

## SUPERINTENDENT'S CONTRACT OF EMPLOYMENT

This Contract of Employment is entered into this 27<sup>th</sup> day of June, 2011, by and between the **BOARD OF EDUCATION OF THE HUDSONVILLE PUBLIC SCHOOLS** (hereafter "Board") and **NICHOLAS CEGLAREK** (hereafter "Superintendent").

1. Term

The Board agrees to employ the Superintendent as Superintendent of its schools from July 1, 2011 to and including June 30, 2016.

2. Extension

a. Operation of Law

Unless the Board gives written notice of non-renewal of this Contract to the Superintendent at least ninety (90) days before the Contracts termination date, this Contract will, without further action, be automatically renewed for an additional one-year period as provided by Public Act 183 of 1979. The Superintendent shall annually advise the Board of this obligation during the month of January.

b. Mutual Agreement

Upon the satisfactory performance of this Contract by the Superintendent as of March 15, 2012, as determined by the Board in accordance with Paragraph 11 herein, this Contract shall be extended for one (1) year by mutual agreement of the Superintendent and the Board.

3. Duties

The Superintendent shall serve as chief executive officer and chief administrative officer of the Board. He shall be entitled and expected, subject to the Board's desires in a particular matter, to:

- a. Present his recommendations to the Board on any subject under consideration by said Board;
- b. Attend each meeting of the Board unless excused or ill;
- c. Serve as an ex-officio non-voting member of each committee established by the Board.

The Superintendent is responsible, subject to Board approval and ratification, for managing, organizing and arranging District operations and personnel in a manner that, in his judgment, best serves the District. The responsibility for selection, placement, and transfer of personnel is vested in the Superintendent subject to final approval by the Board. The Board, individually and collectively, shall refer promptly all criticisms, complaints, and suggestions called to its attention about District operations and personnel to the Superintendent for study and recommendation.

4. Performance

The Superintendent agrees to perform the duties of Superintendent in a competent and professional manner to the satisfaction of the Board, which shall be the sole judge of performance, and to perform in accordance with the established policies and regulations of the Board and the laws of the State of Michigan.

5. Compensation

The Board agrees to pay the Superintendent during the term of this Contract in bi-weekly installments paid in accordance with Board policies and procedures.

a. Compensation for the period between **July 1, 2011 and June 30, 2012** shall be paid at the rate of **One Hundred Sixty Five Thousand (\$165,000)** per year.

b. Other compensation for services rendered includes an employer paid annuity in the amount of **Five Thousand (\$5,000)** per year.

c. Compensation for each successive twelve (12) month period of this Contract shall be determined by mutual agreement between the Board and the Superintendent on or before July 1 of such period; provided, however, that in the event of their inability to agree, the Superintendent's annual rate of compensation shall not be reduced.

d. Mileage will be reimbursed at the IRS rate.

6. Benefits

a. Holiday Schedule - The following are observed as holidays within the Hudsonville School District:

- Independence Day - July 4
- Labor Day - Specific Day Observed
- Thanksgiving Day
- Day After Thanksgiving
- Christmas Eve Day
- Christmas Day - December 25
- New Years Eve Day
- New Years Day - January 1
- Memorial Day - Specific Day Observed

b. Vacation - Twenty-five (25) working days of vacation per calendar year. The Superintendent can carry over fifteen (15) unused vacation days from one contract year to the next. Superintendent will be compensated for up to fifteen (15) days of unused vacation days, per diem, upon retirement.

c. Hospital, Medical, Dental, Vision, Long-Term Disability and Sick/Bereavement Leave - The Board shall provide the Superintendent with the same hospital, medical, dental, vision, long-term disability and sick/bereavement leave benefits as provided to other administrators employed by the Board. While these benefits may be changed from time to time by the Board, the Board agrees that insurance and all other applicable fringe benefits shall be at least equal to or greater than those provided from time to time by the Board to its certified teaching staff.

The liability of the Board is limited to the payment of premiums for the insurance coverage described and shall not extend to the providing of benefits unless the Board, in its sole discretion, elects otherwise.

The description of the above benefits is general only and is subject to the terms and conditions of the applicable insurance policies or Board programs which shall be available for inspection during regular district working hours.

The Superintendent will start with 45 sick days July 1, 2009, with 12 day per year accumulating up to ninety (90) days. Long term disability insurance after ninety (90) days.

d. Tuition Reimbursement – The Board will reimburse Superintendent for up to six graduate credits per year.

e. Severance Plan - Hudsonville Public Schools ("the District") will offer a Severance Plan ("the Plan") to the Superintendent under the following terms and conditions. This shall be the sole severance/retirement plan available to Superintendent.

