

**SWAN VALLEY SCHOOL DISTRICT
SUPERINTENDENT'S CONTRACT OF EMPLOYMENT**

This contract is entered into as of June 16, 2016 between the Board of Education of the Swan Valley School District (hereinafter, the "Board") and Mat McRae (hereinafter, "Superintendent").

WITNESSETH:

1. CONTRACT PERIOD. The Board agrees to employ the Superintendent in the position of Superintendent of the Swan Valley School District as provided by, and subject to, the requirements and limitations of this contract and the laws of the State of Michigan. The initial term of this contract shall commence on July 1, 2016 and end on June 30, 2019. The Board may extend the contract subject to the following:

A. Extension by the Board.

1. The Board of Education, no later than the 31st day of March of any contract year (during the initial term or any extension thereto) will decide whether to extend the contract for an additional one (1) year period. In exercising this option, the Board of Education shall also establish the annual salary to be paid to the Superintendent for the school year included in the extension.
2. The Board of Education in its sole discretion and with or without cause may decline to extend this contract for an additional year beyond its initial term. The Board's notice of non-renewal must be given no later than ninety (90) days before the expiration of the agreement. The Board has no obligation to set forth any reason for the decision not to extend the contract.

B. Extension by Operation of Law.

If the Board of Education fails to give written notice of non-renewal of this contract to the Superintendent at least ninety (90) days before the contract's termination date, this agreement, will, without further action, be automatically renewed for an additional one year. As provided by Public Act 193 of 1979. The Superintendent annually shall advise the Board of Education of this obligation during the month of January. In the event of such automatic renewal, all terms and conditions of employment shall be as set forth in this contract and shall remain unchanged.

If the contract is extended, a new contract document reflecting the extended terms shall be written and signed by both parties. The anniversary date of this contract shall be July 1 of each year during the term of this contract.

2. DUTIES. The Superintendent agrees to perform fully and faithfully the duties of Superintendent in a competent and professional manner in accordance with the established policies, directives, regulations and position descriptions enacted from time to time by the Board of Education and in accordance with the laws of the State of Michigan and the United States.

The Superintendent shall serve as chief administrative officer for the Board of Education of the school district. The Superintendent shall be entitled to:

- A. Present recommendations to the Board on any subject matter under consideration by the Board;
- B. Attend each meeting of the Board;

- C. Annually and prior to October 15 in each year, the Superintendent shall develop and present to the Board goals and objectives for the education system for the Board's consideration.

3. CREDENTIALS/CERTIFICATES. The Superintendent represents that he holds all credentials and certificates required by law and by the Board to serve in the position of Superintendent. If at any time the Superintendent fails to hold the certificates required by law for the position assigned or fails to hold and maintain any certification required by the Michigan Department of Education or as may be hereafter required by the Department of Education, this contract shall automatically terminate, shall be considered null and void and shall relieve the Board of all obligations under this contract.

4. COMPENSATION. The Board agrees to pay the Superintendent annually (during each fiscal year) for his services as follows:

(see Appendix A)

5. WORK SCHEDULE. The work year for the Superintendent under this contract shall be July 1 through June 30. The Superintendent shall not be required to report for work on days during the student/teacher school year when school is not schedule to be in session for teachers.

6. VACATION. The Superintendent shall be entitled to vacation of twenty (20) working days per year during each year of this contract. The Superintendent shall be entitled to carry over from one contract year to the next contract year a maximum of ten (10) vacation days. Vacation days in excess of the ten days permitted to be carried over will be lost. However, in no event shall the Superintendent be permitted to utilize more than thirty (30) vacation days in a calendar year. The Superintendent shall take vacation days on those dates that are mutually agreed by the Board and the Superintendent.

7. LEAVES.

A. Sick Leave. The Superintendent shall be entitled to:

1. Fourteen (14) paid sick days to be credited at the beginning of each contract year. Unused sick days may be accumulated to a maximum of one hundred eighty (180) days.
2. Absences charged to sick leave are:
 - (a) Personal illness;
 - (b) Emergency family illness.

B. Other Compensable Leave. Absence with pay not chargeable against the Superintendent's sick leave may be granted for the following reasons:

1. Personal – Leave shall be permitted for matters which cannot be accomplished in the Superintendent's off-duty time and which would otherwise result in legal of financial hardship or disadvantage if not handled during the Superintendent's working hours.

Such leave shall be arranged in advance and provisions made for handling responsibilities in the Superintendent's absence. Such leave shall be at regular pay and shall not exceed four (4) days per year. Requests for days for personal leave prior to or immediately following any holiday or recess period shall not be granted.

2. Death in the immediate family, relatives or close friends.
 - (a) The "immediate family" is defined to include: spouse, children, father, mother, father-in-law, mother-in-law, grandfather, grandmother, brothers, sisters, and any relatives or friends for whose funeral arrangements the Superintendent is responsible.

(1) The time allowed for each occurrence shall not exceed four (4) working days.

