

TRAVERSE CITY AREA PUBLIC SCHOOLS SUPERINTENDENT CONTRACT

THIS CONTRACT is entered into as of this 10th day of June, 2019, between the Board of Education of the School District of Traverse City Area Public Schools of Grand Traverse, Leelanau, and Benzie Counties, Michigan, hereinafter called "Board" and "District", respectively, and Ms. Ann Cardon as Superintendent of Schools, hereinafter called "Superintendent."

A. **TERM.** The Board agrees to hire the Superintendent for a term commencing on August 1, 2019 and terminating on June 30, 2022 subject to the terms and conditions of this contract.

B. **QUALIFICATIONS.** Superintendent represents that she possesses, holds and will maintain all certificates, credentials and qualifications required by law, including the provisions of Sections 1246 and 1536 of the Revised School Code, the regulations of the Michigan Department of Education, and those required by the law and/or by the State Board of Education. If at any time the Superintendent fails to maintain all certificates, credentials, continuing education requirements and/or qualifications assigned as required herein, this Contract shall automatically terminate and the Board shall have no further obligation hereunder.

C. **PROFESSIONAL RESPONSIBILITIES OF SUPERINTENDENT.** The Superintendent shall perform the usual and necessary duties and tasks of the chief executive officer of a school district in a competent and professional manner, subject to the satisfaction, direction, and control of the Board of Education of the District, which shall be the sole judge of performance. Without limiting the generality of the preceding, such duties and tasks shall include and be subject to the following:

1. **Duties.** The Superintendent shall have charge of the administration of the schools under the direction of the Board of Education and shall administer the District according to applicable law and regulations, Board policy and the requirements, directives, regulations and guidelines of the Board of Education. She shall be the chief executive officer of the District and shall, in general, perform all duties incident to the office of superintendent of schools and such other duties as may be prescribed by the Board.

2. **Services.** This Contract is intended by the parties to be a full-time contract. The Superintendent shall devote her full time, energies and attention to the functions of superintendent at all times during the term of this Contract. Superintendent shall remain available to meet the responsibilities of the superintendent of schools on such occasions as are necessary.

3. Relationship to the Board. The Board and Superintendent mutually desire to work cooperatively with the objective of advancing the interests of the District through providing effective and successful District leadership. To that end, the Board shall promptly refer all criticisms, complaints, and suggestions called to its attention to the Superintendent for study and recommendation unless the Board determines that the welfare of the District, its students or its staff requires action inconsistent with this provision. The Superintendent shall have the obligation, unless excused, to attend all board meetings and serve as an ex-officio member of all board committees. Should a concern arise regarding the Superintendent's relationship with the Board, the parties may agree to utilize a mutually selected outside facilitator. In that event, the cost of the facilitation shall be paid by the Board.

4. Outside Activities. The Superintendent shall devote the necessary time, attention, and energy to the business of the District. Participation in outside professional activities by the Superintendent shall be subject to approval by the Board in its discretion where the time requirement for such activities is anticipated to be substantial (e.g., conferences, which require the Superintendent's absence from the District for two or more regular business days). In the event the Board, in its sole discretion, determines that any such outside activities interfere with the Superintendent's satisfactory performance or the time necessary for satisfactory performance of her duties, it may require the Superintendent to cease some or all of such activities. Superintendent shall use personal or vacation time to conduct professional activities for which she receives fees for services or she shall provide the fees to the District.

The Superintendent may undertake consultative work or lecturing when such activities will not impinge upon the time and effort required to be exerted by the Superintendent in the discharge of responsibilities under this Contract unless the Board gives prior consent to such activities. When such consultative activities are approved by the Board, the Superintendent shall use vacation leave to perform such activities and may retain any honorarium paid. In no case will the district be responsible for any expense related to the performance of consultative activities.

5. Incorporation of Laws. Notwithstanding and not as a modification of any other specification or reference herein, this Contract is subject to and includes all applicable laws of the federal and state governments and all duly adopted policies, rules, and regulations of the District as are in effect or become in effect during the term of this Contract; and the Board specifically reserves the right to change such policies, rules, and regulations at any time.

6. Residence. The Superintendent is encouraged to establish and maintain her primary residence within the boundaries of the District during the term of this Contract. A one-time moving expense reimbursement will be provided not to exceed Four Thousand dollars (\$4,000). Itemized moving expense receipts must be submitted for reimbursement within ninety (90) days of the execution of this contract.

D. COMPENSATION. The District shall pay the Superintendent as remuneration for her services the annual base salary of \$184,000 prorated and effective August 1, 2019 for the 2019/20 year, the annual base salary of \$187,000 for 2020/2021, and the annual base salary of \$190,000 for 2021/2022. As part of her salary remuneration for services under this contract, the Board agrees to provide the Superintendent a tax-sheltered annuity equivalent of .25% monthly of her annual base salary for 2019/2020, .50% for 2020/2021, and .50% monthly for 2021/2022. The Superintendent will select the tax-sheltered annuity from the district's recognized list of plans qualifying under Section 403(b) of the Internal Revenue Code. In addition, performance pay of Two Thousand Dollars (\$2,000) annually shall be provided for an effective evaluation rating or Three Thousand (\$3,000) annually shall be provided for a highly effective evaluation rating.

