

CONTRACT FOR EMPLOYMENT AS AN ADMINISTRATOR
between
THE FITZGERALD PUBLIC SCHOOLS BOARD OF EDUCATION
-and-
BARBARA VANSWEDEN

RECEIVED AUG 01 2016

Position: Superintendent
Work Days: 260
Base Salary: \$155,000

THIS CONTRACT, made and entered into at Warren, Michigan, effective as of the 1st day of July, 2016, by and between Fitzgerald Public Schools, a Michigan General Powers School District (the "District"), and Barbara VanSweden (the "Administrator").

IT IS AGREED

1. **TERM** - The District will employ the Administrator for a period from July 1, 2016 to June 30, 2017 as defined in the Michigan Revised School Code, MCLA 380.11 et seq.

The District's Board of Education may take official action to determine whether to extend the term of this Contract for an additional school year on or before April 1, 2017 and on or before April 1 of each succeeding year; provided, the term of this Contract will not be extended except by official and affirmative action of the District's Board of Education in a public meeting held in conformity with the Open Meetings Act.

2. **TENURE** - The Administrator will not have or acquire tenure in his/her current or any other administrative or assigned capacity. The District's failure to continue the Administrator's employment after the term of this Contract, or re-employ his/her in another capacity, will not be considered a breach of this Contract.
3. **QUALIFICATIONS** - The Administrator represents and warrants that he/she meets, and will continue to meet, at least the minimum qualifications and certifications required by law to serve in his/her current assignment and any other administrative or other position to which he/she may be assigned.
4. **DUTIES** - The Administrator will competently and faithfully perform his/her duties, as required by law, and any additional duties or tasks assigned by the Superintendent. The Administrator will fulfill directives of the Superintendent and those administrators to whom he/she reports, as well as all Board policies and administrative regulations and all of the decisions and directives of the District's Board of Education as interpreted by the Superintendent, and carry out the District's programs and policies during the entire term of this Contract and any renewal terms. It is acknowledged that the performance of such duties may entail attendance at meetings of the District's Board of Education and/or District events or other events related to professional or other development or advancement of the District's interest, as such may be deemed in the sole reasonable judgment of the Superintendent.

Notwithstanding the above, the Superintendent or the Board of Education may assign an Administrator to a different administrative capacity other than above specified and involving different administrative responsibilities, at any time during the term of this Contract, subject to advance written notice of such reassignment being provided to Administrator.

5. **SALARY** - The Administrator's Base Salary for the 2016-2017 and, subject to the Board's unilateral right to revise same any time prior to June 30, 2017, for the 2017-2018 school year will be **\$155,000**

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("Base Salary" subject to the Furlough Day Reduction Factor, below, which shall be the revised base salary). The Administrator's work year will consist of 260 days ("Work Days"), which shall not be less than the number of days worked for the 2012-13 school year.

- Furlough Day Reduction Factor

For each year of this Agreement, the administrator's Final Salary, as identified above, shall be the Initial Salary reduced by the value of six (6) days. These days shall not be time off, but a reduction in Base Salary. Work Days remain as designated above. This Furlough Day Reduction Factor shall be calculated by dividing the Base Salary by the number of Work Days and multiplying the resulting quotient by six (6). The product of the final operation described in the previous sentence shall be subtracted from the Base Salary, and this shall be the Revised Base Salary.

The Administrator's Revised Base Salary for the remaining years of this Contract will be established by the District's Board of Education after consultation with the Superintendent. The Revised Base Salary plus any additional compensation for his/her services below as listed herein shall equal the Final Salary, payable in bi-weekly installments over the school year.

- Credit Hours.

This section is not applicable for those hired after June 30, 2009.

Additional salary allowance in the amount of \$15 for each semester hour or approved credit beyond degree. Degree refers to the highest degree held at the time of employment as an administrator. Hours required for attaining, re-attaining, or maintaining Michigan administrator (or teacher) certification are not eligible for this payment.

An administrator who earns education specialist degree will receive an additional salary of \$1000 per year above the salary. An administrator who earns a doctorate will receive an additional \$2,700 per year above the salary.