(b) Attendance at funerals of close relatives (other than the "immediate family" as defined above) and friends. Time allowable in these circumstances shall not exceed one (1) working day.

(c) Additional days for the foregoing reasons may be allowed by the Board upon application by the Superintendent.

3. If the Superintendent is called for jury duty, he shall continue on regular pay status but shall remit to the Board any witness fees paid by the Court by reason of such duty.

4. If the Superintendent is subpoenaed for an appearance resulting from performance of his assigned duties, he shall be granted leave for such purposes at regular pay, and shall remit to the Board any witness fees paid to the Superintendent in connection with the subpoena.

C. Unused Leave. The Superintendent shall be entitled to compensation for unused sick leave at rate of ninety dollars (\$90.00) for each day of unused sick leave up to a maximum of 100 days at the time of retirement, death, resignation and/or termination. The Superintendent may elect to receive said compensation over a two year period payable in the first pay period of the new calendar year following retirement.

8. BENEFITS. The Board reserves the right to select all insurance providers.

A. The Superintendent shall be provided the same health MESSA ABC Plan I, long term disability, dental, life and vision insurance in 2015-16 that was provided in 2015-16 school year. The superintendent shall receive the same medical insurance as the Administrators. However, the Board's contribution toward the health insurance premium shall be "capped" at the following amounts in accordance with Section 3 of the Publicly Funded Health Insurance Contribution Act and any health insurance premium in excess of the following amounts shall be paid by the superintendent through payroll deduction:

Single Subscriber -- \$6,142.11

Individual and Spouse -- \$12,845.04

Full Family -- \$16,751.23

The CAP will be adjusted based on MCL 15.563

B. Delta Dental 80/80/80-\$1,500 annual max or 50/50/80-\$1,500 annual max C.O.B. and 80:\$1,500 lifetime max. orthodontics

C. VSP-3 vision

D. Term life insurance in the amount of one hundred thousand dollars (\$100,000) for the active contract year with a carrier selected by the Board.

E. The Board shall also pay premium amounts on behalf of the Superintendent for a policy of long term disability insurance with the following specifications:

66 2/3 percent of monthly salary to a \$4,000 monthly maximum benefit; 90 calendar day waiting period.

9. EXPENSES REIMBURSEMENT. The Board shall pay to or reimburse the Superintendent for reasonable expenses actually incurred in the performance of the Superintendent's duties; the Board will pay mileage for travel outside of the Swan Valley School District as set forth in Section 4. The Superintendent shall submit receipts or other satisfactory evidence of such expenses in a timely manner and shall provide the reason for the expense along with the documentation.

10. PROFESSIONAL GROWTH. The Board encourages the continuing professional growth of the Superintendent through his participation in programs or activities conducted or sponsored by local, state and national school administrator and school board associations as well as by his undertaking educational

lecturing, speaking or writing activities. This contract authorizes the Superintendent to attend two state conferences per year and one national conference every other year. Prior approval of the Board is needed if the conference is located over 100 miles from the nearest boundary of the district.

Accordingly, the Board shall permit a reasonable amount of release time for the Superintendent (as deemed appropriate by the Board, in its discretion) and shall pay for the necessary expenses for such activities and programs as approved by the Board in its annual budget. However, the Board shall not be obligated to defray any such expenses where the Superintendent receives an honorarium or other consideration for the performance of lecturing, speaking or writing activities.

11. DISABILITY. Should the Superintendent be unable to perform any or all of his duties by reason of illness, accident, or other cause beyond his control and said disability exists for a period of more than accumulated sick leave during any school year, the Board may in its discretion make a proportionate deduction from the salary stipulated. If such disability continues for more than 30 school days beyond his sick leave or if said disability is permanent, irreparable, or of such nature as to severely impair his ability to perform the assigned duties, the Superintendent shall be granted a leave of absence without pay for the duration of such illness or injury up to one year and the leave may be renewed upon written request. In the event the Superintendent is or becomes a qualified individual with a disability and because of the disability requires an accommodation, the Superintendent must provide written notice of the need for the accommodation within 180 days of the time the need for the accommodation becomes known (or reasonably should have become known).

12. LIABILITY INSURANCE. In consideration of the unique nature of the professional duties of the office of Superintendent, the Board shall endeavor to purchase liability insurance on behalf of the Superintendent to cover defense of claims and payment of any judgement resulting from actions, errors or omissions of the Superintendent within the course and scope of his employment.

13. EXCLUSION OF TENURE. The Superintendent shall not be considered to be granted or to possess continuing tenure in the position of Superintendent or in any other capacity by virtue of this contract or any employment assignment within the school district. It is mutually understood and agreed that the position of Superintendent is a non-tenure position under the laws of State of Michigan and, particularly, the Michigan Teacher Tenure Act and the failure of the school district or the Board of Education to continue to employ or re-employ the Superintendent in any capacity shall not be deemed a discharge or demotion within the provisions of the Michigan Tenure Act.

