

**LINCOLN CONSOLIDATED SCHOOLS
Ypsilanti, Michigan**

SUPERINTENDENT EMPLOYMENT CONTRACT

This Agreement, made and entered into this 28th day of March, 2016 by and between the LINCOLN CONSOLIDATED SCHOOL DISTRICT, hereinafter called the "School District," and SEAN MCNATT, hereinafter referred to as the "Superintendent."

NOW, THEREFORE, it is agreed by and between the parties hereto as follows:

- 1) The School District hereby hires the Superintendent and the Superintendent agrees to work for the School District for a term commencing on July 1, 2016, and ending on June 30, 2018.
- 2) The Superintendent agrees that he/she shall not be deemed to be granted continuing tenure in such capacity as Superintendent of the School District or in any other administrative capacity by virtue of this Agreement, and in no event shall the failure of the School District to continue or re-employ him/her in any capacity be deemed a discharge or demotion within the provisions of Act 4, Michigan Public Acts of 1937, Extra Session, as amended.
- 3) The Superintendent agrees to serve the School District and perform his/her assigned duties, and to abide by all policies and decisions as established by the School District's Board of Education (the "Board"). The Superintendent further agrees to maintain certification as a fully qualified administrator under the laws of the State of Michigan. The Superintendent will be expected to attend Board and committee meetings, and to attend and participate in School District functions, and on occasion, other civic activities having relation to the School District's interests within the community serviced by the School District. The time expended in attending such meetings and activities has been taken into account in setting the salary and, thus, no additional compensation shall be forthcoming for such activity.
- 4) The Superintendent warrants, represents and affirms to the School District:
 - a) That he/she is competent to perform the duties for which he/she is hired and is possessed of the requisite skill and knowledge to enable him/her to do so;
 - b) That he/she will faithfully serve and be regardful of the interests of the School District during the term of this Agreement and will undertake no other employment without the express written permission of the Board;
 - c) That he/she shall perform the duties of the Chief Administrative Officer of the School District, including the duties proscribed by Board policies and

those set forth in the School Code of 1976, as revised, together with such other assigned duties as may be established by the Board;

- d) That he/she will perform all duties in accordance with law and with such care and skill as is necessary to prevent injury to the property, good will, and interests of the School District; and
 - e) That he/she will not acquire any interests adverse to that of the School District.
- 5) As the Chief Administrative Officer, the Superintendent may, with the approval of the Board, organize, reorganize, or arrange the departments within the School District, including the assignments/reassignments of administrative and supervisory staff, which in his/her judgment, best serves the School District and/or provides increased efficiency of operation. The actions of the Superintendent, however, shall not contravene the policies or directives of the Board.
- 6) The School District shall provide the Superintendent with the following Annual Compensation:
- a) For the 2016/2017 school year (July 1, 2016 through June 30, 2017), the School District shall pay the Superintendent an annual base salary of \$126,000. Base salary for each succeeding year under this Agreement, if any, will be no less than the 2016/2017 school year, and shall be established by the Board, after discussion with the Superintendent, on or before June 30th of the then-current school year. Increases in compensation or additional pay shall be based in significant part upon job performance and job accomplishments, and accomplishments of the Superintendent pursuant to Section 1250 of the Revised School Code. Subject to and in accordance with generally applicable limits and other restrictions imposed by law, the Superintendent, out of the compensation provided under this, may arrange for elective pre-income tax salary reduction contributions to either or both a tax sheltered annuity arrangement under Internal Revenue Code section 403(b) and/or a qualified state and local government deferred compensation plan under Internal Revenue Code section 457. The District will make such arrangements available to the Superintendent in accordance with applicable law.
 - b) Commencing in the 2016/2017 school year, the School District will make an annual contribution of \$7,000 on behalf of Superintendent to a tax sheltered annuity (“TSA”) plan of his choosing from the School District’s approved list of TSA providers. The TSA contribution will be made in equal monthly payments. If the Superintendent’s employment terminates

prior to the end of that date, the School District's annual contribution shall be pro-rated for that school year.

- 7) The School District will provide the Superintendent with the following employment benefits during the term of this Agreement:
 - a) The Superintendent shall be entitled to take up to 20 days of Paid Time Off (PTO) per school year (July 1st through June 30th). PTO may be used for personal days or vacation days. The Superintendent shall not be compensated for unused PTO; unused PTO may not be carried over to subsequent school years; and all accrued PTO will be forfeited upon termination of this Agreement.
 - b) The Superintendent shall be entitled to have his/her salary continued for up to 40 hours annually for sickness or disability. The Superintendent shall not be compensated for unused sick/disability hours; unused sick/disability hours may not be carried over to subsequent school years; and all accrued but unused sick/disability hours will be forfeited upon termination of this Agreement.
 - c) Paid holidays, including: New Year's Day, Good Friday, 1st Monday of Spring Break, Memorial Day, July 4th, Thanksgiving and the day after, the day before Christmas, Christmas Day, and the weekdays between Christmas and New Year's Day.
 - d) Medical benefits. The School District will provide with group health insurance coverage with the same insurance benefits applicable to its other Central Office Administrators. Superintendent is responsible for 10% of the premium associated with coverage elected by Superintendent. The Board may substitute or modify these programs from time to time as applicable to the Superintendent and other Central Office Administrators.
 - e) The School District will make a contribution to an HSA established by Superintendent equal to 50% of the plan deductible for Superintendent's health insurance coverage through the School District. The School District contribution will be funded on a monthly basis commencing in the first month of the Term. If this agreement terminated during the middle of the year the Districts contribution will be prorated for the period of time the agreement was in effect.
 - f) Life Insurance. The Board will offer life insurance to the Superintendent in the amount of \$250,000; however the additional annual premium cost of \$821.50 is reportable on his W-2 as taxable income as required under the IRS code.