- Longevity.

This section is not applicable for those hired after June 30, 2009.

- A. After 5 years of Fitzgerald service: \$ 700;
- B. After 10 years of Fitzgerald service: \$1,400;
- C. After 15 years of Fitzgerald service: \$2,100.

Based upon the calculation set forth herein, the Final Salary shall be **\$153,823**.

6. **FRINGE BENEFITS** - The Administrator shall be entitled to the fringe benefits listed below which include medical insurance, long term disability, life insurance, absence days, retirement benefits, death benefits, travel/accident insurance benefits, and memberships. The Board of Education expressly retains the right, in connection with the future establishment of benefits for the Administrator and administrative positions, to modify and change benefits existing as of the date of this Contract. To the extent the Administrator's benefits are modified, the benefits available to the Administrator shall be those set forth in the then current Summary of Fringe Benefits Fitzgerald Administrators.

- A. Medical Insurance, Flexible Benefit Plan. See Exhibit A attached hereto and incorporated herein.

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B. Long Term Disability.

- Benefits following ninety (90) calendar days of continuous disability.
- Benefits paid at 66-2/3% of salary to a maximum monthly benefit of \$5,000.
- As a condition of continuing receipt of salary and benefits during disability in the course of utilizing absence days, the Administrator shall apply for long-term disability insurance benefits sufficiently in advance of the expiration of the 90 day waiting or initial elimination period following onset of disability specified under the insurance policy in order to receive salary continuation benefits under such long term disability insurance policy. Receipt of continuation payments by the Administrator under such insurance contract shall be in partial offset of the School District's obligation for salary continuation during the period of time that absence days are available or capable of being utilized (i.e., daily pay for absence day - LTD benefit = District addition to LTD until absence days are exhausted following 90 day LTD qualification period).
- Benefits shall be to age 65 for disabilities that occur prior to age 61; for disabilities that occur on or after age 61, benefits end five years (5) after the disability or age 70, whichever occurs first; after age 70, coverage is for one (1) year.
- Prior to receiving LTD benefits from the School District, the Administrator must use all accumulated absence days.

C. Life Insurance.

- In addition to the term insurance provided under Plan A or B, the Administrator may elect one of the following term life and AD&D insurance options:
 - (i) Insurance in the amount of three (3) times current salary to a maximum of \$175,000;
OR
 - (ii) Insurance in the amount of one (1) times current salary and a stipend in an amount equal to the premium for insurance of \$175,000 minus current salary;
OR
 - (iii) No additional insurance. The Administrator would receive a stipend in an amount equal to the premium for three (3) times current salary to a maximum of \$175,000.
- The Board also provides life and AD&D insurance benefit after retirement as follows:
 - (i) \$50,000 ages 55 to 66
 - (ii) \$40,000 to age 67
 - (iii) \$30,000 to age 68
 - (iv) \$20,000 to age 69
 - (v) \$10,000 to age 70
 - (vi) \$3,000 after age 70

D. Absence Days

The Administrator will earn one and one-half (1-1/2) days per each month worked as long as more than ½ the working days in each month are worked or appropriately scheduled sick or vacation days

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are used. For new employees absence days will be prorated based on their hire date. The maximum granted will be eighteen (18) absence days per year. The Administrator shall be entitled to accumulate absence days for use in other school years. Administrators have access to sick bank reserve per guidelines in Article 14.1 (Absence Day Reserve Plan) of the collective bargaining agreement between FEA and the Board.

E. Paid Vacation.

It is acknowledged that no administrator at Fitzgerald Public Schools who shall be employed in a position requiring less than 52 weeks per year of services shall receive vacation days or benefits. Thus, if the Administrator is a less than 52 week employee, the remaining two subparagraphs do not apply.

