GAYLORD COMMUNITY SCHOOLS CONTRACT OF EMPLOYMENT

SUPERINTENDENT OF SCHOOLS

This Contract of Employment is agreed to by and between the Board of Education of the Gaylord Community School District (hereinafter "Board") and Brian Pearson (hereinafter "Superintendent") pursuant to Section 1229(1) of the Revised School Code.

- 1. This agreement is effective from July 1, 2016 through June 30, 2019, and supersedes the currently existing Contract of Employment between the Superintendent and Board, which shall terminate as of this Contract's effective date. The Board shall review this contract on or before January 31, in the year of its expiration, to take official action determining whether or not it is extended for an additional year and notify the superintendent of its action in writing. If no action is taken by the Board on or before January 31, 2019, the contract shall be deemed to have been renewed for an additional year. Written notice of non renewal of this contract shall be to Superintendent on or before January 31 in the year of its expiration.
- 2.Brian Pearson shall perform the duties of the Superintendent as prescribed by the Board 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 directions related thereto. He will act as advisor to the Board on matters pertaining to the school administration or the District. He will faithfully and diligently fulfill all the duties and obligations incumbent upon him as the executive head of the administrative section of the school system and District.
- 3. 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 his continued employment, to meet all continuing education requirements for the position assigned, as are and may be required by law and/or 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.
- 4.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 law and regulations and by the Board to carry out the educational programs and policies of the School District during the term of this Contract. 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.
- 5. Superintendent shall be paid at an annual (twelve month) salary rate of not less than One Hundred Thirty-One Thousand Dollars (\$131,000). The annual salary shall be paid in equal bi-weekly installments beginning with the commencement of the fiscal year (July 1-June 30).

The Superintendent's salary shall remain at no less than \$131,000 for the 2016-17 and 2017-18 school years (pro-rated for the 2016-17 school year). However, the Superintendent is eligible for a \$5,000 salary increase effective July 1, 2018, and a \$5,000 salary increase effective July 1, 2019 subject to the Board's determination that he has satisfactorily achieved the goals and objectives established by the Board in conjunction with the Superintendent. The Board will make the determination of this salary increase at their sole discretion, and will inform the Superintendent in advance, no later than May 31 of the year in which the increase is to go into effect as to whether he qualifies for the increase for the subsequent fiscal year, beginning on July 1.

The salary above includes a Ten Thousand Dollar (\$10,000) employer paid annuity. The Superintendent shall provide in writing to the Business Office the name and contact information of Annuity Company of his choice. The employer paid annuity will be paid in equal installments during a contract year. There shall be no option for Superintendent to receive the amount of the annuity in cash.

The Board may, in the exercise of its discretion, increase the annual salary of Superintendent during the term of this Contract. Any increase in salary made during the term of this Contract shall be in the form of a written amendment and when executed by Superintendent and the Board, shall become a part of this Contract.

6. It is understood, pursuant to state law, that Superintendent cannot be required to live in the district.

7.Superintendent is employed on the basis of fifty-two (52) weeks of work per contract/fiscal year (July 1 through June 30) as scheduled by the Board. Superintendent shall be granted vacation time of twenty (20) days per contract year in addition to the holidays recognized by the District. These days will be credited at the beginning of each contract year. Any accrued unused vacation leave time earned by the Superintendent in his prior capacity with the District will be credited to his vacation leave account upon execution of this contract. Vacation days must be used within the contract year for which they are made available except for 10 days that may be carried forward to the next contract year. The Superintendent shall not receive any additional compensation at any time in lieu of use of vacation days. Superintendent shall schedule use of vacation days in a manner to minimize interference with the orderly operation and conduct of business of the School District. All scheduling of vacation in excess of 5 or more consecutive days is subject to the approval of the Board. All vacation days shall be timely reported to the business office for recording purposes.

Holidays shall be paid in accordance with the holiday schedule as recognized by the District for full year administrative personnel.

It is understood that Christmas Break and Spring Break are contractual work days and would require the use of vacation days if days during these breaks are not worked.

- 8. Superintendent's performance shall be evaluated by the Board annually, not later than March 31. It is the duty of Superintendent to remind the Board in writing of March 31st deadline by the January regular board meeting date.
- 9.The Board shall be entitled to terminate Superintendent's employment at any time during the term of this Contract for an act of moral turpitude, misconduct, dishonesty, fraud, insubordination, incompetence, or if Superintendent materially breaches the terms and conditions of the Agreement.

The foregoing standards for termination of this contract during its term shall not be applicable to nonrenewal of this Contract at the expiration of its term, which decision is discretionary with the Board of Education.

In the event that the Board undertakes to dismiss 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. In the event of termination of employment during the term of this Contract, this Contract shall automatically terminate and the Board shall have no further obligation hereunder.

10. In the event of Superintendent's mental and/or physical incapacity to perform the duties of his office, he shall be granted an initial leave of ninety (90) work days for purpose of recovery. Superintendent shall first exhaust any accumulated sick leave and accrued vacation time, with the balance of the ninety (90) work day period to be unpaid. Health plan premium payments shall be made on behalf of Superintendent

during this interval to the extent required by law. Upon utilizing leave under this provision, Superintendent shall furnish medical certification to the Board (or its designee) respecting the necessity for the leave.

If the Board (or designee) has reason to doubt the validity of the medical certification supplied by Superintendent, it may require a second opinion, at Board expense.

