

**BERKLEY SCHOOL DISTRICT**  
**SUPERINTENDENT**  
**EMPLOYMENT AGREEMENT**

The Board of Education of the Berkley School District ("the Board") wishes to employ **Dennis McDavid** ("the Superintendent") to serve as the Superintendent of Schools of the Berkley School District ("the District").

The Superintendent wishes to serve the Board and the District according to the following terms and conditions.

THEREFORE, IT IS AGREED:

1. Term: The District will employ the Superintendent for the period from July 1, 2015 to June 30, 2018. The terms of this Agreement will extend for one additional year, and from year to year thereafter, unless the Board gives the Superintendent written notice of nonrenewal as required by Section 380.1229 of the Revised School Code.

2. Tenure: The Superintendent will not have or acquire tenure as Superintendent of Schools or in any other administrative or assigned capacity. The District's failure to continue the Superintendent's employment after the term of this Agreement, or re-employ him in any other capacity, will not be considered a breach of this Agreement.

3. Qualifications: The Superintendent represents and warrants he meets, and will continue to meet, at least the minimum qualifications and certifications required by the State of Michigan to serve as the District's Superintendent of Schools.

4. Duties: The Superintendent represents and warrants he or she is able, and will continue to be able, to serve as the District's Superintendent of Schools in a competent and professional manner in compliance with applicable laws, policies and regulations adopted by the Board and as otherwise directed by the Board. The Superintendent's duties include, but are not limited to: preparing the Board agenda, as directed by the Board; attending Board of Education meetings and committee meetings, unless excused by the Board's President; and, on occasions, attending such other District and civic functions and activities related to the District's interests within the community serviced by the District.

5. Conflicts of Interest: The Superintendent will not possess or acquire, directly or indirectly, any interest adverse to the District. If a question arises whether the Superintendent possesses or has acquired an impermissible conflict of interest, the Superintendent will, as soon as practicable, fully disclose the questioned interest to the Board for its review and disposition, which disposition will be controlling.

6. Compensation:

A. Base Salary: The Superintendent's base salary will be \$163,000.00 from July 1, 2015 until June 30, 2018, subject to any adjustments recommended by the Superintendent Evaluation and Compensation Committee and approved by the Board of Education.

B. Tuition reimbursement: for one (1) class toward doctorate degree, per semester, inclusive of mileage costs.

C. Tax Sheltered Annuity: The District will, after the first payroll period occurring in February of each year the Superintendent is employed by the District as the Superintendent of Schools, contribute \$18,000 on the Superintendent's behalf to a tax sheltered annuity plan chosen by the Superintendent and approved by the Board.

D. Salary Formula: For each year of this contract, should the audited Fall count be equal to or greater than the audited Fall count of the previous fiscal year (not inclusive of the District's shared time FTE components) the Salary will be adjusted to reflect the "true, net" percentage increase to the District's state school aid foundation allowance from the previous school year's, less one-half percent, but in no case will the percentage increase be higher than 2.0%. The "true, net" percentage increase will be defined and calculated by determining and considering the state aid funding components the Michigan state legislature utilizes to arrive at the foundation allowance increase. The timing of the payment of the increment will be dependent upon when the District is officially notified of the final foundation allowance figure from the Department of Education for each applicable fiscal year of this provision. Should an adjustment(s) happen to the District's official foundation allowance during any year of this agreement, a corresponding adjustment will be made by the District to the salary formula and salary but in no event shall the salary be less than the 2015-16 schedule.

E. Fund Balance Sharing:  
For each year of this contract, the District shall pay the Superintendent 1% of his current salary, one time, off schedule, should the District's audited General Operating Fund Balance figure for that year equal or exceed 7.5%. Timing of payment will occur and be made to the Superintendent after the fiscal year financial audit is completed.

7. Fringe Benefits:

A. Insurance: The Superintendent will be afforded the same hospitalization, dental and other insurances (including long-term disability insurance) available to other administrators employed by the District, as such coverage now exists and may be modified from time to time. (Reference: Association of Berkley Administrators "Administrator Benefits Policy Handbook"). The District will provide the Superintendent with a term life insurance policy with a death benefit of three times his annual salary.

B. The District shall pay the annual amounts towards the total cost of the MESSA medical premium and Health Equity (HEQ) Health Savings Account (HSA) funding described below for each plan year:

\$5,992.38 for Single Subscribers  
\$12,531.75 for Self and Spouse Subscribers  
\$16,342.66 for Self and Child\* and Family Subscribers

- Should legislation occur that would define Self and Child the same as Self and Spouse, the Hard Cap amount for Self and Child would change to the Self and Spouse.
- These annual District paid amounts shall adjust annually beginning on October 1, to the maximum payment permitted by Section 3 of the Publicly Funded Health Insurance Contribution Act.

