

**FARMINGTON PUBLIC SCHOOLS  
SUPERINTENDENT'S CONTRACT OF EMPLOYMENT  
FOR 2014-2017**

**THIS AGREEMENT** (“Agreement”) is made at Farmington, Michigan, on June 24, 2014 between Farmington Public Schools, a Michigan general powers school district (Farmington or District), and George C. Heitsch (Heitsch), and is effective upon execution by both parties.

In consideration of the parties' mutual promises and obligations, the parties agree as follows:

1. The statements above are adopted and incorporated as a part of this Agreement.

2. **EMPLOYMENT**

Farmington employs Heitsch as Superintendent of Schools and Heitsch agrees to work for Farmington in the capacity of Superintendent.

3. **TERM**

The term of this Agreement is three years commencing on July 1, 2014 and ending on June 30, 2017. In its sole discretion the Farmington Public Schools Board of Education (Board or Board of Education) may extend Heitsch’s employment for a fourth year and for a fifth year subject to the agreement of the Board of Education and Heitsch.

4. **DUTIES**

Heitsch will serve Farmington and perform the duties of Superintendent as directed by the Board of Education for Farmington and as required by the laws of the State of Michigan. Heitsch shall act in a competent and professional manner and shall obey and fulfill the policies, rules and regulations as established by the Farmington Board of Education and will carry out the District’s programs and policies during the term of this Agreement.

Heitsch shall devote his time, skill, labor and attention to this employment and will

faithfully perform the duties of Superintendent for Farmington as directed by the Board of Education, as required by law and the dictates of prudent judgment as an educator and administrator. Heitsch will inform the Board of significant administrative action taken on its behalf and inform the Board of significant activities or incidents occurring in the District. Heitsch shall consult the Board before undertaking any activity which would limit his performance of the duties set forth here and in Paragraph 7, including engagements for teaching, speaking, consulting or leadership in professional organizations or associations.

**5. SALARY**

Farmington will pay Heitsch an annual salary of \$180,000 for the period July 1, 2014 through June 30, 2017.

**6. TSA**

Farmington will contribute \$1,000 per month to a §403b tax sheltered annuity determined and managed by Heitsch.

**7. WORK YEAR**

Heitsch will perform his duties over the full twelve (12) months of Farmington's fiscal year, being July 1 through June 30, less applicable vacation, leave and holidays. Heitsch will attend meetings of the Board of Education and its committees, as requested by the Board of Education, and will attend activities related to Farmington's interest inside and outside the community serviced by Farmington. The time expended in attending such meetings, activities and functions has been taken into account in setting Heitsch's salary so that no additional compensation will be paid for such activities.

**8. TENURE**

This Agreement does not confer tenure upon Heitsch in the position of Superintendent or any other administrative position with Farmington.

**9. EVALUATION**

Annually, but no later than June 30 of each year, the Board of Education will review and evaluate Heitsch's employment performance. The results of such evaluation may be considered by the Board of Education in connection with any employment-related issues. The Board of Education shall evaluate employment performance more often as it sees fit. The Board will, in collaboration with the Superintendent, set goals and objectives with Heitsch during the summer, prior to the start of school. Thirty days before the first day of school Heitsch shall notify the Board of this process and suggest a meeting date. Any such goals adopted by the Board are incorporated in this Agreement.

**10. REPRESENTATIONS**

Heitsch represents that he meets all Michigan requirements and holds all certificates required by law for employment by the Board of Education as Superintendent of Schools.

**11. CONFLICT OF INTEREST**

Heitsch will faithfully serve Farmington and its best interests to the extent required by this Agreement and by law. Heitsch will not, directly or indirectly, act, acquire or otherwise possess any interest adverse to Farmington. In the event a given act or interest even appears to conflict with the interests of Farmington, Heitsch shall make full disclosure to the Board of Education for its review and disposition, which disposition shall be controlling and complied with by him.

**12. PROFESSIONAL ACTIVITIES**

Heitsch is encouraged to attend and participate in appropriate professional activities at the local, state and national levels. Within budget constraints, as approved by the Board of Education, the costs of attendance shall be paid by Farmington. In addition, and also within budget constraints, Heitsch may attend a continuing education course or professional growth

program regarding management or education issues one week each year or two weeks every other year. The Board shall pay Heitsch's salary and all reasonable expenses associated with his attendance at such professional activities.

**13. MEDICAL EXAMINATION**

At least once a year, during the term of this Agreement, Heitsch shall have a medical examination and Farmington shall pay for the portion not covered by insurance. Heitsch shall report to the President of the Board of Education any health issues which he believes would affect his satisfactory performance of this Agreement.