1. Eligibility

a. The Superintendent must have completed twelve (12) FTE or more years with the District and a minimum of five (5) years of continuous service in an administrative capacity immediately prior to retirement on or before the effective date of termination of his employment to be fully vested in the Plan. The Superintendent becomes partially vested in the Plan after completion of seven (7) years of employment, as follows:

<u>7 Years</u>	<u>8 Years</u>	<u>9 Years</u>	<u>10 Years</u>	<u>11 Years</u>	<u>12 Years</u>
50%	60%	70%	80%	90%	100%

- b. The Superintendent must be eligible for full retirement benefits under the Michigan Public Schools Employees Retirement System.
- c. The Superintendent must be actively employed during the school year prior to when his retirement commences.
- d. The Superintendent must terminate his employment with the District between June 1 and August 31 to ensure Plan eligibility. Retirements between September 1 and May 31, due to health related issues or other extenuating circumstances, will be given consideration for Plan eligibility.
- e. The Superintendent must provide the District with advance written notice of his intention to terminate his employment under the Plan no later than sixty (60) days prior to planned date of termination.
- f. The Superintendent must not have any charge of unprofessional conduct pending which is ultimately sustained.

2. The Plan

The District shall pay the eligible Superintendent payments in the form of a non elective employer contribution to a 403(b) plan account with a Board approved vendor, as follows:

<u>Commences upon retirement under MPSERS guidelines</u>	<u>Payment based on the indicated percentage of the Superintendent's compensation outlined in paragraph 5</u>
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<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
15%	15%	15%	15%	15%

Payments will be made on or before June 30 of the year they are due. The Superintendent is responsible for payment of any federal, state or local taxes with respect to the payments.

f. Life Insurance - Provided that all eligibility and insurability criteria are met, the Superintendent shall be provided with term life insurance providing a death benefit in the sum equal to two (2) times the annual salary, as adjusted from time to time, rounded to the nearest multiple of \$5,000. Entitlement to life insurance benefits is

subject to the terms and conditions of the applicable policies which are available for inspection during regular working hours of the district.

The Board's liability is limited to the payment of premiums for the insurance coverage described and shall not extend to the payment of benefits.

g. Retirement - The Board shall pay the Superintendent's mandatory retirement contribution to the Michigan Public School Employees Retirement System. At his option, the Superintendent may elect to contribute to the MIP program at his expense.

h. Reasonable Expenses - The Board shall pay reasonable expenses incurred by the Superintendent in the performance of his duties as Superintendent in accordance with Board Policies and Procedures. The determination of reasonableness shall be in the sole discretion of the Board or the Finance Committee.

i. Organizations - The Board shall pay the Superintendent's membership and dues in:

- (1) The Hudsonville Chamber of Commerce;
- (2) A local service club approved by the Board;
- (3) Appropriate professional organizations approved by the Board;
- (4) Hudsonville Downtown Development Authority.

j. Moving Expenses - The Superintendent shall be reimbursed for actual, reasonable, and customary moving expenses incurred to relocate to the Hudsonville Public School District, up to a maximum amount to be determined by the Board or the Finance Committee, upon submission of documentation acceptable to the Board.

#### 7. Medical Examination

The Superintendent shall, if required by the Board prior to commencing employment and not less than once annually during employment, provide the Board with a report or reports of examinations by medical personnel for the purpose of determining that the Superintendent is fit to fully perform his responsibilities on a regular and consistent basis. Examinations necessary to obtain such report(s) shall be at Board expense. Examinations may include but are not limited to, at the Board's option, history, physical examination, psychological or psychiatric evaluation, lab tests, x-rays, or any other test lawfully requested by the Board for any lawful purpose.

The Superintendent's employment is contingent upon being fit to fully perform the essential responsibilities of the position.

In the event of any dispute regarding fitness, the Superintendent shall provide the Board and/or the medical personnel with authorization to receive and/or release to the Board the results of any examination(s) upon which he relies.

In the event the Board determines that the Superintendent is not fit to fully perform his essential duties, it may, after opportunity for hearing pursuant to paragraph 15, terminate this Contract. Such termination shall be deemed to be necessary for the effective operation of the District. In the event this Contract is terminated under this paragraph, the Superintendent shall be paid severance pay equal to six (6) months' salary at the rate paid at the time of termination, or all salary due from date of termination to the expiration of this Contract, whichever is less, and all benefits vested as of the date of termination.

Notwithstanding any other terms or provisions of this Contract, it is understood and agreed that, in the event the Superintendent develops an illness or disability which would render him eligible for long-term disability

benefits under the District's long-term disability program if such illness or disability continued throughout the program's waiting period (currently 90 calendar days), the Superintendent's salary and benefits shall be continued and this Contract shall not be terminated during said waiting period; provided, however, that any severance pay the Superintendent would otherwise be entitled to under this Contract shall be reduced by the amount of time his salary and benefits were continued during said waiting period.

#### 8. Personal Development

The Superintendent shall be permitted to attend, at Board expense pursuant to its guidelines for convention/conference attendance policy, one (1) national conference and two (2) state conferences annually. Such conferences shall be of the nature of peer group associates, such as National Association of School Superintendents and/or Michigan Association of School Superintendents. Prior approval for attendance at any such conference must be received from the Board.

#### 9. Outside Activities

The Superintendent may undertake non-district related activities e.g. consultative work, speaking engagements, teaching, writings, lecturing, provided prior approval is received from the Board. If the Superintendent receives compensation for such activities, he will be required to use vacation time to cover the time missed from work. In the event the Board, in its sole discretion, determines that any such activity interferes with the Superintendent's satisfactory performance or the time necessary for the Superintendent's satisfactory performance of duties, the Board may require that the Superintendent cease some or all of such outside activities. In no case will the Board be responsible for any expense attendant to the performance of outside activities.