The Superintendent will have the option to select medical/prescription coverage from one of the following options:

- 1) MESSA CHOICES - \$500/\$1,000 in network deductible, \$20 OV and Saver Rx Prescription coverage.
- 2) MESSA ABC Plan 1 (HEQ/HSA) - \$1,300/\$2,600 in network deductible, Saver Rx Prescription coverage.

At the member's option, the District will pre-fund \$1,000/\$2,000 of the deductible amount annually to each member's HEQ HSA. One-half of the amount shall be paid on the first business day in January and the other half on July 1<sup>st</sup> each year. The District shall pay the remainder of the hard cap cost towards the MESSA annual medical premium up to the amounts specified above for single, self/spouse, self/child and family. Members may contribute additional money towards their HEQ HSA up to the maximum amount allowed by Federal law.

For those members selecting the MESSA ABC Plan 1, the District will allow for the adjustment of their contribution amounts toward their individual health savings account.

The remaining annual cost for the member's elected medical plan premiums and the pre-funded balance that exceeds the Hard Cap amounts, if applicable, shall be paid by the member and will be payroll deducted in equal bi-weekly amounts through a qualified Section 125 Plan.

The following ancillary benefits shall be provided to each member, at no premium cost to the member:

Dental – A.D.N., self-funded with the following coverage:

Class I – 100%  
 Class II – 90%  
 Class III – 90%  
 Annual maximum - \$1,000  
 Ortho maximum - \$1,000  
 2 cleanings/yr

- Vision – National Vision Administration (NVA)
- Life – Three Times salary Term Life Insurance coverage

- LTD – 70% of normal monthly earnings after a qualifying period of ninety (90) days up to a maximum of \$10,000 monthly benefit

**OR**

\$500 per month cash payment in lieu of selecting health coverage in which event the administrator would receive Pak B benefits (dental, vision, life and long term disability coverages), fully paid by the District. The cash would be paid in equal installments via the administrator's bi-weekly paycheck.

- C. Retirement: The District will assume the full cost of employer contributions for the Superintendent to the Michigan Public School Employees Retirement System (MPSERS).
- D. Vacation: The Superintendent may take up to 30 paid vacation days per school year in which he or she is actively employed as Superintendent of Schools, upon advance written notice to the Board's President. Additionally, the Superintendent may be absent from the District during winter and spring school breaks, upon approval of the Board's President. The Superintendent may accrue up to a maximum of 15 unused vacation days per school year, which the Superintendent must use or be paid for in the following school year. Otherwise, the Superintendent may not accrue, and will not be paid for, unused vacation days. Payment for accrued and unused sick days, as set forth in this subparagraph, will be at a per diem rate equal to a fraction the numerator of which is the Superintendent's base salary and the denominator of which is 260.
- E. Leave Days: The Superintendent will be afforded the same leave benefits (excluding vacation) available to other administrators employed by the District, as such leave benefits now exist and may be modified from time.
- F. Workers' Compensation: Upon determination of eligibility for workers' compensation benefits pursuant to Michigan's Workers' Compensation Disability Act, the District will pay the Superintendent of Schools, the difference between his base salary and his workers' compensation allowance for a period not to exceed the lesser of his sick leave bank or 200 calendar days.
- G. Errors and Omissions: The District will afford the Superintendent the same insurance coverage for errors and omissions as is afforded members of the Board of Education.
- H. Jury Duty: The District will pay the Superintendent his base salary during any period of jury service. The Superintendent will remit to the District any jury fee received from the Court, exclusive of any amount received for travel.
- I. Termination Benefit. The Superintendent will not be eligible for any termination benefit unless he has been actively employed by the District for at least ten consecutive years and is eligible to retire under the MPSERS' (Michigan Public School Employees Retirement System) rules and regulations. The District will pay the Superintendent a termination benefit, if he is eligible, equal to: 1.75% of

his annual salary at his date of termination multiplied by the number of years he was actively employed by the District; plus, \$15.00 for every day in his personal sick bank up to a maximum of 200 days.

8. Professional Development: The Board will, consistent with budget constraints and policy, support the Superintendent's professional development by paying membership charges for professional organizations proposed by the Superintendent and approved by the Board. Additionally, the Superintendent may, upon request, pay the Superintendent's reasonable expenses for attending appropriate professional meetings at the local, state and national levels.

