make the continued performance of the Superintendent's duties improbable, the Board of Education, at its option, may forthwith terminate this Contract, whereupon the respective rights, duties, and obligations of the parties shall thereby terminate. Notwithstanding the foregoing, the Superintendent shall be entitled during said period of disability to the full benefit of short-term and long-term disability insurance benefits provided under this Contract and shall be entitled to the full benefit of any available/unused sick leave days and any available/unused vacation days.

16. **AUTOMOBILE AND RELATED EXPENSES:** The School District shall pay the Superintendent a transportation allowance of \$500 per month for use of her personal automobile for School District business. The Superintendent shall also be entitled to be reimbursed mileage expense at the Board-approved rate for trips outside Oakland County.
17. **VACATION:** The Superintendent shall receive twenty (20) days of compensated vacation annually, exclusive of legal holidays. The Superintendent may annually request and the School District may annually approve a reduced work year, in which case the Superintendent's vacation days would be proportionately reduced as well. Such vacation days shall be taken at the Superintendent's discretion, but upon prior notice of scheduling same to the President of the Board of Education. Vacation days shall solely be available for use in the school year to which they are attributable and shall lapse if unutilized during that school year; provided, however, that up to ten (10) unused vacation days may be carried over to the next school year on an annual basis. There shall be no accumulation of unutilized vacation days for purposes of redemption or buy-out upon termination of employment.
18. **INSURANCE/SELF-INSURED BENEFITS:** The School District shall provide the Superintendent with the same standard insurance benefits that are provided for non-bargaining unit employees of the School District including Group Life, Dental, Long-Term Disability, and Optical insurance. The Superintendent shall similarly be entitled to the benefit of self-insured, short-term disability coverage as is provided for non-bargaining unit employees of the School District. The Superintendent acknowledges that the above benefits are subject to change by the Board of Education during the term of this Contract and, upon becoming effective, shall be applicable to the Superintendent and shall supersede and replace such benefits as of the time this Contract is entered. The Superintendent shall not be provided with the benefit of Medical/Health insurance coverage available to non-bargaining unit employees of the School District during the term of this Contract.
19. **LIABILITY INSURANCE:** The Superintendent shall be provided the same level of liability insurance coverage (basic, plus errors and omissions) as is available to the Board of Education members for liability associated with performing the duties and responsibilities required under this Contract.
20. **TAX-DEFERRED RETIREMENT PROGRAMS:** For the Superintendent's annual services, the School District shall contribute during the term of this the same amount as in prior contracts which is Twenty-Eight Thousand (\$28,000.00) Dollars to the tax-deferred retirement program(s) for the benefit of the Superintendent. Should the Superintendent request and the School District approve a reduced work-year contract, this tax-deferred retirement contribution shall be reduced proportionately. Said program(s) shall be selected by the Superintendent and shall be of a type that the School District is permitted to contribute into pursuant to the provisions of the Internal Revenue Code and any applicable Michigan laws and regulations.

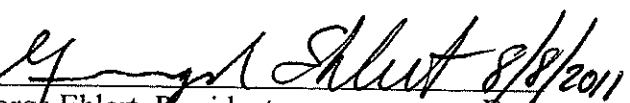
21. **TOTALITY OF TERMS:** This Contract contains all of the terms agreed to by the parties with respect to the subject matter of this Contract and supersedes and replaces all prior contracts, arrangements and communications between the parties concerning such subject matter, whether oral or written.
  
22. **TERMINATION OF CONTRACT BY SCHOOL DISTRICT:** In addition to any other rights the School District may have, by law or under the terms of this Contract, this Contract may be terminated at any time during its term by the Board of Education for acts of moral turpitude, misconduct, or if the Superintendent violates any of the substantive terms and conditions of this Contract. In such event, the Superintendent shall be advised, in writing, and in advance, of the Board of Education's intention to consider effecting such a midterm termination and provided a reasonable opportunity for a hearing, which shall not be held any sooner than ten (10) days after receiving the written notice, in regard to the prospect of such termination, which hearing may be open to the public or closed, at the Superintendent's option and as otherwise permitted by law. The Superintendent is entitled to be represented at the hearing by legal counsel of her choosing, provided she shall bear all expenses and costs of such legal counsel. In the event the Superintendent elects to contest the Board of Education's decision in regard to such termination, following such hearing she shall have the right, in lieu exclusive of any other rights or remedies available to her at common law or by statute, to request arbitration, the award arising out of which shall be binding on the School District and the Superintendent and enforceable in any court of competent jurisdiction in Michigan. The scope of the arbitrator's review in a proceeding brought pursuant to this paragraph shall be limited to determining whether the Board of Education acted arbitrarily and capriciously in its decision to terminate the Superintendent's employment. The arbitrator shall be selected through mutual cooperation between the representatives or attorneys for the respective parties, failing agreement on which the selection of the arbitrator may be referred by either party to the local Regional Office of the American Arbitration Association for appointment of an arbitrator and processing under its Voluntary Labor Arbitration Rules. The Superintendent shall be afforded all the rights as set forth in the Board of Education's policies and in state and federal law.
  