**14. BOARD MEETINGS**

Among his other duties, Heitsch shall prepare the agenda for each Board of Education meeting, in consultation with the President of the Board or the President's designee. Heitsch shall forward copies to each member of the Board, along with his recommendations and supporting documentation on each agenda item, sufficiently in advance of the meeting, so that each member can review such information prior to the meeting.

**15. AUTOMOBILE AND OTHER EXPENSES**

Farmington shall provide Heitsch a \$500 per month automobile allowance for the term of this Agreement. Heitsch shall be responsible for compliance with all tax requirements of Farmington's Business Office and for Michigan and U.S. income tax laws.

**16. LIFE INSURANCE**

Farmington shall provide Heitsch with term life insurance in an amount equal to two times his current annual salary.

**17. LIABILITY INSURANCE**

Farmington represents that it currently maintains school board legal liability errors and omissions insurance which covers employees, including the Superintendent, subject to the

policy's terms, exclusions and limits, which are all subject to modification from time to time. Farmington also represents that it currently maintains general liability insurance which covers all employees, including the Superintendent, subject to the policy's terms, exclusions and limits, which are all subject to modification from time to time.

**18. FRINGE BENEFITS**

Farmington will annually provide Heitsch with the benefits provided in the Executive Administrative Unit Personnel Manual applicable to the Superintendent, subject to policy limits and other constraints in negotiated group plans or other restrictions in the benefits at the time they are due.

**19. DISABILITY PAY**

If Heitsch qualifies for, and receives, disability insurance benefits under paragraph 18, Farmington will reimburse Heitsch for 60% of his salary lost during the first 120 days of disability, following the exhaustion of his accumulated sick leave days.

**20. VACATION DAYS**

The Superintendent is granted 25 vacation days per year which may be taken upon advance written notice to the Board. Heitsch shall obtain the approval of the President of the Board before taking a vacation of two weeks or more. Vacation days must be used in the contract year in which they are earned except that a maximum 10 days may be carried over from one year to the next. Heitsch may never accumulate more than 35 vacation days. He may be paid for up to 35 accumulated vacation days upon termination of his employment.

**21. TERMINATION OF CONTRACT**

A. Should Heitsch be unable to perform the duties and obligations of this Agreement due to illness, accident or other cause for a period of more than 120 consecutive days, the Board of Education, at its option, may terminate this Agreement, and the respective rights, duties and

obligations of the parties shall terminate except for the disability benefits provided in this Agreement. Likewise, if it is determined in less than 120 consecutive days that such illness, injury or other cause is permanent, irreparable, or of such nature as to make Heitsch's continued performance of the Superintendent's duties improbable, the Board, at its option, may terminate this Agreement and the respective rights, duties and obligations of the parties shall terminate except for the disability benefits referenced in this Agreement.

B. In addition to any other rights Farmington may have, by law or under this Agreement, this Agreement may be terminated at any time during its term by Farmington for just cause, including but not limited to acts of misconduct, moral turpitude, or if Heitsch violates any laws of the United States, the State of Michigan, any of the terms or covenants of this Agreement or if Heitsch is convicted of a crime. Upon such termination, the respective rights, duties and obligations of the parties shall terminate, except for the disability insurance benefits referenced in this Agreement.

## **22. RETIREMENT INCENTIVE OR BUYOUT**

Except as otherwise agreed by the parties in writing, Heitsch shall not be eligible to accept early retirement incentives or buyouts extended by Farmington to other employees during the term of this Agreement.

## **23. NON-RENEWAL OF CONTRACT**

A decision not to renew or extend this Agreement is solely within the discretion of Farmington's Board of Education and does not require just cause. Heitsch acknowledges that he has no expectation of employment by Farmington beyond the expiration date established in this Agreement. However, in the event the Board of Education shall decide not to renew this Agreement, prior written notice of such non-renewal shall be given to Heitsch 120 days before the expiration of this contract. Heitsch shall annually advise the Board of its notice obligation

150 days before the expiration of this Agreement.

**24. LIMITATION OF ACTIONS AND ARBITRATION**

The parties waive the statutory six year statute of limitations for breach of contract and must raise any such claim or administrative complaint by written notification to the other within one year of learning of the breach of this Agreement or the administrative claim or within one year of the termination of this Agreement, whichever is later, but in any event, no later than six years from the breach. The parties shall submit to final and binding arbitration any and all claims, demands, suits or causes of action arising from or relating to Heitsch's employment, the negotiation, execution and interpretation of this Agreement, or the termination of his employment with Farmington, including any claim for breach of this Agreement. The arbitrator shall be selected in a manner agreed to by the parties and the arbitration shall not be conducted by the American Arbitration Association. The parties shall equally share the reasonable costs and expenses of the arbitration proceeding, except that the parties shall bear all of their own costs for witnesses, attorneys and the like. The arbitrator's decision and award shall be final, binding and not subject to appeal. Either party may take appropriate action for entry of judgment on the award in the Oakland County Circuit Court. Any statutory modifications to the arbitration rules not incorporated in writing within this Agreement are understood to be incorporated if applicable.