Superintendent may request a ninety (90) work day unpaid leave extension in the event of his physical and/or mental inability to return to work at the expiration of the initial leave interval, as described above, provided that there is a verified prognosis that the Superintendent will be able to resume his duties at the conclusion of the extended leave interval. Medical certification shall be supplied by the Superintendent as a condition to any leave extension. Any extensions of leave for this purpose shall be at the discretion of the Board.

If Superintendent is unable to or does not resume work at the conclusion of a leave taken under this paragraph (or any extension thereof) his employment and this Contract may be terminated at the option of the Board. However, no such termination shall occur where restoration after leave is required by the Family and Medical Leave Act.

Prior to resumption of duty after a leave of absence for a serious health condition, the Superintendent shall provide the Board with a fitness for duty certification from Superintendent's health care provider. A second opinion may be required by the Board, at its expense, unless the securing of the second opinion in this context is precluded by the Family and Medical Leave Act.

11. Superintendent agrees that he shall not be deemed to be granted continuing tenure in the position initially assigned or to which he may be assigned or transferred 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 (requiring certification) with the School District. Nor shall 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 the Teachers' Tenure Act, be deemed a breach of this Agreement or a discharge or demotion within the provisions of the Michigan Teachers' Tenure Act.

12. Superintendent shall submit to such medical examinations, supply such information and execute such documents as may be required by any underwriter, policyholder or third party administrator providing insurance programs specified under this Contract. Additionally, upon request of the Board, Superintendent shall authorize the release of medical information necessary to determine if Superintendent is capable of performing the essential job functions required by his assignment, with or without reasonable job accommodation(s). Any physical or mental examination or disclosure of such information required of Superintendent by the Board shall be job related and consistent with business necessity. Any medical or psychological examination under this section shall be at Board expense. Any information obtained from medical or psychological examinations or inquiries shall be considered and treated as confidential.

13.Upon proper application and acceptance for enrollment by the appropriate insurance underwriter, policyholder and/or third party administrator, the Board shall make premium payments on behalf of the Superintendent and his eligible dependents for the following insurance programs:

- Health insurance: Same as full year administrative personnel.
- Dental insurance: Same as full year administrative personnel.
- Term life insurance: 2 times base salary to a maximum of \$250,000
- Vision insurance: Same as full year administrative personnel.
- Long Term Disability Insurance: As provided to full year administrative personnel.

14. The Board reserves the right to change the identity of the insurance carrier, policyholder or third party administrator for any of the insurance coverage, and reserves the right of the coverage provided 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 or third party administrator shall be controlling 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 insurance coverage. The Board, by remitting the premium payments required to provide the above-described insurance coverage(s), shall be relieved from all liability with respect to insurance benefits.

15.If Superintendent is absent from duty on account of personal illness or disability, he shall be allowed full pay for a total of twenty (20) days per contract year. These days will be credited at the beginning of each contract year and accumulated without limit. Any accrued unused sick leave time earned by the Superintendent in his prior capacity with the District will be credited to his sick leave account upon execution of this contract. The Superintendent shall not receive any compensation in lieu of use of sick leave days.

16. The Board shall reimburse the Superintendent at the current rate established by the Internal Revenue Service and in compliance with Board Policy and Guidelines 3440 for use of his personal automobile in conducting business associated with the position of Superintendent of Schools.

Subject to express approval by the Board, the fees or dues for membership in appropriate professional organizations shall be paid by the Board. Subject to prior approval by the Board, Superintendent may attend appropriate professional meetings at the local, state and/or national levels and shall be reimbursed for any registration fees, tuition, and reasonable and necessary travel, lodging and/or meal expenses for himself with the proper documentation and receipts in accordance with Board Policy and Guidelines.

An annual educational reimbursement may be granted for an accredited university degree program upon prior approval by the Board at its discretion. This amount may not exceed three (3) graduate credit hours for each year of this contract, but not to exceed a total of eighteen (18) graduate hours for the duration of this contract. Upon successful completion of a grade of "B" or better for the graduate course and receipt of payment by the Superintendent, he will be reimbursed per credit hour at the Central Michigan Graduate Credit hour fee. The request for reimbursement must be submitted the District within 30 days of successful completion.

17.The Board agrees to pay the premium amount for errors and omissions insurance coverage for Superintendent while engaged in the performance of a governmental function and while Superintendent is acting within the scope of his authority. The policy limits for this coverage shall not be less than \$2 million. 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 insurance coverage cannot be purchased in the above amounts and/or at a reasonable premium rate, the Board shall have the right to discontinue said coverage and shall so notify Superintendent. In that event, the Board agrees on a case-by-case basis to consider providing legal defense and/or indemnification to Superintendent as is authorized under MCLA 691.1408 and MCLA 380.11a(3)(d).

18.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 or effect. All prior agreements pertaining to, connected with, or arising in any manner out of the employment of the Superintendent by the Board, are hereby terminated and shall hereafter be of no force or effect

whatsoever. Provided, that this contract is terminated pursuant to the provisions of the Revised School Code pertaining to criminal records checks. No change or modification of this Contract shall be valid or binding unless it is in writing and signed by 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 at any other time.

19.If any provision of this Agreement 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).

20. This Agreement is executed on behalf of the Gaylord Community School District pursuant to the authority granted as contained in the resolution of the Board adopted on this 27th day of June 2016, the same being incorporated herein by reference.

Date: 7-/-/6

SUPERINTENDENT

GAYLORD COMMUNITY SCHOOLS BOARD OF EDUCATION

Date: 7-1-16

President

Secretary