23. **TERMINATION OF CONTRACT BY SUPERINTENDENT:** The Superintendent shall have the right for any reason to terminate her employment pursuant to this Contract at any time during its term, but subject to providing the School District one hundred eighty (180) days advance written notice of her intent to terminate. Upon termination occurring as a result of the exercise of such right, all existing contractual rights and benefits inuring to the benefit of the Superintendent by virtue of this Contract shall thereupon cease and be of no further force and effect.
  
24. **INDEMNIFICATION:** To the extent it may be permitted by applicable law, the School District does hereby agree to defend, hold harmless and indemnify the Superintendent from any and all demands, claims, suits, actions, judgments, expenses and attorneys' fees incurred in any legal proceedings brought against the Superintendent while serving in her official capacity as an employee and as Superintendent of the School District, providing the incident(s), which is (are) the basis of any such demands, claims, suits, actions, judgments,

expenses, and attorneys' fees, arose from an act or omission occurring within the course and scope of the Superintendent's employment with the School District; excluding, however, any such demands, claims, suits, actions, judgments, expenses and attorneys' fees for those claims or any causes of action where it is determined by the Board of Education that the Superintendent committed misconduct, or committed a willful or wrongful act or omission, or an act or omission constituting gross negligence, or acted in bad faith, with conscious indifference or reckless disregard and further excluding any legal proceeding in which the Superintendent's interests are adverse, hostile, or otherwise in opposition to the interests of the School District as expressly set forth in those proceedings. The selection of the Superintendent's legal counsel in any legal proceeding implicating this right of indemnification shall be with the mutual agreement of the Superintendent and the School District if such legal counsel is not the School District's legal counsel. A legal defense may be provided through insurance coverage, in which case the Superintendent's right to agree to legal counsel provided for her will be subject to the terms of the applicable insurance contract. To the extent this paragraph exceeds the authority provided and limitations imposed by applicable law, it shall be construed and modified accordingly. The provisions of this paragraph shall survive the termination of this Contract.

25. **NON-RENEWAL OF CONTRACT:** As recited in paragraph 2 herein, this Contract shall terminate on June 30, 2014. The Superintendent acknowledges that she has no expectation of employment by the School District beyond that date. The decision whether to renew or not to renew this contractual relationship is solely within the discretion of the Board of Education for the School District, exercised consistent with the provisions of the Revised School Code.

  
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Vickie L. Markavitch  
Superintendent  
Date  
8/20/11

OAKLAND SCHOOLS


By:   
\_\_\_\_\_  
George Ehlert, President  
Board of Education  
Date  
8/8/2011

**ADDENDUM TO SUPERINTENDENT'S EMPLOYMENT**


Dr. Vickie L. Markavitch (the Superintendent) and Oakland Schools (the School District) are parties to an employment contract (the Contract) with an effective date of July 1, 2011. The Superintendent and the District agree to supplement and amend the Contract according to this Addendum. THEREFORE, IT IS AGREED:

1. In accordance with the Superintendent's request and with the agreement of the School District, for the 2011-12 school year the Superintendent shall work a reduced work year at 90% of the normal work-year, such that the Superintendent's work year for 2011-12 shall be a total of 234 work days rather than 260 work days, less applicable holiday, non-duty, vacation and leave time. Accordingly, her salary, other monetary compensation, and leave time for 2011-12 shall be proportionately reduced by 10% (for example, her salary for 2011-12 shall be One Hundred Ninety Thousand Nine Hundred Sixty Five [\$190,965.00] Dollars, which is 90% of the current salary in the Contract of \$212,183.00.) This Addendum shall be in effect only for the period July 1, 2011 through June 30, 2012, after which the original provisions of the Contract shall apply, or another annual amendment for a reduced work-year shall be approved again.

2. The Contract shall remain in full force and effect, except as specifically amended by this Addendum.

  
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Vickie L. Markavitch  
Superintendent  
Date  
8/10/11

OAKLAND SCHOOLS

By:   
George Ehlert, President  
Board of Education  
Date  
8/8/2011