- g) The Superintendent shall be reimbursed for reasonable expenditures of travel, meals, mileage at the Internal Revenue Service rate, conferences, and workshops held in the State of Michigan and national conferences approved by the Board, which expenditures are incurred in acting on the business of the School District. Such expenditures will be reimbursed upon presentation by the Superintendent of an itemized and detailed accounting of such expenditures and receipts relating thereto in the form customarily required by the Board and in conformity with the applicable rules and regulations of the Internal Revenue Service.
 - h) Death Benefit. To the extent permitted by applicable law and the School District's fringe benefit plans, in the event of Superintendent's death while employed by the School District, the Superintendent's surviving spouse and children will be eligible to receive the then-current medical, dental and vision benefits that the Superintendent received for up to eighteen (18) months via a COBRA policy. For the first three (3) months of COBRA policy, the District will pay for the cost of the insurance less any co-pay the Superintendent would have paid as an employee. The co-pay amount will be paid by the spouse. After three (3) months, if the spouse wishes to continue this insurance coverage, the entire cost will be paid by the spouse.
- 8) The School District agrees to indemnify and hold the Superintendent harmless from and against all claims, suits, judgments, damages, liabilities, cost, and expenses arising from actions taken or decisions made within the scope of his/her employment while he/she is/was Superintendent. The Superintendent shall give the Board notice of the nature of any claim for indemnification hereunder promptly upon receipt of notice of any claim or action against him/her. The Board shall provide the Superintendent with legal representation with respect to such claims or actions against him/her. The Board shall have the right to conduct the defense of any such claim and the Superintendent shall fully cooperate with the Board in the defense. This clause shall survive the expiration of this employment agreement.
- 9) The Board will evaluate the Superintendent's performance in accordance with Michigan law, but no less than annually by December 31st. The Superintendent's evaluation will include consideration of his/her compensation and fringe benefits for the following year of his/her employment as Superintendent of Schools. The Board may also at any time, upon reasonable notice to the Superintendent, conduct an evaluation or assessment of the Superintendent's performance overall or with respect to particular duties, projects, or assignments.
- 10) The Superintendent agrees to submit to such comprehensive medical and/or mental examinations by a Board-approved physician, hospital, or clinic, when, in the Board's judgment, such examination is necessary to determine if the Superintendent can perform the essential job duties of his/her position, or to

determine reasonable accommodations necessary to permit him/her to perform the essential job duties, or when such examination is otherwise job-related and consistent with business necessity. The cost of the physical and/or mental examination shall be borne by the School District and the Superintendent shall sign such medical release forms, and other documents, which are necessary to permit the Board to receive a report limited to the results of the examination(s) for the purposes provided for in this paragraph. The Board agrees that any such reports and their contents shall remain confidential to the extent permitted by law.

- 11) Any provision of this Agreement prohibited by the laws of the United States or the State of Michigan shall be ineffective to the extent of such provision only without invalidating the remaining provisions of this Agreement.
- 12) In addition to any other rights the School District may have, by law or under this Agreement, this Agreement may be terminated at any time during its term by the School District for just cause, which is defined to include, without limitation, acts of moral turpitude; misconduct; intentional failure or refusal to perform assigned duties; indictment for, conviction of, or plea of guilty or nolo contendere to any felony, or any crime (whether or not a felony) involving fraud, theft, domestic violence, sexual misconduct, child abuse, breach of trust or similar acts; or if Superintendent violates any of the ~~substantive terms or~~ covenants of this Agreement.
- 13) As recited in Paragraph 1 herein, this Agreement shall terminate on June 30, 2018. Superintendent acknowledges that he has no expectation of employment by the School District beyond that date. The decision whether to renew or not to renew the contractual relationship is solely within the discretion of the School District's Board.
- 14) The School District's waiver of a breach of any provision of this Agreement by the Superintendent shall not operate or be construed as a waiver of any subsequent breach by the Superintendent. No waiver shall be valid unless in writing and approved by the Board.
- 15) This Agreement contains the entire agreement of the parties hereto, and may not be altered, modified, or rescinded by any prior or contemporaneous statement or understanding of either such party, or any person on their behalf; this Agreement may be amended, modified, rescinded, or otherwise altered during its term only by an express written "Modification," denominated as such, and signed by each of the parties hereto.
- 16) The District shall pay the association dues of the Superintendent for the American Association of School Administrators, and the Michigan Association of School Administrators.

- 17) THE PARTIES MAY ENTER INTO SUBSEQUENT AGREEMENTS WITH MUTUALLY AGREEABLE TERMS AND CONDITIONS, HOWEVER, THE BOARD HEREBY GIVES NOTICE PURSUANT TO MCLA 380.1229(1) THAT THIS AGREEMENT SHALL NOT RENEW BEYOND THE TERM SET FORTH IN PARAGRAPH 1.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS HEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

BOARD OF EDUCATION, LINCOLN
CONSOLIDATED SCHOOLS

Witness

By: _____
President, Board of Education

Witness

And: _____
Secretary, Board of Education

SUPERINTENDENT OF SCHOOLS

Witness

Sean R. McNatt