The Board, at the request of the Superintendent and in accordance with law, will withhold and transfer an amount of salary annually, semi-annually or monthly, said amount to be determined by the Superintendent, permitting the Superintendent to participate, if she so desires, in a tax-deferred annuity program.

E. FRINGE BENEFITS. 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 Superintendent and her eligible dependents for enrollment in the following insurance programs:

1. The Superintendent will be covered at Board expense under the Board's then current standard group long-term disability (60% of monthly earnings, 90 day waiting period), and term life insurance policy with a death benefit thereunder equal to two times the Superintendent's then current base salary. If the Superintendent elects, in writing, to not receive the group long-term disability protection or the term life insurance, she will be provided cash in lieu of the monthly premiums for the insurance coverage she declines.

2. The Superintendent and her dependent family will be covered at the same rate as the non-affiliated administrators' current group health, dental, and vision insurance policies.

The Superintendent may select cash in lieu of the monthly premiums afforded her under the above-listed health and/or dental and/or vision insurance coverage. The monthly amount available will be as limited by the Board and will be added to the Superintendent's gross income with the Superintendent accordingly responsible for signing a "Salary Reduction Agreement" to cover same. With the cash the Superintendent may select a tax-sheltered annuity or mutual fund from the district's recognized list of plans qualifying under Section 403(b) of the Internal Revenue Code. In order to participate in this program, the Superintendent must show proof of health and/or dental and/or vision insurance under another plan.

3. The Superintendent shall be entitled to twenty-five (25) vacation days, with pay, per contract year. A maximum of five (5) unused vacation days may accrue and be carried over into the next succeeding fiscal year.

4. The Superintendent shall be allowed twelve (12) sick days per contract year which may be banked or accumulated from year to year, up to a maximum of one-hundred-eighty (180) allotted and unused days at the start of any contract year. Any time off due to illness in excess of the allotted and accumulated sick days then in effect shall not be compensated, except as may otherwise be provided pursuant to the terms of the above disability policy or except as the Board, at its discretion, may otherwise decide.

5. The Superintendent may take up to two (2) personal days, with pay, per contract year to conduct personal business. Any such days unused and remaining at the end of each contract year shall convert to sick leave.

6. 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, upon request of the Board, Superintendent shall authorize the release of medical information necessary to determine if Superintendent is capable of performing the essential job functions required by her assignment, with or without reasonable job accommodation(s). Any physical or mental examination or disclosure of such information required of Superintendent by the Board 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.

7. The Superintendent will be paid a car allowance at an annual rate of \$6,200 for 2019/2020, 2020/2021, and 2021/2022 (to be paid on a monthly basis) to compensate the Superintendent for obtaining and maintaining a suitable business automobile of her choice. All automobile travel required of the Superintendent within the district is intended to be deemed fully compensated by said car allowance. All costs of maintenance, insurance, tires, gas, oil, and the like relating to the automobile will be the responsibility of the Superintendent.

8. The Board shall reimburse the Superintendent for reasonable traveling outside the District (at the standard District rate) and business expenses incurred by her in the performance of her duties hereunder on the basis of detailed expense accounts rendered by her to the Board in accordance with the Board's regular accounting requirements and policies regarding reimbursement of expenses. The Board will provide the Superintendent with a credit card to facilitate the tracking and payment of such expenses, which shall be used solely for ordinary and necessary business expenses, and for no other purposes. Also, the Superintendent may incur reasonable expenses for

professional association dues and fees, and costs for professional conferences and meetings on national, state, and local levels. The Board of Education will be notified prior to out-of-state travel.

9. Bereavement absence without loss of salary shall be allowed up to eight (8) days upon the death of spouse, child, parent, parent-in-law, brother, sister, grandparent, grandchild, brother-in-law, sister-in-law, or dependent.

Absence may be approved for the death of other individuals as approved by the Board President and/or Secretary.

10. Ten (10) days of time off with pay will be included in the Superintendent's work year for holidays in which district offices are closed [Fourth of July (1), Labor Day (1), Thanksgiving break (2), December break (2), New Year's (2), Good Friday (1), and Memorial Day (1)].

11. To assist the Superintendent with career development, continuing education is offered which pays tuition at a rate of 50% upon proof of successful completion of executive leadership development programs.

12. The Board shall maintain travel accident insurance for all approved school district trips in the sum of \$100,000 for accidental death.

13. Retirement pay will be granted to the Superintendent at the rate of thirty percent (30%) of the Superintendent's base pay on the effective date of the termination of this contract for any of the reasons in section G including, but not limited to dismissal, if the Superintendent satisfies all of the following conditions:

- a. As of the effective date of contract termination, she has completed a minimum of ten (10) years of employment with the District; and
- b. As of the effective date of contract termination, she has not less than seventy-five (75) remaining unused accumulated sick leave days; and
- c. She submits verification not later than the effective date of contract termination that within twelve (12) months of the contract termination she will be eligible to receive unreduced pension benefits under the Public School Employees Retirement Act, in conformance with the rules and procedures of the Michigan Public School Employees Retirement System; and
- d. In the event that this contract is terminated under Section G 1., 2. or 3., she submits a letter of resignation to the Board of Education not less than sixty (60) days prior to the effective date of her resignation. The Board may waive this requirement.

