

**FREELAND COMMUNITY SCHOOL DISTRICT
CONTRACT OF EMPLOYMENT - SUPERINTENDENT**

Pursuant to Section 1229(1) of the Revised School Code and in accordance with the action found in the minutes of the Board of Education (the "Board") of the Freeland Community School District (the "District") meeting held on May 18, 2009, the Board employs Matthew A. Cairy (the "Superintendent") for a two-year period beginning July 1, 2009, and ending on June 30, 2011, according to the terms and conditions described below.

1. **Duties.** Matthew A. Cairy shall perform the duties of Superintendent as prescribed by the Board and as may be established, modified, or amended from time to time by the Board.

A. The Superintendent acknowledges the Board's ultimate authority to assign his duties, and further agrees to faithfully perform those duties and to diligently implement the Board's policies and education programs.

B. The Superintendent is subject to assignment and transfer to another position of administrative employment in the School District at the Board's discretion.

2. **Qualifications.** The Superintendent represents that he possesses and shall maintain all certificates, credentials, and qualifications required by law, including Michigan Department of Education Regulations, and those required by the Board to serve in the position assigned. As a condition of his continued employment, the Superintendent also agrees to meet all continuing education requirements for the position assigned, as may be required by law or the Michigan State Board of Education. If at any time the Superintendent fails to maintain all certificates, credentials, continuing education requirements, or qualifications for the assigned administrative position, this Contract shall automatically terminate and the Board shall have no further contractual obligations.

3. **Performance.** The Superintendent agrees to devote his talents, skills, efforts, and abilities toward competently performing all duties and responsibilities of the position assigned, including compliance with the directives of the Board to carry out its policies and educational programs. The Superintendent pledges to use his best efforts to maintain and improve the quality of District operations and to constantly promote efficiency in all areas of his responsibility. Further, the Superintendent agrees to comply with and fulfill all responsibilities and tasks for which he is responsible as required by state and federal law, as well as by the Board.

4. **Performance Evaluation.** The Superintendent's performance shall be evaluated by the Board or its designee annually, but not later than March 31. The Superintendent shall notify the Board, no later than February 1 of each year, of its obligation to perform this evaluation.

5. **Compensation.** The Superintendent shall be paid at an annual (12-month) salary rate of not less than One Hundred Twenty-one Thousand, Four Hundred Ninety-Six Dollars (\$121,496)

in consideration for his performance of the duties and responsibilities of the position assigned in conformance with the requirements and expectations of the Board.

- A. The Board retains the right to adjust the Superintendent's annual salary during the term of this Contract. Any such salary adjustment shall not reduce the annual salary below the minimum annual salary prescribed above.
- B. Any adjustment in salary made during the term of this Contract shall be in the form of a written amendment and, when executed by the Superintendent and the Board, shall become a part of this Contract.

6. **Annual Annuity.** The District shall pay, to an annuity designated by the Superintendent, an amount equal to 10% of the Superintendent's annual salary.

7. **Longevity.** During his 5th year of service, and annually thereafter, the Superintendent shall receive an amount equal to 0.50% of annual salary times the number of years of service to the district, capped at 10 years of service. This amount shall not be added to the base salary of the Superintendent.

8. **Reimbursed Expenses.** The Superintendent shall be eligible to be reimbursed for reasonable expenses related to the use of electronic communications devices for District purposes, as well as for mileage, travel, meals, and lodging upon the timely submission of reimbursement requests in accordance with the per diem expense procedures established by the Board.

- A. The Superintendent shall receive mileage reimbursement at the current IRS rate for use of a vehicle while conducting business, outside the school district, associated with his duties as Superintendent.
- B. Any expense to be incurred by the Superintendent, in excess of \$200, for out-of-district travel shall be submitted in advance for review and approval by the Board or its designee. The Superintendent shall be required to present an itemized account of his reasonable and necessary expenses in accordance with directions of the Board or its designee.

9. **Professional Development.** The District shall pay the full cost of all professional memberships, subscriptions, and books, as well as the reasonable costs related to the registration fees, travel, lodging, and meal expense to attend local or state professional meetings. Subject to prior approval by the Board, the Superintendent may attend one national conference per year.

