

17111 G Drive North, Marshall, MI 49068 / P 269.781.5141 / F 269.781.7071 / www.calhounisd.org

**CONTRACT OF EMPLOYMENT**  
**School Administrator**

It is hereby agreed by and between the Board of Education of the Calhoun Intermediate School District (hereinafter "Board") and *Terance Lunger* (hereinafter "Administrator") that pursuant to Section 601a(1)(d), 623(1)(b) and 1229(1) of the Revised School Code of the State of Michigan, the Board in accordance with its action found in the minutes of the meeting held on the 16<sup>th</sup> day of March 2011 has and does hereby employ said Administrator commencing on July 1, 2011 and ending on June 30, 2014 according to the terms and conditions as described and set forth herein as follows:

1. Administrator shall perform the duties of *Superintendent* as prescribed by the Board pursuant to the Revised School Code of the State of Michigan as may be established, modified and/or amended from time to time by the Board and under the supervision and direction of the Board of Education of Schools. Administrator acknowledges the ultimate authority of the Board of Education with respect to his/her responsibilities and directions related thereto.

Administrator is subject, during the term of this Contract, to assignment and transfer to another position of administrative employment in the Intermediate School District at the discretion of the Board of Education.

2. Administrator represents that he/she possess, 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, Administrator agrees, as a condition of his/her continued employment, to meet all continuing education requirements for the position assigned, as may be required by the State Board of Education. If at any time Administrator fails to maintain all certifications, 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 obligations hereunder.
3. Administrator agrees to devote his/her talents, skills, efforts and abilities toward competently and proficiently fulfilling all duties and responsibilities of the position assigned. Administrator agrees to faithfully perform those duties assigned by the Board to carry out the educational programs and policies of the Intermediate School District for which he/she is responsible during the entire term of this Agreement. Administrator agrees to devote substantially all of his/her business time, attention and services to the diligent, faithful and competent discharge of his/her duties on behalf of the Intermediate School District to enhance the operation of the Intermediate School District and agrees to use his/her best efforts to maintain and improve the quality of the programs and services of the Intermediate School District.
4. Administrator shall be paid the following compensation:

As part of remuneration for providing services under this contract the Administrator shall receive the following compensation:

- A. **Base Salary:** Administrator shall be paid at an annual salary rate of not less than One Hundred Forty Nine Thousand Three Hundred Eighty Three Dollars (\$149,383) in consideration of his/her performance of the duties and responsibilities of the position assigned in conformance with the requirements and expectations of the Board of Education. Future increases to Base Salary will be determined by the Board of Education.

- B. Advanced Degree Compensation: 2% of Base Salary at an annual rate of Two Thousand Nine Hundred Forty Four Dollars (\$2,988.00).**
- C. Deferred Compensation: 10% of Base Salary to be paid at an annual rate of Fourteen Thousand Seven Hundred Eighteen Dollars (\$14,938.00) to be applied to an annuity of Administrator's choice. 50% payment shall be made by December 31<sup>st</sup> with the balance to be paid by March 31<sup>st</sup> of each year.**

An Increase of 1% of Base Salary shall be applied each year after 5 years up to a maximum of 15% of Base Salary.

**D. Additional Compensation**

- 2% of Base Salary after 5 years
- 3% of Base Salary after 8 years
- 4% of Base Salary after 11 years

Should Administrator be assigned or transferred to another Administrative position, the salary paid shall be established by the Board for that position. The annual salary should be paid in twenty-six (26) equal bi-weekly installments beginning with the commencement of the fiscal/contract year (July 1 - June 30).

The Board hereby retains the right to adjust the annual salary of Administrator during the term of this Contract. Any adjustment in salary made during the term of this Contract shall be in the form of a written amendment and when executed by Administrator and the Board, shall become a part of this Contract.

