

## BARAGA AREA SCHOOLS

### Employment Agreement

This Employment Agreement (the "Agreement") is hereby entered into as of March 7, 2016 by and between the Baraga Area Schools, a Michigan Local Education Agency, (the "School District") and Richard Sarau, an individual residing in the State of Michigan, ("Employee"). The School District and Employee are each referred to herein as a "party" and collectively as the "parties." The Parties hereby agree as follows:

**1. Appointment.** Subject to the terms and conditions hereof, the School District hereby appoints Employee to the position of Superintendent of the School District.

**2. Duties of Employee.** During the Term (as defined below), Employee shall faithfully perform for the School District the duties and obligations customary to the position of Superintendent, but not limited to: (1) such duties as are required by the State of Michigan Revised School Code and any other applicable laws, rules, or regulations as may be in effect or as may be enacted during the Term by the State of Michigan or the Michigan Department of Education (2) acting as an advisor to the School District's Board of Education (as defined in its bylaws, hereinafter, the "Board") on matters pertaining to the school administration or the administration of the School District and advising the Board regarding significant administrative action taken on behalf of the School District; (3) implementing the policies and programs of the School District as set forth by the Board.

**3. Term.** The Board agrees to employ Richard Sarau as Superintendent of its schools for the term of two (2) years from July 1, 2016 to and including June 30, 2018.

The Board of Education shall, not later than March 31 of each year during the term of this contract, consider the extension of this contract for an additional one year period. Failure to exercise this requirement by March 31 will automatically extend this contract by one year. It is the responsibility of the Superintendent to remind the Board at its February meeting of this requirement annually.

**4. Evaluation.** The School District shall evaluate Employee's performance at least one time per year according to such criteria as it may determine in its sole discretion and as determined by the Board. Upon request of the Board, Employee shall provide proposed criteria for such evaluation, and shall fully cooperate with the Board in providing all information necessary for the Board to perform such evaluation.

**5. Tenure.** Employee shall not be deemed to have tenure.

**6. Professional Liability.** The School District shall defend, hold harmless, and indemnify Employee from and against any and all actual or threatened claims of any third party against Employee (in his individual capacity or in his official capacity as agent and employee of the School District) arising from any act or omission of Employee within the scope of his

employment, excluding criminal actions and any claim determined by a court of competent jurisdiction to have involved Employee's intentional or willful misconduct.

**7. Professional Growth and Continuing Education.** Employee may attend professional meetings and be reimbursed for reasonable, documented, out of pocket expenses incurred by Employee in connection therewith. The School District shall also reimburse Employee for all reasonable, documented, out-of-pocket expenses incurred in performance of the duties of the Superintendent, provided that any expenses greater than \$500 and expenses exceeding \$1,000 in any calendar month must be pre-approved by the Board. The School District shall also establish an educational spending account in the amount of \$3,000 annually for reimbursement of reasonable, documented educational expenses to be used at the reasonable discretion of Employee. Unspent funds will accrue for use in subsequent years. Employee shall request reimbursement from the business office.

**8. Professional Dues.** The School District shall pay Employee's dues for the American Association of School Administrators, the Michigan Association of School Administrators, and the M.A.S.A. Region in which the School District is located, as well as other appropriate affiliations as pre-approved by the Board.

**9. Benefits and Compensation.** The School District shall pay an annual salary in the amount of \$87,050, to be paid in equal, bi-monthly installments. Said salary shall be reviewed annually and is subject to upward revision by agreement of the parties. In no case will the salary be lowered. The School District shall also contribute to an annuity in the amount of \$100.00 per pay period. Employee shall be entitled to participate in the health, dental, vision, and life insurance plans provided by the School District to the faculty. In addition, Employee shall be entitled to:

- twelve (12) sick days per year to be accumulated without limit;
- twenty (20) vacation days per year (unused vacation days will be transferred to sick leave at the end of each year);
- all holidays recognized by the School District as well as Christmas and Spring Breaks as set forth in the academic calendar;
- three (3) personal days per year; and
- three (3) days of bereavement leave, not to be deducted from sick leave.

**11. Transportation.** Whenever practical, Employee shall use a vehicle provided by the School District for transportation performed in connection with the duties of the Superintendent. The School District shall reimburse Employee at the prevailing standard rate for use of an automobile owned by Employee for such transportation if use of a School District-owned vehicle is impractical.

**12. Retirement.** Upon termination of this Agreement, if Employee is eligible to receive full MPSEER'S benefits, Employee shall receive full pay (per diem) for up to 122.5 accumulated sick days.

**13. Termination by the School District.** This Agreement shall terminate automatically at the end of the Term unless extended according to its terms or by mutual agreement of the parties. The School District may terminate this Agreement for cause, provided that written notice of the same shall first be provided to Employee and he shall be given the opportunity to make explanation to the Board at a hearing that may be public or private, at Employees option. For purposes of this Agreement, "cause" means: (1) willful or intentional misconduct, including intentional breach of this Agreement; (2) gross negligence or incompetence in the performance of the duties of Superintendent; (3) negligent endangerment of a student, or (4) loss of capacity.

**14. Termination by Employee.** Employee may terminate this Agreement at any time upon 60 days' advance written notice to the Board of Employees intention to do so.

**15. Dispute Resolution.** In the event of a dispute between the parties arising from, relating to, or in connection with any provision of this Agreement, or a dispute concerning any of the parties' rights or obligations as defined pursuant to this Agreement, the parties hereby agree to submit such dispute to binding arbitration. Such arbitration shall be conducted under the rules of, and administered by, the American Arbitration Association. The arbitrator's fee and the expense 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.

**16. Waiver.** A party's failure to exercise or delay in exercising any right, power, or privilege under this Agreement shall not operate as a waiver; nor shall any single or partial exercise of any right, power, or privilege preclude any other or further exercise thereof.

**17. Severability.** If any provision of this Agreement is ruled invalid or unenforceable by a court of competent jurisdiction, the remainder of the Agreement not affected by the ruling shall remain valid and in effect.

**18. Governing Law.** This agreement is governed by and shall be interpreted in accord with the law of the State of Michigan without regard to its choice of law rules.


[Signature pages to follow]

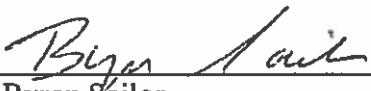
IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year written.

**EMPLOYEE**

By  Date 3/7/16  
Richard Sarau

**SCHOOL DISTRICT**

By  Date 3/7/16  
A. William Stark  
V. President of the Board

By  Date 3-7-16  
Byron Sailor  
Secretary of the Board