10. **Insurance Programs.** Upon proper application and acceptance for enrollment by the appropriate insurance underwriter, policyholder, or third-party administrator, the Board shall make premium payments on behalf of the Superintendent and his eligible dependents for health, dental, vision, and long-term disability the same as provided to the District's administrative

employees.

The Board shall also provide the Superintendent with term life insurance coverage to be capped at Two Hundred Fifty Thousand Dollars (\$250,000).

11. **Insurance Contracts.** The Board reserves the right to change the identity of the insurance carrier, policyholder, or third-party administrator for any of the above insurance coverages, provided that comparable coverage (as determined by the Board) is maintained during the term of this Contract.

- A. The Board shall not be required to remit premiums for any insurance coverages for the Superintendent and his eligible dependents if enrollment or coverage is denied by the insurance underwriter, policyholder, or third-party administrator.
- B. 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.
- C. The Superintendent is responsible for assuring completion of all forms and documents needed to receive the above-described insurance coverage.
- D. 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.

12. **Vacation.** The Superintendent is employed on the basis of fifty-two (52) weeks of work per fiscal year (July 1 through June 30) as scheduled by the Board. The Superintendent shall be granted paid vacation time of twenty (20) days per contract year.

- A. While vacation days are intended to be used within the contract year for which they are made available, up to ten (10) vacation days may be carried over, but will not accumulate beyond thirty (30) days per contract year.
- B. The Superintendent shall schedule use of vacation days in a manner to minimize interference with the orderly operation and conduct of District business. The Superintendent shall notify the Board President of all planned vacation days.
- C. Upon termination of employment with the District, the Superintendent shall be paid for any unused and accrued vacation days, not to exceed a total of thirty (30) vacation days, to be calculated by the Superintendent's per diem salary compensation.

13. **Holidays.** Consistent with the District's calendar, the Superintendent is entitled to

the holidays recognized by the District for which no service to the District is required. Further, the Superintendent is excused from duty during the Christmas and Spring break periods as reflected in the District calendar.

14. **Authorized Absence.** If the Superintendent is absent from duty on account of personal illness or disability, he shall be allowed full pay for a total of twelve (12) days per contract year. Unused paid leave days shall be cumulative to a maximum of one hundred thirty five (135) days for absence due to personal illness or disability of the Superintendent. Upon retirement, the Superintendent shall be paid for his unused accumulated sick leave at the rate of One Hundred Dollars (\$100) per day.

15. **Personal Leave Days.** At the Board's discretion and approval, the Superintendent may be granted up to ten (10) personal leave days per contract year. Unused personal leave days are not deductible from accumulated sick leave and do not accumulate beyond the contract year.

16. **Disability.** In the event of the Superintendent's mental 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. The 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 the Superintendent during this interval to the extent required by law. Upon utilizing leave under this provision, the Superintendent shall furnish medical certification to the Board (or its designee) as to the necessity for the leave.

- A. If the Board (or designee) has reason to doubt the validity of the medical certification supplied by the Superintendent, it may require a second opinion, at Board expense.
- B. The Superintendent may request a ninety (90) workday unpaid leave extension in the event of his physical 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 end 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 Board's discretion.
- C. If the Superintendent is unable to or does not resume work at the conclusion of a leave taken under this paragraph (or any leave extension), his employment and this Contract may be terminated at the Board's option. However, no such termination shall occur where restoration after leave is required by the Family and Medical Leave Act.
- D. Before any resumption of duty after an unpaid leave of absence for a serious health condition, the Superintendent shall provide to the Board a fitness for duty certification from the Superintendent's health care provider. A second opinion may

be required by the Board, at its expense, unless the securing of the second opinion is precluded by the Family and Medical Leave Act.

- E. The parties agree that the Superintendent's position is a "key employee" position as prescribed by the Family and Medical Leave Act.

17. **Medical Examination.** The 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.

- A. Upon the Board's request, the Superintendent shall authorize the release of medical information necessary to determine if the 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 the Superintendent by the Board shall be job-related and consistent with business necessity.
- B. 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 confidential.

18. **No Tenure in Position.** The 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 Board's decision not to continue or renew the Superintendent's employment for any subsequent period in any capacity, other than as a classroom teacher as may be required by the Michigan Teachers' Tenure Act, be deemed a breach of this Contract or a discharge or demotion within the provisions of the Michigan Teachers' Tenure Act.

