

**2012-2013
SUPERINTENDENT CONTRACT**

BETWEEN

Hudson Area Schools

- and -

Michael Osborne

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SUPERINTENDENT CONTRACT

THIS CONTRACT is entered into as of the later date set forth alongside the Parties' signatures below by and between Hudson Area Schools ("the School District") and Michael Osborne ("Superintendent").

PREMISES

A. Hudson Area Schools ("Hudson") and Morenci Area Schools ("Morenci") (collectively "the School Districts") have entered into a Dual Superintendency Cooperative Agreement (the "Cooperative Agreement"), whereby Hudson and Morenci will each simultaneously employ the same person as Superintendent (and therefore some references hereafter are to "Dual Superintendent"), and this Contract is in all respects subject to the terms and conditions of the Cooperative Agreement.

B. Costs, as outlined in this Contract, are to be prorated between Hudson and Morenci in accordance with the Cost Allocation Standard for which reference is made in Section 1.4(e) of the Cooperative Agreement and the cost allocation process set forth in Section 3.5 of the Cooperative Agreement (collectively the "Cost Allocation Standard").

C. This Contract is to comply with the requirements of Section 1229 of the Revised School Code that the Superintendent be an employee of the District and that the Superintendent contract be in writing, and in addition to establishing their employer/employee relationship, this Contract serves as the basis of effective communication between the parties as they fulfill their governance and administrative functions in the operation of the educational programs of District and its schools.

D. The term "law" as used in various compliance provisions in this Contract, shall mean applicable State of Michigan or federal law, and Michigan Department of Education, State Superintendent or State Board of Education rules, regulations, administrative decisions, policies or

guide-lines pertaining to local school district superintendent qualifications, duties, compensation, contract or contract termination.

NOW, THEREFORE, in consideration of the Premises and their obligations to each other, the District and the Superintendent agree as follows:

ARTICLE I
DURATION AND QUALIFICATIONS

1.1. Employment Period. It is hereby agreed by and between the Board of Education of the Hudson Area School District and Michael Osborne (hereinafter "Superintendent") that pursuant to Section 1229 of the Revised School Code of the State of Michigan, *MCL 380.1229*, the Board in accordance with its action has and does employ the said Michael Osborne for a **3 year period, commencing on July 1, 2012 and ending on June 30, 2015** according to the terms and conditions as described and set forth herein as follows. Superintendent is employed on the basis of fifty-two (52) weeks of work per year (normally July 1 through June 30) as scheduled by the Board.

1.2. Qualifications. Superintendent represents that he possesses, 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, Superintendent agrees, as a condition of continued employment, to meet all continuing education requirements for the position assigned as may be required by law or the State Board of Education. If at any time Superintendent fails to maintain all certificates, 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 obligation hereunder.

1.3. No Tenure. Superintendent hereby acknowledges and agrees that he shall not be deemed to be granted continued tenure in the position of Superintendent of Schools 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 with the School District. Tenure in any capacity other than as a classroom teacher is hereby expressly denied according to the provisions of Article III, Section 1, of the Michigan Teacher Tenure Act, *MCL 38.91*. The decision of the Board not to continue or renew the employment of Superintendent for any subsequent period in any capacity, other than as a classroom teacher as may be required by tenure law, shall not be deemed a breach of this Agreement or a discharge or demotion within the provisions of the Michigan Teachers' Tenure Act.

ARTICLE II
SUPERINTENDENT DUTIES AND RESPONSIBILITIES

2.1. Duties and Responsibilities. Subject to the limitations set forth below, and the conditions and procedures set forth in the Cooperative Agreement, the Superintendent shall have charge of the administration of the schools under the direction of the Board. The Superintendent shall perform the duties as prescribed by the Board pursuant to the Revised School Code of the State of Michigan and as may be established, modified, and/or amended from time to time by the Board. Superintendent acknowledges the ultimate authority of the Board with respect to his responsibilities and direction. The Superintendent of Schools shall strive to achieve District goals by providing educational direction and supervision to the professional staff and supervision to the support staff and by acting as a proper model for staff and students both in and outside the District.