Payment will be remitted through the Superintendent's choice of her 403b or 401a account, subject to any applicable contribution limitations. In the event that the amount of the retirement benefit exceeds the contribution limitation, the excess shall either be contributed in the next year or the parties will make other mutually acceptable arrangements for satisfaction of this obligation.

In the event of the Superintendent's death between the time that she has satisfied all of the above conditions and the remittance of the retirement pay benefit, the amount owing will instead be paid to a beneficiary designated by the Superintendent, in writing, and on file in the Human Resources Office. If no such beneficiary designation is on file, the amount will be paid in accordance with MCL 408.480 or its successor provision.

F. **EVALUATION AND RENEWAL.** The Board will evaluate the Superintendent's performance at least annually and in writing, using an evaluation instrument with multiple rating categories, that takes into account data on student growth as a significant factor and established performance goals, and that is mutually agreeable, provided that the Board will establish the evaluation instrument and criteria in the absence of agreement.

The Board shall review this contract with the Superintendent on or before June 30, and take official action determining whether or not to extend the contract and to notify the Superintendent of its action in writing. The Superintendent shall provide a reminder to the Board President by March 1 regarding this provision.

G. **TERMINATION.** This contract may be terminated by any of the following methods:

1. Mutual agreement of the parties.
2. Voluntary retirement of the Superintendent with a minimum of ninety (90) days' notice.
3. Voluntary resignation of the Superintendent with a minimum of ninety (90) days' notice.
4. Incapacity of the Superintendent, in accordance with Board Policy.
5. The Superintendent shall be subject to discharge only for reasons that are not arbitrary and capricious. If the Board proposes to discharge the Superintendent, it shall provide the Superintendent with a written notice of the basis for the discharge. The Board shall also permit the Superintendent to have a hearing before the Board. If the Superintendent chooses to be accompanied by legal counsel at the hearing, all fees related to the Superintendent's legal counsel shall be the sole responsibility of the Superintendent.

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 Superintendent during the term of this Contract, 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.

6. The death of the Superintendent.

7. Normal expiration of the term or any extended term of this contract in accordance with its provisions, which shall not be construed as a discharge. 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.

H. PROFESSIONAL LIABILITY. The Board agrees to pay the premium amount for errors and omissions insurance coverage for Superintendent while engaged in the performance of a governmental function and while the Superintendent is acting within the scope of her authority. The policy limits for this coverage shall be not less than \$1,000,000. The terms of the errors and omissions insurance policy shall be controlling respecting defense and indemnity of Superintendent. The sole obligation 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 Superintendent. In that event, the Board agrees to a case-by-case basis to consider providing legal defense and/or indemnification to Superintendent as is authorized under MCL 691.1408 and MCL 380.11a(3)(d).

I. TENURE. It is expressly understood that the Superintendent shall not be deemed to be granted continuing tenure as an administrator in the School District of Traverse City Area Public Schools, and the conferral of tenure in this position is hereby expressly withheld.

J. BINDING EFFECT. This contract shall inure to the benefit of and be binding upon the heirs, personal representatives, successors, and assigns of the respective parties hereto, except that the Superintendent may not assign his obligations hereunder. This contract may be changed only in writing, signed by both parties. The invalidity of any paragraph, provision or part hereof shall not affect the validity of any other paragraph, provision or part.

K. MICHIGAN. This contract shall be interpreted and enforced in accordance with the laws of the State of Michigan. In the event of litigation arising under or in connection herewith, each

party consents to the exclusive jurisdiction of the courts of the State of Michigan, with venue in Traverse City, Michigan.

L. **ENTIRE AGREEMENT.** This Contract sets forth the entire agreement between the parties concerning employment of the Superintendent and as of 6.10.19 supersedes all prior agreements and understandings between the parties, whether written or verbal, concerning these matters. Except as otherwise stated herein, changes to this Contract, whether by way of addition, deletion or both, are not binding unless in writing and signed by both parties. In signing this Contract, Superintendent does not rely upon any representation or inducement other than those set forth herein. It is agreed that no individual Board member has any authority to enter into any new or different Contract of Employment with Superintendent other than as set forth herein.

IN WITNESS WHEREOF, the parties have executed this contract as of the day and year first above written.

Signed in the Presence of:

BOARD OF EDUCATION
Traverse City Area Public Schools

Stacey Hayak

By: Sue Kelly
Sue Kelly

Its: President

Date: 6/10/19

Stacey Hayak

By: Pamela Forton
Pamela Forton

Its: Secretary

Date: 6/10/19

SUPERINTENDENT OF SCHOOLS

Stacey Hayak

By: Ann Cardon
Ann Cardon

Date: 6-5-19