- The Administrator will be awarded 15 vacation days per year effective July 1 for each of the first 4 years of employment with the District. For new employees vacation days will be prorated based on their hire date
- For year 5 and each year hereafter, the Administrator will be awarded 20 days paid vacation per year. Based upon his/her seniority with the District, the Administrator shall hereinafter be entitled to 20 days paid vacation per year.
- For employees hired **after** June 30, 2008; vacation is to be taken between July 1 and June 30 of the year it is awarded.
- For employees hired **prior** to June 30, 2008; vacation is to be taken between July 1 and June 30 of the year after it is awarded except where noted on individual contracts.
- The Administrator will not be permitted to accumulate paid vacation days from year to year. Any vacation days which remain unused by June 30 will be added to the employees' absence day accumulation on July 1.

F. Retirement Benefits

Upon retiring through the State of Michigan Retirement System only:

- Each Administrator is eligible for a benefit of \$165 per year of Fitzgerald Service. (Only for those employees hired prior to June 30, 2016)
- The Administrator shall be reimbursed for absence days at the following rates dependent upon the range of days approved and not used:

200 days at \$50.00 per day.

The Administrator shall not be paid for any accumulated days above 200.

For Employees hired after June 30, 2009:

100 days at \$50.00 per day.

The Administrator shall not be paid for any accumulated days above 100.

- Unused vacation days will be reimbursed at the employee's daily final base rate of pay.
- Employees upon retirement from the district shall have termination payments

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(including unused sick day payroll, vacation payoff, years of service retirement benefit, and retirement incentive) deposited to an employer sponsored special pay deferral plan (Special Pay 403b).

- The school district will pay any medical hospitalization premium deducted from the state retirement payments to cover spouse and/or family upon retirement of the Administrator, an amount equal to the amount deducted from the employee's monthly retirement check for coverage up to and including full family up to eleven percent (11%) of the premium. Employees hired after June 30, 2007 will not be eligible for this reimbursement.
- At retirement, tax/financial advice provided by the Board by a firm or individual to be determined by the Board and limited to an amount recommended by the Superintendent and approved by the Board.

G. Board-Paid Retirement.

The Board shall pay on behalf of the Administrator, the State requested percent of salary to the Michigan Public School Employees' Retirement Fund ("MPERS") by the School District.

H. Designated Paid Non-Work Days. (52 week employees)

The Administrator will receive paid non-work days as listed:

July 4 plus 1 day
Labor Day plus the Friday before
Thanksgiving plus the day after
Christmas Eve/Day, New Year's Eve/Day plus 4 days
If a Winter Break is scheduled, up to two days off will be given to coincide with no school days
Good Friday
Memorial Day

It is understood that there are times when the Administrator may be expected to work on designated non-work days. In such cases compensatory time off or some other form of compensation may be provided at the Superintendent's discretion.

I. Travel/Accident Insurance.

As part of the Board of Education policy, the Administrator shall receive \$55,000 in Accidental Death and Dismemberment insurance.

J. Membership.

In addition to district wide membership in professional organizations, the Administrator will have an annual budget of up to \$500.00 for payment of membership(s) in job-related, professional organization(s).

K. Death Benefit.

In the event of death, an active employee's beneficiary (as indicated on the life insurance beneficiary card) shall receive payment in the following amounts:

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A. Should death occur prior to or during the school year in which age sixty (60) is attained, one hundred sixty-five dollars (\$165) for each year of service to the district;

OR

B. Should death occur during the school year in which age sixty-one (61) or sixty-two (62) is attained, one hundred twenty-five dollars (\$125) for each year of service to the district;

OR

C. Should death occur during the school year in which age sixty-three (63), sixty-four (64), or sixty-five (65) is attained, seventy dollars (\$70) for each year of service to the district.

7. **EVALUATION** – The Superintendent shall evaluate the Administrator’s performance in accordance with applicable state law. Currently, the Superintendent may evaluate the Administrator’s performance annually. The evaluation shall, at a minimum, rate the Administrator as “highly effective, effective, minimally effective, or ineffective.” The Administrator shall be evaluated no later than March 1 of any school year.

8. **CONFLICT OF INTEREST** - The Administrator will faithfully serve the District and its interests during the term of this Contract. The Administrator will not directly or indirectly acquire or otherwise possess any interest adverse to that of the District. In the event that a question arises as to whether a given interest is in conflict with the interests of the District, the Administrator shall make full disclosure of same to the Superintendent for her review and disposition, which disposition shall be controlling and complied with by the Administrator.