Duties and Responsibilities:

The Superintendent shall be directly responsible to the Board of Education for the performance of the following assigned duties and responsibilities:

- (a) keep the Board informed of school operation by preparing monthly Board agendas, providing oral and written communication, scheduling management team committee meetings, and requesting special Board meetings that become necessary to keep the Board properly informed
- (b) ensure that all aspects of District operation comply with State laws and regulations as well as Board contracts and policies
- (c) establish and maintain any written educational plan that may be required by law and consistent with the educational goals adopted by the Board
- (d) ensure proper implementation of the current District-wide instructional plan as it applies to each building
- (e) strive to increase the efficient use of District resources in the daily operations of the schools
- (f) assign staff to achieve the maximum benefit toward the attainment of educational goals
- (g) evaluate the progress of the professional and support staff toward the attainment of educational goals
- (h) analyze the results of instructional program development as it applies to the Board's educational goals
- (i) recommend changes in instructional or staffing patterns based on an analysis of staff and program progress
- (j) work with principals to assure that decisions made at the building level are created by means of a site-based, decision-making process that includes participation of the school's administration and staff, parents, students and others in the community
- (k) work cooperatively with parents and community groups concerned with programs in the schools
- (l) continue professional development

- (m) work cooperatively with the Board and administrative staff
- (n) strive toward the highest standards of personal conduct
- (o) perform such other duties as the Board may direct

Superintendent agrees to devote his talents, skills, efforts, and abilities toward competently and proficiently fulfilling all duties and responsibilities of the position assigned. Superintendent agrees to faithfully perform those duties assigned by the Board and to comply with the directives of the Board with respect thereto. Further, Superintendent agrees to comply with and fulfill all responsibilities and tasks required by state and federal laws and regulations and by the Board to carry out the educational programs and policies of the School District during the entire term of this Agreement. Further, Superintendent pledges to use his best efforts to maintain and improve the quality of the operation of the School District and constantly promote efficiency in all areas of his responsibility.

The Superintendent shall formulate and recommend to the Board long-term, strategic plans for the District. The Superintendent shall then be responsible for implementation of the plan consistent with Board policy and directive. The Superintendent shall be primarily responsible for evaluations of administrative staff and its organization. Modifications to the organization of the Administrators shall be subject to Board approval. The Superintendent shall, in his duties, address the financial management and marketing of the District.

Further, the parties recognize that community relations are an important facet of the Superintendent's responsibilities and duties. Thus, the Superintendent shall be active in community activities.

2.2. Limitations on Superintendent Duties and Responsibilities. Notwithstanding the forgoing provisions of this Article or related provisions elsewhere in this Contract, but in accordance with Cooperative Agreement, the Superintendent shall have no duties, either direct or supervisory, in any of the circumstances or situations enumerated in Section 4.4 of the Cooperative Agreement.

2.3 Time Expectation. Taking into account the Dual Superintendent's service to both School Districts, the Dual Superintendent shall perform administrative services pertaining to a School District at the administrative offices of either School District, and shall visit the schools and

programs of the School Districts as the Superintendent deems necessary or appropriate. Superintendent activities affecting both School Districts may be performed at such location as the Superintendent deems necessary and appropriate. It is the expectation that the Dual Superintendent's time actually involved in the matters and affairs of the School Districts shall be in excess of 40 hours per week, vacation days and holidays excepted, and that the Superintendent shall be available and on-call to the Districts, as provided in the Cooperative Agreement, for extraordinary assignments and as circumstances typically warrant the attention and availability of a Superintendent of Schools. Should the dual superintendent be required to work on non-scheduled work days, the time spent will be recorded as "flex" time to be used at a later date. All "flex" time not used by the final date of employment will be paid at the per diem rate.

ARTICLE III **COMPENSATION AND BENEFITS**

3.1. Compensation. Superintendent shall be paid an annual salary of \$106,306.00 in consideration of his performance of the duties and responsibilities of the position of Superintendent of Schools in conformance with the requirements and expectations of the Board as set forth herein. The annual salary shall be paid in twenty-six (26) equal bi-weekly installments during the applicable twelve (12) month period July 1 through June 30. The annual salary shall be prorated for April 13, 2010 through June 30, 2010.