19. **Termination for Cause.** The Board is entitled to terminate the Superintendent's employment at any time for just cause during the term of this Contract for any act of moral turpitude, misconduct, dishonesty, fraud, insubordination, incompetency, inefficiency, or if the Superintendent materially breaches the terms and conditions of this Contract.

- A. The foregoing standards for termination of this Contract during its term shall not apply to nonrenewal of this Contract at the expiration of its term, which decision is discretionary with the Board, with or without cause.
- B. In the event that the Board undertakes to dismiss the 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 contractual obligation.

20. **Dispute Resolution.** In the event of any dispute between the parties relating to the Superintendent's termination during the term of this Contract, the parties agree to submit such dispute to binding arbitration. Selection of the arbitrator and the arbitration proceedings shall be conducted under the National Rules for the Resolution of Employment Disputes administered by the American Arbitration Association. Arbitration under this provision shall be conducted under the terms of the Michigan Arbitration Act, MCL 600.5001 *et seq.* and MCR 3.602.

- A. The parties intend that this process of dispute resolution shall include all contractual and statutory claims advanced by the Superintendent and arising from the Superintendent's discharge during the Contract term including (but not limited to) claims of unlawful discrimination and all claims for damages or other relief.
- B. This agreement to arbitrate waives the Superintendent's right to adjudicate discrimination claims in a state or federal court judicial forum, but does not restrict the Superintendent from filing a claim or charge:
 - (I) with a state or federal agency (*i.e.*, the Michigan Department of Civil Rights or the Equal Employment Opportunity Commission), or
 - (ii) for unemployment compensation or workers' compensation.
- C. This agreement to arbitrate does not waive any statutory rights or remedies in the arbitration proceedings. The parties have the right to representation by counsel, the right to appoint a neutral arbitrator, the right to reasonable discovery, and the right to a fair hearing.
- D. The arbitrator's fee and the costs imposed by the American Arbitration Association shall be shared equally by the Board and Superintendent.
- E. Any claim for arbitration under this provision must be filed with the American Arbitration Association, in writing, and served on the Board within one-hundred eighty (180) days of the effective date of the Superintendent's termination. The Arbitrator's Decision and Award shall be final and binding, and judgment thereon may be entered in the Circuit Court for the 10th Judicial Circuit of Michigan (Saginaw County).

21. **Entire Agreement.** This Contract contains the entire agreement and understanding between the Board and the Superintendent as to the employment of the Superintendent. Representations, promises, contracts, or understandings (written or oral) not contained in this

Contract have no effect.

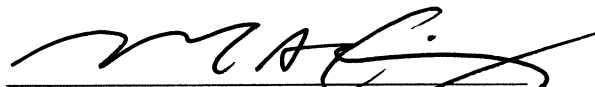
- A. All prior agreements pertaining to, connected with, or arising in any manner out of the Board's employment of the Superintendent, are terminated and shall have no effect. Provided, however, that this Contract is voidable under the Revised School Code's provisions pertaining to criminal records checks.
- B. No change or modification of this Contract shall be valid or binding unless it is in writing and signed by the Superintendent and the Board.
- C. No valid waiver of any provision of this Contract, at any time, shall be deemed a waiver of any other provisions of this Contract at such time or at any other time.

22. **Voidability.** If any provision of this Contract 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).

23. **Authorization.** This Contract is executed on behalf of the School District pursuant to the authority contained in the resolution of the Board adopted on May 19, 2009, ^{MC} the same being incorporated herein by reference.

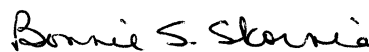
IN WITNESS WHEREOF, the parties have caused this Contract to be executed on the day and year first above written.

Date: May 18, 2009

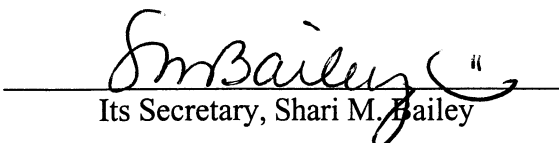

Matthew A. Cairy, Superintendent

FREELAND COMMUNITY SCHOOL DISTRICT
BOARD OF EDUCATION

Date: May 18, 2009

By: 
Its President, Bonnie S. Skornia

Date: May 18, 2009

By: 
Its Secretary, Shari M. Bailey