

## SUPERINTENDENT'S CONTRACT

This contract entered into as on the 1st day of July, 2012, between the Negaunee Board of Education hereinafter called "Board" and James E. Derocher, hereinafter called "Superintendent".

WITNESSETH:

### 1. DUTIES:

The Superintendent shall serve as chief executive officer and chief administrative officer of the Board. He shall:

- a. Present his recommendation to the Board on any subject under consideration by said Board;
- b. Attend each meeting of the Board;
- c. Serve as an ex officio of each committee established by the Board.

The Superintendent shall have complete freedom to organize, reorganize, and arrange the administrative and supervisory staff, including instruction and business affairs, which in his judgment best services the District. The responsibility for selection, placement, and transfer of personnel shall be vested in the Superintendent, subject to approval by the Board. The Board, individually and collectively, shall refer promptly all criticisms, complaints, and suggestions called to its attention to the Superintendent for study and recommendation.

The Superintendent agrees to and shall, during the term of this agreement, devote his time, attention and energy to the position of the School District. However, he may serve as a consultant to other districts or other educational agencies or association, lecture, engage in writing activities and speaking engagements, and engage in other activities which are of short term duration at his direction, keeping the President of the Board informed. The Superintendent shall use vacation leave to perform outside activities, and he shall retain any honorarium paid. In no case will the School District be responsible for any expense attendant to the performance of outside activities.

In accordance with the provisions of P.A. No 163 of 1986 (MCL.380.1246), said Superintendent shall at all times possess a valid Michigan School Administrators Certificate, issued by the State Board of Education.

### 2. CONTRACT PERIOD

The Board agrees to employ the Superintendent of its schools for the term of five (5) years from July 1, 2012 to June 30, 2017.

The Board shall review this contract with the Superintendent annually, and shall, on or before March 30 of each ensuing year, take official action determining 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 renewed for an additional year.

### 3. COMPENSATION

- a. The Board agrees to pay the Superintendent for his services during each year of said contract in 26 equal installments. Compensation for the first contract year shall be \$107,000. Said salary shall be reviewed in April 2013 and is subject to upward revision by agreement of the parties.
- b. Payment of MIP Contributions: Conditioned upon the Superintendent's irrevocable election to make contributions to the Michigan Public School Employees Member Investment Plan (MIP) Fund, the Board shall remit on behalf of the Superintendent to the Michigan Public School Employees Retirement system the MIP contribution required pursuant to Section 43a of the Michigan Public School Employees Retirement Act.
- c. Longevity Pay: Beginning on July 1, 2003, for each five (5) years of service to the Negaunee School District, the Board shall purchase one year of universal retirement service credit in the Michigan Public School Employees Retirement System on behalf of the Superintendent. This shall be considered an employer pickup contribution on behalf of the employee in lieu of contributions by the employee within the meaning of IRS Code Section 414 (h) (2). After 10 years of service in the district, the superintendent in the Negaunee School District is eligible for terminal leave payment of ten percent (10%) of his annual contractual salary at retirement. In addition, \$50 per year will be paid for years beyond ten (10) years which were spent in the employment of the Negaunee School District
- d. Annuity Program. The Board, shall purchase an annuity in the amount of \$11,000 in a tax-deferred annuity program of the Superintendent's choosing.

### 4. EVALUATION

The Board of Education shall endeavor to evaluate the Superintendent in writing during February of each year. The evaluation shall be presented to and discussed with the Superintendent by the President of the Board of Education. Before the commencement of each year of this Agreement, the Board of Education and the Superintendent shall meet to discuss and determine the performance standards for said year. A summary evaluation shall be given at a regularly scheduled Board meeting.

### 5. TENURE

The Superintendent shall not be deemed to be granted continuing tenure in such capacity but shall be deemed to have been granted continuing tenure as an active

classroom teacher in accordance with the provisions of the Michigan Teacher Tenure Act.

6. "HOLD HARMLESS" CLAUSE

In the light of the unique nature of the professional duties of the administrator, the District shall provide to the administrator at no expense to him, legal counsel and representation in any legal action brought against him/her as administrator and either hold him harmless or insure him adequately against all liability that results from his/her performance in the course and scope of his employment as administrator, with the exception of acts or omission which constitute reckless or willful misconduct or knowing violation of law.

7. LIABILITY INSURANCE CLAUSE

The Board shall provide public liability insurance for the administrator to cover legal expenses in defense of claims and payment of judgments resulting from his functioning as Superintendent and will reimburse him for any portion of such expense and judgments not covered by insurance as provided for in paragraph 6 above.