9. **OUTSIDE EMPLOYMENT** - The Administrator will not be employed by or perform services for any other employer or person during the term of this Contract which conflicts with his/her obligations hereunder and further shall inform the Superintendent of such proposed outside employment reasonably before accepting an offer for same.

10. **TERMINATION** – With the exception of official retirement through the State of Michigan Retirement System, the Administrator may terminate this Contract by giving as much advance written notice as possible to the President of the Board of Education, in which case, absent significant mitigating circumstances, the Administrator shall forfeit any benefits or payments that he/she would otherwise be eligible to receive on retirement. The Board of Education may terminate this Contract during its term, and without further liability to the Administrator under this Contract or otherwise, for a reason or reasons that are not arbitrary or capricious. The Board of Education may elect not to renew this Contract in accordance with Section 1229 of the Revised School Code. In the event the Administrator is terminated for cause, for acts of moral turpitude, or non-renewed after unsatisfactory evaluation, layoff, budget reductions, program elimination, or for any reason permitted under the administrator non-renewal statute under Michigan law, he/she shall not be entitled to any of the benefits which are designated herein as payable upon retirement. In the event that an early termination for cause is contemplated, the Administrator shall be provided with written statement of reasons. The written notice and other procedural requirements under the administrator non-renewal statute will be followed.

11. **DISPUTE RESOLUTION** - The Administrator and the District agree that any and all disputes or claims arising from or relating to the Administrator’s employment, the termination or non-renewal of the Administrator’s employment or this Contract, including its negotiation and execution, will be submitted to final and binding arbitration in Macomb County, Michigan, according to the American Arbitration Association’s (“AAA’s”) National Rules for the Resolution of Employment Disputes. The parties hereby agree and acknowledge that this

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paragraph has been the subject of arms-length negotiations between them and hereby assert that the terms of this Paragraph 17 are not, and shall not be construed by the AAA, as an Employer Promulgated Plan, as that term is used by the AAA. The Administrator or the District may move for entry of judgment on the arbitrator's award in any court of competent jurisdiction. The Administrator and the District acknowledge and agree that this paragraph precludes them from filing a civil action concerning the disputes covered by this paragraph and this Contract and, therefore, waive their right to trial by jury concerning any and all such disputes. The fees and costs of the arbitrary shall be split evenly between the parties. Each party shall be responsible for payment of its own costs and attorney's fees. An arbitrator shall be prohibited by this Contract from awarding the prevailing party its costs and attorney's fees as part of his/her arbitration award.

12. **LIMITATIONS OF CLAIMS OR ACTIONS** - The Administrator and the District agree that any demand for arbitration, administrative complaint or civil action arising from or relating to the Administrator's employment with the District, the termination of the Administrator's employment with the District or this Contract, including its negotiation and execution, must be filed no later than 180 calendar days from the date on which it accrued or no later than 180 days from the termination of the Administrator's employment with the District, whichever is sooner. The Administrator and the District waive any longer limitations period. This paragraph is not intended to, and should not be construed to, extend any statutory or other limitations period shorter than 180 calendar days.
13. **WAIVER OF BREACH** - The Board of Education and the District will not waive any breach of any provision of this Contract except in writing, signed by the President of the Board of Education or his/her designee. Such a waiver will not waive future breaches.
14. **SEVERABILITY** - If any paragraph or provision of this Contract is illegal or unenforceable under the laws of the United States or the State of Michigan, that paragraph or provision will not be enforceable without invalidating the remaining paragraphs and provisions of this Contract.
15. **ENTIRE AGREEMENT** - This Contract is the parties' entire agreement and supersedes any other understanding or agreement, verbal or written, and may not be modified or amended except by another written agreement signed by the Administrator and approved by the District's Board of Education in a public meeting held in conformity with Michigan's Open Meetings Act.


IN WITNESS WHEREOF, the parties have hereunto set their hands and seals this day and year, as written below.