#### 10. Evaluation

The Board shall formally evaluate the Superintendent's performance not less than once each year, and completed no later than March 15 of each such year. The evaluation process shall include but is not limited to a conference with the Superintendent.

Evaluation of the Superintendent's performance will include, but is not limited to, the following factors:

- a. Leadership in education
- b. Business and finance matters
- c. Employee relations
- d. Community relations
- e. Relationships with the Board of Education

In the event the Board in good faith establishes specific objectives against which the Superintendent's performance will be evaluated, both the objectives and the time within which the objectives are to be attained shall be identified to the Superintendent in writing. Within thirty (30) days of such identification, the Superintendent shall advise the Board in writing of any disagreement. In the event all disagreements are not resolved to the mutual satisfaction of the Superintendent and the Board within forty-five (45) days of the Superintendent's advising of the existence of disagreement, this Contract shall terminate and the Superintendent shall be deemed to have resigned. If this Contract is terminated due to this occurrence, the Superintendent shall be entitled to severance pay in an amount equal to six (6) months' salary at the rate paid at resignation, or all salary due from the date of resignation through the expiration of this contract, whichever is less, and benefits that vested as of the date of resignation.

11. Discharge With Severance Pay

In the event the Superintendent is discharged during the term of this Contract for performance which, following evaluation pursuant to paragraph 11, is unsatisfactory to the Board, Superintendent shall be entitled only to severance pay in an amount equal to six (6) months' salary at the rate paid at the time of termination, or all salary due from the date of termination until the termination date of this Contract, whichever is less, and benefits that vested as of the date of resignation. Unsatisfactory performance includes but is not limited to breach of the terms and conditions of this Contract.

12. Discharge Without Severance Pay

a. During the term of this Contract, the Superintendent may be discharged for misconduct constituting "just cause", including but not limited to:

- (1) Dishonesty or fraud
- (2) Conviction of or plea of no contest to a felony or serious misdemeanor or to any offense involving use of alcohol, illegal drugs, prescribed drugs contrary to the prescription, students, employees of the District or parents of students;
- (3) Neglect of duty;
- (4) Conduct prejudicial to the Hudsonville Public School District.

b. In the event the Superintendent is discharged under this paragraph, no severance pay shall be paid. Compensation will terminate as of the effective date of the termination.

13. Suspension

Whether pending the procedures set forth in paragraph 15 or pending an investigation of the conduct of the Superintendent, the Board may, in its sole discretion, direct that the Superintendent suspend all or any part of the performance of responsibilities and may assign the performance of such responsibilities to another person or persons. Such suspension of responsibilities shall be without loss of salary or other benefits under this Contract, until Superintendent is either reinstated or terminated under this Contract.

14. Termination

Prior to the effective date of termination of this Contract under paragraphs 8, 11, 12 or 13, the Board shall notify the Superintendent in writing of the basis for its decision to terminate, to which the Superintendent may respond in writing within ten (10) days. Not less than ten (10) days nor more than thirty (30) days after the Superintendent's written response, if any, the Superintendent may, upon written request, meet with a quorum of the Board at a time and place set by the Board. The Superintendent may be represented at such meeting by a person chosen by the Superintendent and compensated at the Superintendent's expense.

15. Tenure

It is mutually understood and agreed that this Contract does not confer tenure upon the Superintendent in the position of Superintendent or any other administrative position.

16. Qualification

The Superintendent represents and warrants that as a condition of employment:

a. The Superintendent satisfy all qualifications, whether imposed under State law, by the State Board of Education, or by the North Central Association, and hold a current Administrative Certificate while serving as Superintendent for the Hudsonville School District.

17. Indemnity

The Board agrees that it will indemnify, defend and hold harmless the Superintendent, pursuant to and in accord with applicable statutes, from all civil claims, lawsuits and other legal proceedings brought against the Superintendent, either in his individual capacity as an employee or agent of Board, provided that in connection with the incident giving rise to the claim, the Superintendent was acting within the course of his employment and within the scope of his authority.

18. Scope of Agreement

This Contract constitutes the entire agreement by and between the parties and supersedes all prior statements, written or oral, and any prior contracts between the Board and the Superintendent. There are no representations or promises other than as set forth herein which have induced Superintendent to enter into this Contract. Superintendent agrees and understands that no employee or individual Board member is authorized to modify this Contract or enter into a new or different contract of employment. Modifications, additions or deletions to this Contract shall not be binding unless written, authorized by appropriate and lawful Board resolution, and signed by both parties.

If during the term of this Contract, a specific clause of the Contract is found to be illegal under state or federal law, the remainder of the Contract shall remain in full force and effect.

EXECUTED this 27<sup>th</sup> day of June, 2011.

SUPERINTENDENT



BOARD OF EDUCATION OF THE  
HUDSONVILLE PUBLIC SCHOOLS

By Atty Bowen  
Its President

And Fary Kapanga  
Its Secretary