5. Administrator is employed on an annual basis for 228 days per fiscal year (July 1 - June 30) as scheduled by the Board. Administrator shall have annually thirty-three (33) non-work, non-obligation, non-paid days per fiscal year (July 1 - June 30), twelve (12) days of which shall coincide with the District declared holidays. Non-work, non-obligation, non-paid days are to be scheduled in a manner to minimize interference with the orderly operation and conduct of business of the Intermediate School District. District declared holidays are:
- Independence Day
  - Labor Day
  - Thanksgiving Day
  - Day After Thanksgiving
  - Christmas Eve
  - Christmas Day
  - New Year's Eve
  - New Year's Day
  - Additional two (2) days between Christmas Day and New Year's Day (as schedule by the Board)
  - Good Friday
  - Memorial Day
6. Administrator's performance shall be evaluated annually by the Board not later than March 31. The Board in its sole discretion and with or without cause may decline to extend this contract for an additional year. The Board shall review this contract with the Administrator annually, and shall, on or before March 31 of each year take official action determining whether or not it is extended for an additional year and notify the Administrator of this action in writing.
7. The Board shall be entitled to terminate the Administrator's employment at any time during the term of this Contract when it determines that Administrator has engaged in acts of moral turpitude, misconduct, dishonesty, fraud, insubordination, incompetency, or if Administrator materially breaches the terms and conditions of this Contract, or for other causes determined to be sufficient by the Board.

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

In the event that the Board undertakes to dismiss Administrator during the term of this Contract, he/she 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.

8. In the event of Administrator's mental and/or physical incapacity to perform the duties of his/her office, he/she shall be granted an initial leave of ninety (90) work days for purpose of recovery. The Administrator shall first exhaust any accumulated sick leave and other unused accumulated leave time, with the balance of the ninety (90) work day period to be unpaid. Health plan premium payments shall be made on behalf of Administrator during this interval will be in accordance with the Administrator Handbook and/or to the extent required by law. Upon utilizing leave under this provision, Administrator shall furnish medical certification to the Board (or its designee) respecting the necessity for leave.

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

Administrator may request up to a 110 work day leave extension in the event of his/her physical and/or mental inability to return to work at the expiration of the initial leave interval, as described above, provided that there is reasonable likelihood that Administrator will be able to resume his/her duties at the end of the extended leave interval. Medical certification shall be supplied by Administrator as a condition to any leave extension. Any extension of leave for this purpose shall be at the discretion of the Board and shall be paid only to the extent Administrator has unused accumulated sick leave or other unused paid leave available (i.e. carryover from prior fiscal year any non-work, non-paid, non-obligation days).

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

Prior to resumption of duty after an unpaid leave of absence for a serious health condition, Administrator shall provide to the Board a fitness for duty certification from Administrator'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.

9. Administrator agrees the he/she shall not be deemed to be granted continuing tenure in the position initially assigned or to which he/she 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 Intermediate School District. Nor shall the decision of the Board not to continue or renew the employment of Administrator 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 Contract or a discharge or demotion within the provisions of the Michigan Teachers' Tenure Act.
10. Administrator shall submit to such medical examination, supply such information and execute such documents as may be required by any underwriter, policy holder or third party administrator providing insurance programs specified under this Contract. Additionally, upon request of the Board or Superintendent, Administrator shall authorize the release of medical information necessary to determine if Administrator is capable of performing the essential job functions required by his/her assignment, with or without job accommodation. Any physical or mental examination or disclosure of such information required of Administrator by the Board or Superintendent 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.
11. 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 Administrator and his/her eligible dependents for the following insurance programs (plans determined by the Board of Education and as afforded other district Administrators):
- |                  |                                |
|------------------|--------------------------------|
| Health Insurance | Vision Life Insurance          |
| Dental Insurance | Long Term Disability Insurance |