ON BEHALF OF THE
FITZGERALD BOARD OF EDUCATION


Michelle Chevatewa
President

7/26/16
Date

SUPERINTENDENT OF SCHOOLS


Barbara VanSweden
Superintendent of Schools

7/13/16
Date

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EXHIBIT A

Medical Insurance, Flexible Benefit Plan

Until a date and time to be determined by the Board, the Board shall provide BC/BS, Plan A and B (or comparable).

Plan A

- The Board shall provide coverage for the employee and his/his/her eligible dependents, as defined in the agreed upon specifications. The Board shall provide all insurance benefits for a full twelve-month period of each school year. Such benefits shall include health, dental, term life and vision insurance, except the XVA2 rider coverage will not be provided as an option. Beginning September 16, 2011, the Administrator will contribute the amount over the annual medical insurance premium of \$5,500 single coverage, \$11,000 two-person coverage (district paid only for Administrators hired prior to October 1, 2013), or \$15,000 family coverage (district paid only for Administrators hired prior to October 1, 2013), through payroll deduction.
- Blue Cross/Blue Shield: MESSA ABC Plan 1 health insurance (or comparable) with prescription drug coverage as stated in the current plan and \$1,300/\$2,600 deductible or Blue Cross/Blue Shield limited Medicare supplement (or comparable) or Medicare, Part B, premiums shall be paid on behalf of the employee, his/ her spouse and/or dependents eligible for Medicare. Contribution of deductible not accrued/"rolled over" among plan years or upon separation of employee.
- Blue Cross/Blue Shield Dental Plan (or comparable including coordination of benefits when applicable)
- Blue Cross/Blue Shield vision (or comparable).
- Term Life Insurance in the amount of forty-five thousand (\$45,000) dollars for the employee only. Such insurance protection shall be paid to the employee's designated beneficiary. In the event of accidental death, the insurance (AD&D) will pay double the specified amount; in the event of accidental dismemberment, the insurance will pay according to the schedule.

Plan B

- The Board shall provide the employee and his/his/her eligible dependents as defined in the agreed upon specifications, not electing insurance benefits, as described in Plan A, for a full twelve (12) month period of each school year an additional cash payment of one hundred eighty (\$180) dollars per month added to gross pay.
- Blue Cross/Blue Shield Dental Plan (or comparable including coordination of benefits when applicable)
- Blue Cross/Blue Shield vision (or comparable).
- Term life insurance in the amount of sixty thousand (\$60,000) dollars for the employee only. Such insurance protection shall be paid to the employee's designated beneficiary. In the event of

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accidental death, the insurance (AD&D) will pay double the specified amount; in the event of accidental dismemberment, the insurance will pay according to the schedule.

- Dependent Term Life Insurance in the amount of ten thousand (\$10,000) dollars for each employee's spouse and five thousand (\$5,000) dollars for each dependent child as defined in the agreed upon specifications.

At a date to be determined by the Board, the Board will select an insurance plan or plans to which the Administrator shall be eligible to enroll to replace one or more of the plans described above (including but not limited to health, dental, vision, life). At such time, the Administrator will no longer be eligible for the plan or plans described above, and a new Exhibit A shall be produced to replace this Exhibit A with no action or ratification by the Board or Employee being required.

Effective July 1, 2013, the District shall pay the following amounts (which may be prorated or adjusted based upon calculations required by applicable law to account for the relation of July 1, 2013 to the coverage year under the plan or plans elected by the employee) toward the annual cost (determined in a manner consistent with PA 152) of the premium on the medical plan elected by the employee:

\$5,500 for Single Subscriber

\$11,000 for Two Person (*District paid only for Administrators hired prior to October 1, 2013*)

\$15,000 for Full Family (*District paid only for Administrators hired prior to October 1, 2013*)

The remaining cost for the employee's elected medical premiums for each school year shall be paid by the employee through payroll deduction which will occur in all pay periods available.

Notwithstanding any other obligations in this Agreement, the Employer reserves the right to, in its sole discretion, select a health insurance carrier which offers a "bronze" plan that provides "minimum coverage" pursuant to 26 USC Section 36(B)(c)(C)(ii).