14. EVALUATION. Before March 31 of each year, the Board shall evaluate and assess the performance of the Superintendent, using an evaluation tool that has been previously agreed to by the Superintendent and the Board and meets the guidelines set forth in the Revised School Code. The Board shall also provide the Superintendent a mid-year progress report.

15. DISCHARGE DURING TERM OF CONTRACT. The Superintendent shall be subject to discharge during the term of this Agreement, provided that the Board shall not arbitrarily and capriciously dismiss him. No such discharge or dismissal shall be effective until written charges have been served upon the Superintendent and until the Superintendent has had an opportunity for a hearing before the Board. In said event, the Superintendent shall be given at least ten (10) days advance notice of the charges against him before such hearing. The hearing shall be public or private at the option of the Superintendent. The Superintendent may be represented by legal counsel at such hearing, provided that such representation shall be at the expense of the Superintendent.

16. MISCELLANEOUS.

- A. If the Superintendent is required to be absent from duty as a result of personal injury caused by an assault on him in the course and scope of his employment as Superintendent, he will be permitted to use his current or accumulated sick leave, less any amount of workers' compensation benefits received concurrently. Receipt of sick leave benefits as specified above shall be discontinued upon the exhaustion of the Superintendent's accumulated sick leave.

- B. The Board will reimburse the Superintendent in an amount not to exceed a total of One Hundred Dollars (\$100) in any school year for loss, damage or destruction to or of personal property of the Superintendent while on duty in the schools. Provided, that the Board shall not be responsible for such payment when the Superintendent has been negligent to any degree or to the extent that such loss is otherwise covered by insurance possessed by either the Superintendent or the school district. Payments pursuant to this provision shall be subject to annual review and adjustment at the same time as salary adjustments are reviewed by the Board and Superintendent.
- C. It is mutually agreed that the best interests of the school district require the Superintendent to establish his principal residence within 20 miles of the district's geographical boundaries.

17. ARBITRATION. In the event of any dispute between the parties relating to any provision of this Contract, or to any aspect of the employment of the Superintendent, including issues or concerns related to alleged discrimination, the parties hereby agree to submit said dispute to binding arbitration. Such arbitration shall be conducted under the rules of, and administered by, the American Arbitration Association. The arbitrator's fees and the expenses of the American Arbitration Association shall be shared equally by the parties. All parties are entitled to have representation of their own designation; however, each party shall be responsible for the costs of such respective representation and shall be responsible for the costs of the witnesses called by that party. The award rendered by the Arbitrator shall be final and judgment may be entered in accordance with Michigan law in any court having jurisdiction thereof.

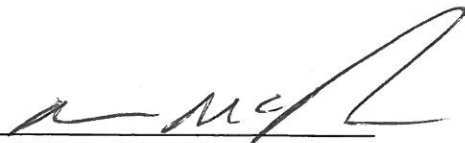
18. SAVING CLAUSE. This contract is severable. If any part or provision of this contract is declared illegal or unenforceable by a court of competent jurisdiction, such part or parts shall be deleted and the remaining provisions shall not be affected by, shall continue in full force and effect.

19. LAWS OF MICHIGAN. This contract shall be applied, and in all respects interpreted according to the laws of the State of Michigan.

20. ENTIRE AGREEMENT. This contract, together with the cover letter attached, constitutes the entire agreement between the parties and may be amended only by a written document signed by both parties.

IN WITNESS WHEREOF, the Board of Education of the Swan Valley Schools has caused this Contract to be signed on its behalf by its President and Secretary and the Superintendent has approved and personally executed this Contract, effective as of the date and year indicated above.

SWAN VALLEY SCHOOL DISTRICT
BOARD OF EDUCATION

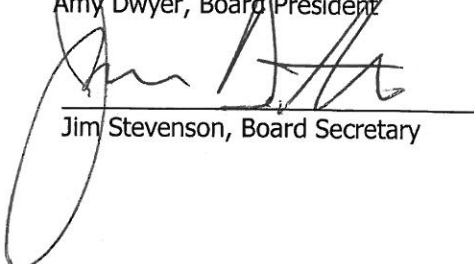


Mat McRae, Superintendent

6-16-16
Date



Amy Dwyer, Board President



Jim Stevenson, Board Secretary

APPENDIX A

The Swan Valley Board of Education at the June 16, 2016 Board of Education Meeting approved the following contract with Mat McRae, Superintendent. The contract remains in effect from July 1, 2016 until June 30, 2019.

	2016-2017	2017-2018	2018-2019
Salary Increase:	1%		
Base Salary:	\$111,100		
^Longevity:	\$3,200		
One Time Stipend:	\$0		
Mileage:	\$3600/year	\$3600/year	\$3600/year
Out of District:	IRS rate	IRS rate	IRS rate
TSA:	7% of base salary		
Cell phone:	Reimbursed 100%	Reimbursed 100%	Reimbursed 100%

^Longevity - The Superintendent will receive \$2,500 annually from the beginning of year 11 through year 20 in the district. The Superintendent will receive \$3,200 annually from the beginning of year 21 in the district. (Total service can include service as a teacher and/or administrator).