9. Expenses: The Board will, consistent with budget restraints and policy, reimburse the Superintendent for reasonable and necessary expenses incurred on District business. The Superintendent will submit itemized expense statements, on a monthly basis, to the Board President prior to reimbursement.

10. Evaluation: The Board will evaluate the Superintendent's performance no later than March 1 of each school year. The Superintendent will notify the Board of this deadline in writing, no later than February 1 of each school year. The Superintendent's evaluation will be based on criteria mutually agreed to by the Superintendent and the Board; provided, however, the Board will establish the criteria in the absence of mutual agreement. The Superintendent's evaluation will include consideration of his or her compensation and fringe benefits for the following year of his or her employment as Superintendent of Schools

11. Indemnification: The District will indemnify and hold harmless the Superintendent from and against all claims, suits, judgments, damages, liabilities, costs and expenses arising from actions taken or decisions made in good faith within the scope of his or her employment as Superintendent of Schools. The Superintendent will immediately notify the Board of any request for indemnification for any claim or action against him. The Board and the District have the right to conduct the defense of any such claim or action and the Superintendent will fully cooperate with the Board and the District in the defense. This paragraph will not apply to cases in which the Superintendent is a plaintiff and/or in cases arising from or relating to this Agreement.

12. Termination: This Agreement will terminate on June 30, 2018. The Superintendent enters into this Agreement with no expectation of continued employment with the District beyond that date. Prior to June 30, 2018, the Board and the District will not terminate this Agreement except for reasonable and just cause, including acts of moral turpitude and violations of the terms of this Agreement.

13. Limitations of Actions: The Superintendent and the District agree that any civil action or administrative complaint arising from or relating to the Superintendent's employment with the District, the termination of the Superintendent's employment with the District or this Agreement must be filed no later than 180 calendar days from the date on which the civil action or administrative complaint accrued or no later than 180 days from the termination of the Superintendent's employment, whichever is sooner. The District and the Superintendent waive any longer limitations period. This paragraph is not intended to, and should not be construed, to extend any statutory limitations period shorter than 180 calendar days.

14. Binding Arbitration: The Superintendent and the Board and the District agree that, except as set forth in this paragraph, any and all claims, demands, actions and causes of action whatsoever, arising from or relating to the negotiation, execution and interpretation of this Agreement will be submitted to final and binding arbitration according to the American Arbitration Association's National Rules for the Resolution of Employment Disputes. The Superintendent, the Board or the District may move for entry of judgment on such an arbitration award in any court of competent jurisdiction. Limitation and Exception: The arbitrator does not have jurisdiction to reinstate the Superintendent if the Board has terminated this agreement (but may award damages for breach of contract), regardless whether the termination was for reasonable and just cause. Furthermore, this arbitration agreement does not apply to a decision by the Board not to renew this Agreement, which decision may not be submitted to final and binding arbitration.

15. Waiver of Breach: The Board and the District will not waive any breach of any provision of this Agreement except in writing. Such a waiver will not waive future breaches.

16. Severability: If any provision of this Agreement is prohibited by the laws of the United States or the State of Michigan, that provision will be unenforceable without invalidating the remaining provisions of this Agreement.

17. Entire Agreement: This Agreement is the parties' entire agreement and supersedes any other prior or contemporaneous agreement, written or verbal. This Agreement may not be modified or rescinded except by another written agreement, approved by the Board in a public meeting, and signed by both parties.

**SUPERINTENDENT**

\_\_\_\_\_  
Dennis McDavid

Date: \_\_\_\_\_

**BOARD OF EDUCATION OF THE  
BERKLEY SCHOOL DISTRICT**

By: \_\_\_\_\_  
Mary Jo Israel, Its President

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Ron Justice, Its Secretary

Date: \_\_\_\_\_

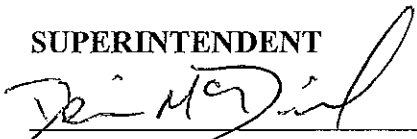
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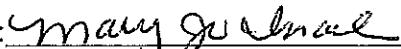
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**SUPERINTENDENT**

  
\_\_\_\_\_  
Dennis McDavid

Date: 8/28/15

**BOARD OF EDUCATION OF THE  
BERKLEY SCHOOL DISTRICT**

By:   
\_\_\_\_\_  
Mary Jo Israel, Its President

Date: 9/8/15

By:   
\_\_\_\_\_  
Ron Justice, Its Secretary

Date: 9/8/15