8. PROFESSIONAL GROWTH

The Superintendent may attend professional meetings at the local, state and national levels, the expenses of said attendance to be paid by the District.

9. PROFESSIONAL DUES

The District shall pay the Association dues of the Superintendent of the Michigan Association of School Administrators and M.A.S.A. Region in which the School District is located.

10. FRINGE BENEFITS

- a. Health Plan Benefits: The Superintendent shall be afforded the following: MESSA Choices II health insurance coverage with, vision and dental coverage, Long Term Disability Insurance 66 2/3% or the equivalent as established under the policy of the Board of Education of the District, and said policy is specifically incorporated herewith and made a part of this contract.
- b. The District shall maintain at its expense a policy of Two Hundred and Fifty-Thousand Dollars (\$250,000) of term life insurance insuring the life of the Superintendent during the term of this contract and any extension thereof, payable to such beneficiaries as the Superintendent may designate.

- c. In the event of the death of the Superintendent during his term of office, the Board shall pay to the beneficiary or beneficiaries designated by him in writing his salary and all transferable fringe benefits through the last month of actual employment. Beneficiaries should be on file in the Board Office.
  - d. Vacation Days. The Superintendent shall be entitled to 25 working days of paid vacation, exclusive of legal holidays, during each year of this Agreement. Such vacation period shall be with pay and shall be selected by the Superintendent during periods of time least disruptive to the operation of the District. (Legal holidays are: July 4, Labor Day, Thanksgiving Day and the day following, the day before Christmas, Christmas Day, New Year's Day and the day preceding, and Memorial Day.)
  - e. The Superintendent is excused from duty during Christmas and Easter break periods as per the school calendar.
  - f. Upon retirement through MPERS, unused sick days will be compensated at the rate of \$50 upon termination of employment.
  - g. The Superintendent shall provide his own automobile and gasoline for all reasonable school travel within the Upper Peninsula of Michigan. The Board shall pay the Superintendent the sum of three-thousand, five-hundred dollars (\$3,500) for the sole purpose of defraying these expenses.
  - h. The Board shall provide to the Superintendent a one thousand, five hundred dollar (\$1,500) stipend in addition to wages, fringes, and other compensation. This stipend is to assist the Superintendent with expenses such as contributions made for School District employee dinners, receptions, and gifts, fund-raising solicitation; service club related costs; expenses for his spouse at school-related dinners, receptions, etc., and other costs associated with performance of the Superintendent's School District, State and National professional association(s) and community service functions. The stipend shall be paid annually.
  - i. The Superintendent shall be afforded the "emergency" or "sick leave" accrued at the rate of one day per month. The days are accumulative. Of this amount, up to two days per year may be used for personal business purposes.
2. Leaves of absence may be granted beyond the accumulated sick leave days up to a total absence of one (1) year at no pay for the purpose of recovery from illness.

3. Leaves of absence will not be charged against sick leave allowance for the following reasons:

- a. Absence due to the death of a spouse, family member, close friend, or employee. Reasonable length is to be exercised with each case.
- b. Absence for jury duty. Any wages received for this duty is to be relinquished to the school district.
- c. Absence because of legal proceedings resulting from assigned responsibilities.
- d. Sabbatical leave may be approved after seven (7) years of administrative service for purposes of study and self-improvement. Renumeration for leave for study which receives graduate credit is to be determined by the Board of Education. The administrator must agree to return to school district employment for a period of one (1) year.

11. ELECTION NOT TO RECEIVE FRINGE BENEFITS

Subject to approval of the School Board, the Superintendent in any year of this Agreement can, in lieu of any merit pay or any of the fringe benefits described above, receive a cash payment equal to District costs of the benefit being received, said salary amount to be treated as income according to the Internal Revenue Service retirement regulations.

12. TERMINATION PROVISIONS

The Superintendent shall be subject to discharge for good and just cause, 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 shall have 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.

13. BREACH

In the event of a breach of this agreement by the Superintendent prior to its expiration date, the benefits outlines in Section 10-g. will be null and void. All vacation and expenses will be prorated.

14. AMENDMENT

This agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and may not be amended, renewed or extended except by an instrument in writing (addendum or otherwise), duly adopted and executed by the parties.

**Negaunee Board of Education**

Dated \_\_\_\_\_

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Virginia Paulson  
President, Negaunee Board of Education

Dated \_\_\_\_\_

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Susan Wideman  
Secretary, Negaunee Board of Education

**Administrator**

Dated \_\_\_\_\_

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James E. Derocher  
Superintendent of Schools