

MONTROSE COMMUNITY SCHOOLS SUPERINTENDENT CONTRACT

This contract is entered into April 26, 2016 between the Board of Education of the **Montrose Community Schools**, hereinafter called the "Board" and **Edward S. Graham, Ph.D.**, hereinafter called the "Superintendent" in accordance with the following terms and conditions:

1. **TERM:** The Board agrees to employ the Superintendent for the term of three (3) years, commencing on July 1, 2016 and terminating on June 30, 2019.

The Board shall review this contract with the Superintendent annually, and shall, on or before the last day of April of each ensuing year, take official action to determine whether or not it is extended for an additional year and notify the Superintendent of its action in writing. If no action is taken by the Board, the contract shall be deemed to have been extended for an additional contract year (July 1 – June 30). Nonrenewal procedures shall be governed exclusively by the procedures and standards contained in MCL 380.1229.

2. **DUTIES:** The Superintendent agrees to perform the duties of the position in a competent and professional manner, and in compliance with the laws applicable to the school district and the policies and regulations adopted by the Board of Education. He has represented to the Board that he meets all Michigan requirements and holds all certificates necessary for employment by the Board of Education for the position of Superintendent and that he shall maintain same while employed as Superintendent.
3. **EVALUATION:** The Board shall evaluate the Superintendent using a process mutually agreed upon and approved by the Board, which shall be implemented during each year of the contract. This evaluation shall be completed prior to January 1st of each school year. If at any time the Board is dissatisfied with the Superintendent's performance, it is to be brought to his attention immediately to allow for immediate and effective communication and the operation of district business.
4. **REPORTS TO THE BOARD:** The Superintendent shall report to the board, at regular intervals and at such other times as the Board shall direct, the progress of the Superintendent's supervision and direction of the system, and shall recommend to the Board that the establishment of new and changed policies when, in the opinion of the Superintendent, such recommendations will increase the efficiency of operation of the district or shall provide a better system of public education.
5. **TENURE EXCLUSION:** This contract does not confer tenure upon the Superintendent in the position of Superintendent or any other position in the district.
6. **COMPENSATION:** The base salary for the 2016-2017 school year shall be \$128,000 (One hundred twenty-eight thousand dollars). Annual adjustments to the base beginning with the 2016-2017 school year shall be calculated on the basis of the District's general fund balance as determined by the official financial audit for the previous school year as follows:


Audited General Fund Balance	Compensation Formula
General Fund Balance equal to less than 10%	Freeze in salary
General Fund Balance equal to or greater than 11%	0.75% (0.0075) increase to the base
General Fund Balance equal to or greater than 12%	An additional 0.75% (0.0075) increase to the base (cumulative gain of 1.5% (0.015%) to the base


- A. **ANNUITY:** The Board shall make non-elective paid contributions to a tax sheltered annuity (TSA) selected by the Superintendent in the amount of \$5,500 during each contract year. The contribution to the TSA will be made in 26 equal pays or adjusted based on contract effective dates and Board contribution changes.
 - B. **LONGEVITY:** Upon the completion of three (3) contract years, the Board shall pay the Superintendent annually 3.5% of salary; 4.0% of salary at the completion of six (6) years; 4.5% of salary at the completion of nine (9) years; 5.0% of salary at the completion of fifteen (15) years; and 5.5% of salary at the completion of twenty (20) years. Longevity payments will be evenly distributed throughout year each contract year.
7. **INSURANCE BENEFITS:** The Superintendent shall receive the same health insurance, dental insurance, and vision insurance benefits the Board provides to its full-time administrative staff.
- A. Long-term disability insurance will be provided at no cost for the Superintendent in the amount of 66.66% of his salary. Should the Superintendent become disabled, the Board shall continue to pay his salary commencing with the date of disability and continuing during the waiting period required by the insurance policy.
 - B. The Board shall provide and pay the premiums for a term life insurance policy for the Superintendent in the amount of \$250,000.
8. **OTHER BENEFITS:** The Superintendent is entitled to the following specific benefits:
- A. **Sick Days:** The Superintendent will be credited with sixteen (16) sick days at the beginning of each contract year plus 7 additional days which may be used for personal business. Said sick days shall be accumulated if not used. If the Superintendent retires from the K-12 public education, having fulfilled a minimum of five (5) years of service to the district, he will be compensated at a rate of \$80 per day for all unused sick days. The allowance of unused sick days shall be capped at 200 days. However, if the Superintendent does not fulfill five years of service to the district, and is not retiring from K-12 public education upon resignation from the District, the Superintendent will not be compensated for any unused sick days.
 - B. **Bereavement Days:** The Superintendent shall be granted up to three (3) days off with pay for immediate family only (mother, father, spouse, child, siblings, mother/father-in-law).
 - C. **Vacation Days:** The Superintendent shall be granted twenty-four (24) days at the beginning of each contract year. The Superintendent shall notify the Board of his intent to use vacation time. Up to ten (10) vacation days per year may be carried from one year to the next, but may not be used thereafter. Upon resignation, retirement, or termination of the Superintendent from this position, there shall be no compensation for any unused vacation days.
 - D. **Holidays:** The Superintendent shall be entitled to the following paid holidays: July 4th, Labor Day, Thanksgiving Day, Christmas Day, New Year's Day, Good Friday, and Memorial Day
 - E. **Travel Reimbursement:** A business travel allowance of \$400 per month shall be provided to the Superintendent.
 - F. **Professional Association Dues and Development:** The Board shall pay the association dues of the Superintendent for the American Association of School Administrators and the Michigan Association of School Administrators at annual cost as provided within the District budget.

