

## EMPLOYMENT CONTRACT

This Contract of Employment (subsequently referred to as "Contract" or "Agreement") is by and between the Morenci Area Schools Board of Education ("Board") and **Michael L. McAran** ("Employee"), collectively the "parties". The parties agree to the following terms and conditions.

1. **Employment.** The Board agrees to employ Employee in the capacity as Superintendent. Employee is subject to assignment and transfer as may be determined by the Board.
2. **Term.** This Agreement is for the period July 1, 2016 - June 30, 2021.
  - A. It is understood that pursuant to Section 1229(1) of the Revised School Code this Contract will be extended for an additional year beyond its expiration date unless the Board of Education takes affirmative action to non-renew the contract and provides written notice to Employee of the nonrenewal not less than 90 days prior to the expiration date of the Contract.
  - B. This Contract may also be extended by the mutual written agreement of the parties.
  - C. This Contract may also be terminated by the Board by June 30, 2018, at their discretion.
3. **Authority of Board.** Employee shall perform the duties of Superintendent as prescribed by the Board and as may be established, modified and/or amended from time to time by the Board. Employee acknowledges the ultimate authority of the Board with respect to his responsibilities and directions related thereto.
4. **Qualifications.** Employee represents that he possesses, holds and will maintain all certificates, credentials and qualifications required by law, including the rules and regulations of the Michigan Department of Education, and those required by the Board to serve in the position assigned. Additionally, Employee agrees, as a condition of his continued employment, to meet all continuing education requirements for the position assigned, as may be required by law and/or the State Board of Education. If at any time, Employee fails to maintain all certificates, credentials, continuing education requirements and/or qualifications for the position assigned as required by this Contract, this Contract shall automatically terminate, and the Board shall have no further obligations to Employee.
5. **Duties.** Employee agrees to devote his talents, skills, efforts and abilities toward competently and proficiently fulfilling all duties and responsibilities of the position assigned. Employee agrees to faithfully perform those duties assigned by the Board and as may be established, modified and/or amended from time to time by the Board to comply with the directives of the Board with respect to all such duties. Further, Employee agrees to comply with and fulfill all responsibilities and tasks required by state and federal law, policies, rules and regulations and by the Board to carry out the educational programs and policies of the School District for which he is responsible during the entire term of this Contract. Employee

pledges to use his best efforts to maintain and improve the quality of the operation of the School District and to constantly promote efficiency in all areas of Iris responsibility.

6. **Work Schedule/Holidays/Vacation.**

- A. **Schedule.** Employee will work not less than 260 days each contract year, with holidays and applicable vacation and leave time excepted. Employee is neither scheduled nor expected to work on Tuesday mornings and Friday afternoons. Employee shall maintain regular office hours. Employee's presence may be required from time to time during breaks and holidays.
- B. **Holidays.** Employee shall receive the following as paid holidays: New Year's Eve, New Year's Day, Good Friday, Easter, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day and Friday following Thanksgiving, Christmas Eve and Christmas Day.
- C. **Vacation/Personal Leave.** Employee shall receive twenty (20) paid days per contract year for use as vacation and personal leave days. Employee shall schedule use of such paid days in a manner to minimize interference with the orderly operation and conduct of business of the School District. Up to five (5) days may be carried over and used in the next contract year. Unused days are not compensable when Employee leaves the employment of the School District.

7. **Compensation.** The Board shall compensate Employee at the annual rate of Fifty Thousand Dollars (\$50,000.00). Payments will be made in equal biweekly installments. Any increase in salary for a subsequent period must be approved by the Board at a public meeting.

8. **Evaluation.** Employee's performance shall be evaluated in accordance with Board Policy and Sections 1249 and 1250 of the Revised School Code. Goals and priorities for the school year shall be established no later than December 2, 2017, and a formal evaluation and assessment of the established goals and priorities no later than March 26, 2018. Upon completion of the evaluation, Employee may recommend to the Board contract renewal and an annual salary in an amount no less than the previous year's salary.