## Term Life Insurance (3 times salary)

## Travel/Accident Life Insurance

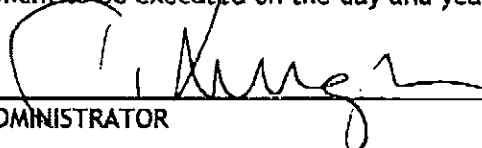
12. Administrator shall be entitled to the following:
- A. Annual Community Service Stipend in the amount of \$6,000 to be paid by July 31<sup>st</sup>.
  - A. Up to \$1,300 annually for 30 year term life insurance policy with a face value of \$500,000.
  - B. Payment for up to 12 semester hours per year for relevant tuition.
  - C. District travel reimbursement at the current IRS rate.
  - D. Annual payment not to exceed \$6200.00 for purchase of MPERS Service Credit. Upon fulfillment of MPERS Purchase Agreement, \$6,000 will revert to Deferred Compensation (Section 4.C. of this Contract).
  - E. For the purpose of calculating years of service to the Calhoun Intermediate School District, the 2007-2008 school-year will be calculated as a full year of service. This is for CISD calculations and not for MPERS calculation.
13. The Board reserves the right to change the identity of the insurance carrier, policyholder or third party administrator for any of the above coverages, provided that comparable coverage, as determined by the Board, is maintained during the term of this Contract. The Board shall not be required to remit premiums for any insurance coverages for Administrator and his/her 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 of third-party administrator shall be controlling as to all matters concerning benefits, eligibility, coverage, termination of coverage, and other related matters. Administrator is responsible for assuring completion of all forms and documents needed to receive the above-described insurance coverage. The Intermediate School District, by payment of the premium amounts required to provide the above-described insurance coverages, shall be relieved from all liability with respect to insurance benefits.
14. If Administrator is absent from duty on account of personal illness or disability, or other reasons as outlined in the Administrator Handbook as approved by the Board, he/she shall be allowed full pay for a total of twelve (12) days per full contract year. Unused paid leave days hereunder shall be cumulative to a maximum of 210 days for absence due to personal illness or disability of Administrator or for other reasons outlined in the Administrator Handbook as approved by the Board.
15. Administrator shall be eligible to be reimbursed for travel, meals and lodging in accordance with Board Policy # 3440 and Administrative Guideline # 3440a.
16. The Board agrees to pay the premium amount for errors and omissions insurance coverage for Administrator while engaged in the performance of a governmental function and while the Administrator is acting within the scope of his/her authority. The policy limits for this coverage shall be not less than \$2,000,000. The terms of the errors and omissions insurance policy shall be controlling respecting defense and indemnity of Administrator. The sole obligations 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 Administrator. In that event, the Board agrees on a case-by-case basis to consider providing legal defense and/or indemnification to Administrator as is authorized under MCLA 691.1408 and MCLA 380.601a(1)(d).
17. This Contract contains the entire agreement and understanding by and between the Board and Administrator with respect to the employment of Administrator and no representations, promises, contracts or understanding, written or oral, not contained herein, shall be of any force or effect. All prior contracts or other agreements (written or oral) pertaining to, connected with, or arising in any manner out of the employment of Administrator by the Board, are hereby terminated and shall hereafter be of no force or effect whatsoever. Provided, that this Contract is voidable pursuant to the provisions of the Michigan Revised School Code pertaining to criminal records checks.

No amendment to or modification of this Contract shall be valid or binding unless it is in writing, approved by official action of the Board reflected in its minutes, and signed by Administrator and Secretary of 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 any other time.

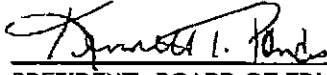
- 18. If any provision of this Contract becomes or is declared by a Court of competent jurisdiction to be illegal, unenforceable or void, this Contract shall continue in full force and effect without said provision(s).
- 19. Administrator agrees that any claim or suit arising out of Administrator's employment with the Board must be filed no more than six (6) months after the date of the employment action that is the subject of the claim or suit. Administrator understands that the statute of limitations for claims arising out of an employment action may be longer than six (6) months, but agrees to be bound by the six (6) month period of limitation set forth herein and waives any statute of limitations to the contrary. Should a court of competent jurisdiction determine that this provision allows an unreasonably short period of time to commence a law suit, it is the intent of the parties that the court enforce this provision to the extent possible and declare the law suit barred unless it was brought within the minimum reasonable time within which the suit should have been commenced.
- 20. This Contract is executed on behalf of the Intermediate School District pursuant to the authority granted as contained in the action of the Board on November 28, 2007, the same being incorporated herein by reference.

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


Date: 3/18/11

  
ADMINISTRATOR

Date: 3/18/2011

  
PRESIDENT, BOARD OF EDUCATION

Date: 3/18/11

  
SECRETARY, BOARD OF EDUCATION