The annual salary adjustment of the Superintendent is fully negotiable between the Board and Superintendent. Said salary shall be subject to upward revision by agreement of the parties. In no case shall the salary be lowered. 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 Board, shall become a part of this Contract. Salary adjustments shall be based, in part upon Superintendent's meritorious performance and evaluations.

Superintendent and Board acknowledge and agree that in accordance with the Revised School Code, job performance and job accomplishments have been and will be considered as significant factors in determining Superintendent's compensation and additional compensation.

For the 2010-2011 school year (July 1, 2010 – June 30, 2011) the Superintendent shall receive a tax-deferred annuity contribution in the amount of \$2,000. The contribution shall be made on or before June 30, 2011.

3.2. Car Allowance. The Board will provide the Superintendent with a \$600.00 per month allotment, which will cover the costs of automobile expenses in the performance of his official duties during employment under this contract. This sum shall be subject to state and federal income tax as may be appropriate. In addition to the \$600.00 per month allotment, Superintendent will be reimbursed for mileage involving business related long distance travel, with the exception of travel to and from School Districts in the athletic league(s) in which Hudson Area Schools and Morenci Area Schools participate.

3.3. Insurance. As part of the compensation and benefits package for the Dual Superintendent, the following coverage's, as a single total insurance package shall be provided by Hudson, subject to adjustment in accordance with the Cost Allocation Standard and subject to Hudson's right to substitute insurance carriers providing comparable coverage:

- (a) Should the Superintendent terminate employment with Hudson, the Superintendent and/or his family, pursuant to the federal COBRA Act, may be eligible to retain health, dental and vision insurances on a direct-pay-plus-2%-administrative fee basis through Hudson's group carrier. The Board of Education will contribute toward family hospitalization insurance not to exceed the state mandated health insurance cap.
- (b) The Superintendent shall be provided with an annual term life insurance policy, including AD&D with a face value of \$200,000. The superintendent may choose to take the cost of the premium to purchase a policy of his choice and in his name or to invest in an annuity.
- (c) The Board will contribute monthly premiums for an insured income continuation plan for long-term disability exceeding ninety (90) days. Such plan shall provide an insured income continuation plan for liability extending beyond the

Superintendent's accumulated sick leave. The plan shall guarantee continuation of sixty-six and two thirds percent (66 2/3%) of salary as per standard insurance industry norms, offsets, and limitations with a \$4,500 monthly cap.

- (d) The above-mentioned insurance benefit programs shall be provided within the underwriting rules and regulations as set forth by the carrier's master contract with Hudson.
- (e) 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 agreement. The Board shall not be required to remit premiums for any insurance coverage for Superintendent and his 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 or 3rd party administrator shall be controlled by the district as to all matters concerning benefits, eligibility, coverage, termination of coverage and other related matters. Superintendent is responsible for assuring completion of all forms and documents needed to receive the above-described insurance coverage. The School District, by payment of the premium payments required to provide the above-described insurance coverage, shall be relieved from all liability with respect to insurance benefits.

3.4 Vacation and Holidays. Twenty-five (25) vacation days, The Superintendent is entitled to the following ten- (10) holidays for which no service to the school district is required: January 1, Good Friday, Memorial Day, July 4, Labor Day, Thanksgiving, Friday after Thanksgiving, December 24, 25 and 31.

3.5. Sick-Leave Days and Bereavement. The Superintendent shall be granted twelve (12) sick days which shall be accrued per year. These days are in addition to sick days accrued by Superintendent with Hudson Area Schools prior to this Agreement. Upon leaving the system, vacation days are paid per diem, and accumulated sick leave days up to 100 are paid at a rate of \$50.00

per day. However, the ninety (90) sick days previously awarded to Superintendent pursuant to his previous Contract of Employment should not be considered in calculating the number of paid leave days at severance. In the event the Superintendent dies, his legal spouse, shall receive this amount for all unused days the Superintendent had accumulated at the time of his death.