9. **Benefits.**

- A. **Illness Leave.** Employee will receive twelve (12) leave days at full pay for Employee's personal illness or injury, or for illness or injury in Employee's immediate family (Employee's spouse). Unused days do not accumulate and are not compensable when Employee leaves the employment of the School District.

- B. **Insurance Coverage.**
1. While Employee has declined health insurance, the Board will provide and pay the premiums for the following insurance:
    - A. Group term life insurance in an amount equal to Employee's salary.
    - B. Accidental Death and Dismemberment.
  2. Insurance coverages are subject to the policies, laws and regulations, including eligibility and determination of coverage, of the insurance carrier(s) and any third-party administrator(s).
- C. **Professional Dues.** The Board will pay the annual dues for Employee for MASA (state and regional).
- D. **Bereavement.** Employee will receive three (3) days of paid leave for a death in Employee's immediate family (spouse, children).
10. **Discharge.** Employee shall be subject to discharge from his employment with the School District during the term of this Agreement for proper and stated cause, including, but not limited to, loss of confidence in the leadership of Employee, commission of an act of moral turpitude, misconduct, theft, fraud, insubordination, conviction of a crime (misdemeanor or felony), any material breach of Employee's obligations under this Agreement (such as those provided by No. 4, Qualifications, and No. 5, Duties, above), but the Board shall not arbitrarily and capriciously dismiss him. No discharge shall be effective until written charges have been served upon him and he has had an opportunity for a fair hearing before the Board after fifteen (15) calendar days' notice in writing. However, the Board is not required to give Employee an opportunity to collect any deficiencies or areas of concern. The hearing shall be public or private at the option of Employee. At such hearing, he may have legal counsel at his own expense.
11. **Tenure Exclusion.** The above named person shall not acquire tenure as an administrator in the position of Superintendent, in any non-classroom position or in any other non-teaching position to which he may be assigned.
12. **Disability or Incapacity.** In the event of the Employee's mental and/or physical incapacity to perform the duties of his assignment, he shall be granted an initial leave of absence up to ninety (90) work days for the purpose of recovery. This leave shall run concurrently with any leave for which Employee is eligible under the Family and Medical Leave Act and its implementing regulations. Employee shall first exhaust any accumulated leave time.

Premium payments for insurance coverage for Employee (and his spouse) during this absence shall be paid to the extent of Employee's eligibility for leave under the Family and Medical Leave Act.

In order to utilize leave under this provision, Employee shall first furnish medical certification to the Board respecting the necessity for leave. If Employee's leave is taken under the Family and Medical Leave Act, the certification shall be as set forth in form WH 380-E, entitled Certification of Health Care Provider for Employee's Serious Health Condition (or its successor form). If the medical certification furnished by Employee is for any period outside of Employee's eligibility for leave under the Family and Medical Leave Act, the certification shall include an assessment of whether Employee is able to perform the essential functions of his position without creating direct threat to the health or safety of either himself or others in the work environment.

The Board may require a second opinion, at Board expense, by a physician selected by the Board.

Employee may request up to a ninety (90) work day unpaid leave extension in the event of his physical and/or mental inability to return to work at the expiration of the initial leave interval, as described above, provided that there is a verified written prognosis that Employee will be able to resume his duties at the end of the extended leave interval. Medical certification shall be supplied by Employee as a condition to any leave extension. The Board may require a second opinion at its expense by a physician selected by the Board. Any extensions of leave for this purpose shall be at the discretion of the Board.

Prior to the resumption of duties after an unpaid leave of absence for a serious health condition, Employee shall provide the Board a fitness for duty certification from the Employee's health care provider. A second opinion may be required by the Board, at its expense, to the extent that this requirement is not inconsistent with Employee's rights under the Family and Medical Leave Act.

Employee's employment is contingent upon being able to fully perform the essential responsibilities of the position. In the event the Board determines that Employee is not able to fully perform his essential job functions at the expiration of a leave period, it may terminate this Contract, and shall have no further obligations hereunder.