- G. The Superintendent is encouraged to attend workshops and conferences at the local, state, and national level. The reimbursement for expenses incurred while attending Board-approved professional conferences shall be provided within the allotted budget in an amount not to exceed \$1000 per contract year. Professional development expenses in excess of that amount must be approved by the Board.
- H. In the event that the Superintendent should die within the duration of this contract, the Board agrees to continue his salary and benefits for a period of sixty (60) days from the date of death.
- I. **Physical 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. Additionally, the Board may request release of medical information necessary to determine if the Superintendent is capable of performing the duties required in his assignment. The Board may require that the Superintendent have a comprehensive medical examination as may be deemed necessary. If such an examination is required, a statement shall be filed with the Secretary of the Board certifying to the physical fitness and physical capability and/or mental competency of the Superintendent to perform his duties. Medical information provided under this contract shall be treated as confidential by the Board. Should the Board exercise its prerogative under this provision, the cost of physician services for said examination will be borne by the Board to the extent not covered by health insurance provided by the Board. In addition to the above, the Superintendent is required to obtain a complete physical annually and the Board will reimburse the cost incurred to the extent not covered by the health insurance provided by the Board.
9. **TERMINATION PROVISIONS:** The Superintendent shall be subject to discharge for good and just cause, if just cause is permitted by law, but the Board shall not discharge him for a reason which is arbitrary or capricious. No discharge shall be effective until written charges have been served upon him and he has an opportunity for a fair hearing before the Board after ten (10) days' notice in writing. Said hearing shall be public or private at the option of the Superintendent. At such hearing, he may have legal counsel at his own expense.
10. **DISPUTE RESOLUTION:** In the event of a dispute between parties relating to any provision of this contract, or a dispute concerning any of the parties' rights or obligations as defined pursuant to this contract, the parties hereby agree to submit such to binding arbitration. Such arbitration shall be conducted under the labor arbitration 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 representation.
11. **INDEMNIFICATION:** The Board agrees, to the extent permitted by law, to indemnify and hold the Superintendent harmless, excluding criminal liability, from and against all claims, suits, judgments, damages, liabilities including costs and expenses, by and third party asserted against the Superintendent arising from actions taken or decisions made within the scope of the Superintendent's employment during the term of the Superintendent's contract if the Superintendent acted in good faith and in a manner reasonably believed to be in the best interests of the school district. The Board shall not indemnify or hold the Superintendent harmless from any criminal liability. The Superintendent shall give the Board written notice of the nature of any such claims for indemnification hereunder promptly upon receipt of notice of any claims or actions against the Superintendent. The Board shall have the right to conduct the defense of any such claims, and the Superintendent shall fully cooperate with the Board in the defense.
12. **SAVINGS CLAUSE:** If during the term of this contract, it is found that any provision of this contract violates Federal or State law or any rule or regulation promulgated there under, such provision shall be void and of no effect, but the remainder of the contract shall remain in full force and effect.

13. **ENTIRE AGREEMENT:** This contract constitutes the entire agreement between the parties with respect to the subject matter thereof, and supersedes any prior oral discussions, and may not be amended, renewed, or extended except in writing (addendum or otherwise), and then duly adopted and executed by the parties.


This Contract of Employment is executed by the members of the Board of Education of the Montrose Community Schools pursuant to the Resolution adopted at a duly called and held meeting of the Board of Education.


Board President, Morrie Fikes


Board Vice President, Alan Alguire

Board Secretary, Kevin Briggs

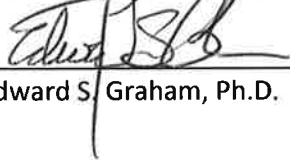

Board Treasurer, Coetta Adams


Board Trustee, Ronald Loafman


Board Trustee, Mark Schmitz


Board Trustee, Christopher Zolinski

Superintendent of Schools


Edward S. Graham, Ph.D. 4/26/16
Date