Bereavement leave for immediate family (Parents, siblings, spouse, child, parent-in-law, grandparent, son/daughter-in-law, and steps, or any other member of the family or household who clearly stood in the same relationship as any of these.) is not to be deducted from the personal leave days. Bereavement leave is five (5) days for each bereavement.

3.6. Professional Dues. The District shall pay the Association dues of the Superintendent for the American Association of School Administrators, the Michigan Association of School Administrators, MASA Regional dues, *fees for Courageous Journey Tier 2*, as well as *dues and fees* for other appropriate affiliations.

The Superintendent may attend appropriate professional meetings and may participate in professional activities at the local and state levels. The Superintendent may attend one (1) national conference each year as long as necessary budgeted funds are available; *and* is subject to prior Board approval. The Superintendent shall be reimbursed for his expenses in connection therewith and for any other reasonable out-of-pocket expenses incurred on behalf of the Board.

3.7. Education Reimbursement. *Hudson Area Schools will provide* the superintendent reimbursement for tuition costs that were incurred for a Ph.D. during the period of summer 2002 to summer 2007. The payments will be made in equal annual installments. The last payment is to be made by **June 30, 2016**. Payments will cease at the termination of employment. The cost of this reimbursement shall not be allocated to Morenci Area Schools.

3.8. Cost Allocation. To the extent that payment of the Dual Superintendent compensation and benefits costs set forth in this Article fully identifies, as legally required or otherwise appropriate, the Dual Superintendent as an employee of both School Districts

compensated in their respective pro-rated shares, such costs may be paid by either School District and reimbursed by the other School District in accordance with the Cost Allocation Standard.

ARTICLE IV **EVALUATION AND REFERRAL**

4.1. Evaluation. On or before March 31 of each contract year the Board and Superintendent shall meet for the purpose of mutual evaluation of the performance of the Superintendent (using the criteria and an evaluation process mutually agreed to by the Board and the Superintendent), and for expressing recommendations and observations on how such performance may be continually improved. The time and date of the meeting shall be agreed to by the parties sufficiently in advance of the meeting to permit adequate preparation for a constructive exchange of views.

4.2 Referral. Separately from annual evaluation, members of the Board, individually or collectively, shall promptly refer all criticisms, complaints and suggestions called to their attention concerning the District to the Superintendent for study and recommendation.

ARTICLE V **ERRORS AND OMISSIONS INSURANCE**

5.1. Insurance. The Board agrees to pay the premium for errors and omissions insurance coverage for the Superintendent while engaged in the performance of a governmental function and while the Superintendent acting within the scope of his authority. The policy limits for this coverage shall not be less than an aggregate policy limit of five million (\$5,000,000.00) dollars. The terms of the errors and omissions insurance policy shall be controlling respecting defense and indemnity of the 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 coverage is not available, the Superintendent has the right to terminate this contract.

The District agrees to defend the Superintendent, through counsel of the Superintendent's choosing, and indemnify the Superintendent of and from the claims made and any costs and liabilities incurred as a

result thereof, including defense and appeal, alternative dispute resolution costs, attorney fees and payment of any judgment, mediation, facilitation, or arbitration award or any settlement, as a result of any and all demands, claims, suits, actions and legal proceedings brought against the Superintendent in his individual capacity, or in his official capacity as an agent and employee of the District, provided that the incident giving rise to any such demand, claim, suit, action or legal proceeding arose while the Superintendent was acting within the scope of his authority during the course of his employment. Unless there is a finding of criminal action, actual fraud, corruption or actual malice, the District shall hold harmless and indemnify the superintendent from any and all demands, claims, suits, actions and legal proceedings brought against the Superintendent in his individual capacity in his official capacity as an agent and employee of the District provided that the incident giving rise to any such demand, claim, suit, action or legal proceeding arose while the Superintendent was acting within the scope of his authority during the course of his employment. Such indemnification and hold harmless shall be for any and all claims arising out of or related to this contract and its provisions, duties and responsibilities of the Superintendent's job performance including any extension of this agreement.

ARTICLE VI **EARLY TERMINATION**

6.1. Termination for Incompatibility. In the event of any incompatibility of office arising from the Dual Superintendency as provided in the Cooperative Agreement, the District shall have the termination right as provided in the Cooperative Agreement. In the event of such incompatibility, the Superintendent also has a termination right to the extent provided in the Cooperative Agreement.