13. **Medical Examination.** Employee agrees to submit to such medical examinations (also including psychological or psychiatric evaluations) and to supply such information and execute such releases as may be required by any underwriter, policyholder or third party administrator providing insurance programs in which Employee is enrolled. Additionally, upon request of the Board, Employee shall submit to such medical examinations (also including psychological or psychiatric assessments) to determine if the Employee is capable of performing the essential job functions required by his assignment, with or without reasonable job accommodations.

Any examination or disclosure of such information required of Employee by the Board shall be job related and consistent with business necessity. Any examination under this section shall be at Board expense and any information obtained from such examination or inquiry shall be considered and treated as confidential. By executing this Contract, Employee authorizes the release of any information by such examining or treating medical personnel with any and all information concerning the Employee's employment and any other pertinent information it may have, personal or otherwise, for purposes of assessment and evaluation.

14. **Reimbursements.** Employee shall be eligible to be reimbursed for travel, meals and lodging in accordance with per diem expense and reimbursement standards and procedures established by the Board. Employee shall be required to present an itemized account of his reasonable and necessary expenses in accordance with direction of the Board.
  
15. **Errors and Omissions Coverage.** The Board agrees to pay the premium amount for School Board errors and omissions insurance coverage which includes Employee while engaged in the performance of a governmental function and while Employee is acting within the scope of his authority. The terms of the errors and omissions insurance policy shall be controlling in all respects, *e.g.*, eligibility for coverage, exclusions, but in no case shall the coverage be extended to any demands, claims, suits, actions and/or legal proceedings brought against the Board or the School District by Employee. 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 at a reasonable premium rate, the Board shall have the right to discontinue or otherwise not provide said coverage and shall so notify Employee. In that event, the Board agrees on a case-by-case basis to consider providing legal defense and/or indemnification to Employee as is permitted under MCL 691.1408.
  
16. **Insurance Coverage.** The Board reserves the right to change the identity of the insurance carrier, policyholder and/or third-party administrator for any of the above insurance coverage, provided that comparable coverage, if available at a reasonable premium, 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 coverage for Employee if enrollment or coverage is denied by the insurance underwriter, policy holder or third-party administrator. The terms of any contract or policy issued by any insurance carrier or third-party administrator shall be controlling as to all matters concerning benefits, eligibility, coverage, termination of coverage and other related matters. Employee is responsible for assuring completion and timely submission 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.

- 17. **Serviceability of Provisions.** 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 provisions.
- 18. **Governing Law.** This Contract shall be governed in accordance with the laws of the State of Michigan.
- 19. **Amendment.** This Contract may be amended only by an instrument in writing signed by both of the parties.
- 20. **Entire Agreement.** This Agreement contains the entire agreement and understanding by and between the Board and Employee with respect to the employment of Employee. Accordingly, no representations, promises, contracts or understandings, written or oral, not contained in this document or its Addendums, shall be of any force or effect. *Any and all prior employment contracts, agreements and understandings between Employee and the Board or between Employee and the School District, verbal or written, pertaining to, connect with or arising in any manner out of the employment of Employee by the Board or by the School District, are hereby terminated and shall be of no force or effect whatsoever.* No change or modification of this Agreement shall be valid or binding unless it is in writing and signed by Employee and on behalf of the Board pursuant to Board action. No valid waiver of any provision of this Agreement, at any time, shall be deemed a waiver of any other provision of this Agreement at such time or at any other time.
- 21. **Enforceability.** If any provision(s) of this Agreement becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, or becomes invalid due to legislative enactment, this Agreement shall continue in full force and effect without said provision(s). If any term of this Agreement is determined not to be legally enforceable as written, the provision will be enforced to the extent permitted by law.

On behalf of MORENCI AREA SCHOOLS BOARD  
OF EDUCATION

Dated: 6/13, 2016

By: Scott A. Mullett

Its: President


Dated: 6/13, 2016

By: Jerry Hute

Its: Secretary

EMPLOYEE

Dated: June 3, 2016

By:   
Michael L. McAran

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