**25. WAIVER OF BREACH.** Farmington does not waive any breach of any provision of this Agreement except in writing. Such a waiver does not waive future breaches.

**26. TOTALITY OF TERMS**

This Agreement contains all of the terms agreed to by the parties with respect to the subject matter of this Agreement and supersedes all prior agreements, arrangements and communications between the parties concerning such subject matter whether oral or written.

27. SEVERABILITY

If any provision or segment of this Agreement shall be determined by a court of competent jurisdiction to be unlawful and/or unenforceable, then such provision or segment shall be deemed to be severed from the remainder of the Agreement and the Agreement shall otherwise be in full force and effect.

6-24-14  
Date

6/24/2014  
Date

6/24/2014  
Date

Farmington Public Schools

By: Howard I. Wallach  
Howard I. Wallach  
Its: President

By: Frank L. Reid  
Frank L. Reid  
Its: Secretary

By: George C. Heitsch  
George C. Heitsch, Ph.D.  
END



**SUPERINTENDENT  
SUMMARY OF FRINGE BENEFITS**

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**DENTAL**      Benefit year is January 1 through December 31.      *FPS Dental Plan (Group AG-9001)*  
Non-coordinating      Coordinating      *ADN, MDP & Dentemax Networks*  
Class I      100%      Class I, II, III      50%      *www.adndental.com*  
Class II, III, IV      90%      Class IV      90%

\$2,000 maximum per year per eligible family member. \$2,000 lifetime maximum on orthodontics to age 19.

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**VISION**      Benefit year is January 1 through December 31      *NVA/MEBS*  
Covers exam and one pair of glasses *or* contact lenses per year per each eligible family member. Up to 100% coverage for exam and lenses when using a participating provider.

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**LONG-TERM DISABILITY**      *Madison National Life*  
Pays 66-2/3% of your base salary to a \$12,000 monthly maximum after a 120 day waiting period due to disability.

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**LIFE INSURANCE**      *MET Life/Associated Mutual*  
Two times Basic Annual Earnings rounded to the next higher \$1,000 if not an even \$1,000 multiple up to a maximum of \$600,000 life and accidental death and dismemberment (A.D.&D.)

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**HEALTH INSURANCE**      Benefit year is January 1 through December 31.

- 1) **HMO Mid-Range Plan.** (Blue Care Network). Annual deductible of \$500 single/\$1000 family in-network. 20% employee premium contribution per attached chart. Covers 100% of hospital stays. \$20 office visit co-pay, \$75 emergency room co-pay; other services payable at 80%. Must choose an in-network primary care doctor. Prescription co-pay is \$10 for generic, 20% (\$20 min - \$70 max) for preferred brand and 40% (\$40 min - \$90 max) for name brand not on the formulary list. The one-time co-pay for Mail Order is \$10 generic, 20% (\$20 min - \$70 max) for preferred brand and 40% (\$40 min - \$90 max) for a three-month supply.
  - 2) **HMO Original Plan.** (Blue Care Network). No deductible, 20% employee premium contribution per attached chart. Covers 100% of hospital stays. \$10 office visit co-pay and \$50 emergency room co-pay. Must choose an in-network primary care doctor. Prescription co-pay is \$5 for generic, \$10 for name brand on the preferred formulary list and \$20 for name brand not on the formulary list. The one-time co-pay for Mail Order is \$10/\$20 for a three-month supply.
  - 3) **BCBS Community Blue 2 PPO.** 20% employee premium contribution per attached chart. Annual deductible of \$100 single/\$200 family in-network and \$250 single/\$500 family out-of-network. \$10 office visit and urgent care co-pay, \$50 ER co-pay; other services payable at 90% Prescription co-pay is \$5 for generic, \$20 for brand-name where no generic is available, and \$30\* for brand name where a generic is available. The one-time co-pay for Mail Order is \$5/\$20/\$45\* for a three-month supply.
  - 4) If you have health insurance through another source you are eligible for an annual \$500.00 cash in lieu of health insurance (this amount can be applied towards a tax deferred annuity or variable options).
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