6.2. Termination for Other Cause. The Board shall be entitled to terminate Superintendent's employment at any time during the term of this Contract for good and just cause or if the Superintendent breaches the terms and conditions of this Agreement.

Good and just cause for termination of the Contract shall include, but are not limited to: (a) acts of moral turpitude or misconduct ; (b) material breach of contract; and (c) mental or physical inability to perform the Superintendent duties in excess of 90 calendar days.

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. The Superintendent shall be provided with at least ten- (10) day's prior notice of the Board hearing. The Board hearing may be closed or open session consistent with relevant law. In the event of termination of employment for just and stated cause during the term of this agreement, the Board shall have no further obligations hereunder.

The Board may non-renew this contract by giving written notice 90 days before the termination date. If no action is taken by the Board, the contract shall be deemed to have been renewed for an additional year. If during the term of this contract the Superintendent retires, any future years of the contract are deemed null and void.

6.3. Resignation. Subject to the Superintendent otherwise determining to resign his position with both School Districts prior to the expiration of this Contract, the Superintendent may, and in such case shall, give notice of resignation to the District at least sixty (60) days prior to the Superintendent's last working day for the District.

ARTICLE VII **MISCELLANEOUS**

7.1. Arbitration. In the event of any dispute between the parties relating to discharge of the Superintendent during the term of this Contract or alleged breach of the Contract, the parties hereby agree to submit to binding arbitration. Selection of the arbitrator and the arbitration proceedings shall be conducted under rules of, and administered by, the American Arbitration Association. The parties intend that this process of dispute resolution shall be inclusive of all contract and statutory claims advanced by Superintendent arising from Superintendents discharge during the term of the Contract including, but not limited to, claims of unlawful discrimination and all claims for damages or other relief. The Board and the Superintendent shall share the arbitrator's fee and the costs imposed by the American Arbitration Association equally. Any claim for arbitration under this provision must be filed with the American Arbitration Association, in writing, and served on the Board within ten (10) days of the effective date of Superintendent's discharge or the alleged breach of contract. The parties are entitled to have legal or other representation of their own designation, and each party shall be responsible for its own costs

incurred in connection with such representation. The Decision and Award of the arbitrator shall be final and binding and judgment thereon may be entered in the County Circuit Court.

Superintendent and Board agree to consolidate any dispute subject to arbitration with any other dispute that is being arbitrated arising out of or related to the Cooperative Agreement or Superintendent's Employment Contract with Morenci Area Schools.

7.2. Entire Agreement. This Contract contains the entire agreement and understanding by and between the Board and Superintendent with respect to the employment of Superintendent and no representations, promises, contracts, or understandings, written or oral, not contained herein, shall be of any force and effect. All prior agreements pertaining to, connected with, or arising in any manner out of the employment of Superintendent by the Board, are hereby terminated and shall hereafter be of no force or effect whatsoever.

7.3. Amendment. 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. 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.

7.4. Waiver. Failure to enforce or require compliance with any of the terms or conditions of this Contract shall not constitute a general waiver or relinquishment of any terms or conditions of this Contract.

7.5. Severability. The unenforceability of any provision of this Contract shall not affect the enforceability of the remaining provisions of this Contract, and to this end, the provisions of this Contract are severable.

7.6. Effectiveness. This Contract shall become effective at such time as this Contract has been executed by all parties, and the Contract between the Dual Superintendent and the other School District shall likewise have come into effect.

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) provided, however, that no such severability shall be effective, if it materially changes the economic benefit of the Contract by any party.

7.7. Cooperative Agreement. This Contract is in all respects subject to the terms and conditions of the Cooperative Agreement.

IN WITNESS WHEREOF, the District has caused this Contract to be executed on its behalf by its authorized officers, and the Superintendent has executed this Contract on the date(s) so indicated with their signatures.

Dated: _____

By: _____
President – Board of Education

Dated: _____

By: _____
Secretary – Board of Education

Dated: _____

By: _____
Michael Osborne,
Superintendent

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