

CONTRACT OF EMPLOYMENT

School Administrator

It is hereby agreed by and between the Board of Education of the Durand Area Schools (hereinafter "Board") and **Craig McCrumb** (hereinafter "Administrator" or "Superintendent") that pursuant to Section 1229(1) of the Revised School Code, the Board in accordance with its action found in the minutes of its meeting held on the **29th Day of March, 2017**, has and does hereby employ the said **Craig McCrumb** for a five year period commencing on **July 1, 2017**, and ending on **June 30, 2020**, according to the terms and conditions as described and set forth herein as follows:

1. Administrator shall perform the duties of Superintendent as prescribed by the Board and as may be established, modified, or amended from time to time by the Board. Administrator acknowledges the ultimate authority of the Board with respect to his/her responsibilities and directions related thereto.

2. Administrator represents that he/she possesses, holds, and will maintain all certificates, credentials, and qualifications required by law, including the provisions of Sections 1246 and 1536 of the Revised School Code, the regulations of the Michigan Department of Education, and those required by the Board to serve in the position assigned. Administrator agrees, as a condition of his/her continued employment, to meet and maintain all certification and continuing education requirements for the position assigned, as are, and may be, required by law or by the State Board of Education. If at any time Administrator fails to maintain all certificates, credentials, continuing education requirements, and qualifications for the position assigned as required herein, this Contract shall automatically terminate and the Board shall have no further obligation hereunder. This contract agreement shall automatically renew for another one (1) year term, unless either party provides notice to the other of its intent to terminate this agreement within 120 days before the end of the first year of the contract and each year after.

3. Administrator agrees to devote his/her talents, skills, efforts, and abilities toward competently and proficiently fulfilling all duties and responsibilities of the position assigned. Administrator agrees to faithfully perform those duties assigned by the Board and to comply with the directives of the Board with respect thereto. Further, Administrator agrees to comply with and fulfill all responsibilities and tasks required by state and federal law and regulations and by the Board to carry out the educational programs and policies of the School District during the entire term of this Contract. Administrator agrees that he/she will diligently and competently discharge his/her duties on behalf of the School District to enhance the operation of the School District and will use his/her best efforts to maintain and improve the quality of the programs and services of the School District.

Compensation:

4. Superintendent shall be paid at an annual (twelve month) salary rate of not less than One Hundred Thirty One Thousand Two Hundred Fifty Dollars (\$131,250) in consideration of his/her performance of the duties and responsibilities of the position assigned in conformance with the requirements and expectations of the Board. The Superintendent shall also be paid longevity of not less than Two thousand six hundred twenty five dollars (\$2,625), which is equivalent to 2% of the base salary. The annual base salary and longevity shall be compounded at the rate of 2% when calculating subsequent year's salary for each of the ensuing years of this contract.

The annual salary, inclusive of base salary and longevity, shall be paid in twenty-six (26) equal bi-weekly installments beginning with the commencement of the fiscal/contract year (July 1 - June 30).

5. The Board retains the right to adjust Administrator's annual salary during the term of this Contract consistent with the requirements of section 1250 of the Revised School Code. Consistent with the provisions of Section 1250 of the Revised School Code, Administrator's job performance and job accomplishments will be significant factors in determining any adjustment to Administrator's compensation. Any increase in salary made during the term of this Contract shall be in the form of a written amendment and when executed by Administrator and the Board, shall become a part of this Contract.

6. In recognition of the fact that the Superintendent has assumed primary responsibilities for the Human Resource Director function of the District, the Superintendent shall be paid an additional annual salary of no less than Twenty Two Thousand dollars (\$22,000) plus longevity of Four hundred forty dollars (\$440). The annual salary and longevity shall be compounded at the rate of 2% when calculating subsequent year's salary for each year of this contract.

7. For each of the years 2017-2018, 2018-2019, 2019-2020, or any additional school years, the district shall pay the Superintendent the sum of 4% annually of the annual salaries inclusive of the longevity amounts for both the Superintendent and Human Resources responsibilities toward the purchase of a tax-sheltered annuity as approved by the Board. This TSA shall cease at such time that the IRS non-discrimination coverage rules apply to such TSAs and said monies shall instead be paid as additional salary. The Superintendent may designate which annuities he directs the Board's contributions towards, or he may take any non-directed annuity amounts as additional salary.

8. Administrator is employed on the basis of fifty-two (52) weeks of work per contract/fiscal year (July 1 through June 30) as scheduled by the Board. The superintendent shall not be required to report to work on days during the student/teacher school year when school is not scheduled to be in session for teachers. The Superintendent shall be able to work remotely at his discretion one day per week. Administrator shall be granted vacation time of twenty-five (25) days per fiscal year, which shall not accumulate beyond forty (40) days. Administrator shall schedule use of vacation days in a manner to minimize interference with the orderly operation and conduct of business of the School District. All scheduling of vacation is subject to the approval of the Board. In addition to vacation days the superintendent shall be granted five (5) days of flextime per fiscal year to be either used or compensated per diem, of base salary, by June 30. Flextime shall be defined as vacation days. The flextime will not disrupt the normal operation of the school day.

9. Administrator's performance shall be evaluated at least annually using multiple rating categories that take into account data on student growth consistent with, and as required by, Section 1249 of the Revised School Code (or its successor provision).

10. For each year of service in the district beginning on July 1st, 2017, the Board shall deposit a severance amount of not less than Three Thousand Dollars (\$3,000) annually which will accumulate and be payable upon permanent separation from the district. The administrator must complete a minimum of three (3) years of the contract before this severance is activated.

11. The Board shall be entitled to terminate the Administrator's employment at any time during the term of this Contract when it determines that Administrator has engaged in acts of moral turpitude,

misconduct, dishonesty, fraud, insubordination, incompetency, inefficiency, if Administrator materially breaches the terms and conditions of this Contract, or for other causes that are not arbitrary or capricious.

The foregoing standards for termination of this Contract during its term shall not be applicable to non-renewal of this Contract at the expiration of its term, which decision is discretionary with the Board.

In the event that the Board undertakes to dismiss Administrator during the term of this Contract, he/she shall be entitled to written notice of charges and an opportunity for a hearing before the Board. In the event of termination of employment during the term of this Contract, this Contract shall automatically terminate and the Board shall have no further obligation hereunder.

12. In the event of Administrator's mental and/or physical incapacity to perform the duties of his/her office, he/she shall be granted an initial leave of ninety (90) work days for purpose of recovery. The Administrator shall first exhaust any accumulated sick leave and accrued vacation time, with the balance of the ninety (90) work day period to be unpaid. Upon utilizing leave under this provision, Administrator shall furnish medical certification to the Board (or its designee) respecting the necessity for the leave.

If the Board (or designee) has reason to doubt the validity of the medical certification supplied by Administrator, it may require a second opinion, at Board expense.

Administrator may request a ninety (90) work day unpaid leave extension in the event of his/her physical or mental inability to return to work at the expiration of the initial leave interval, as described above, provided that there is a verified prognosis that Administrator will be able to resume his/her duties at the conclusion of the extended leave interval. Medical certification shall be supplied by Administrator as a condition to any leave extension. Any extensions of leave for this purpose shall be at the discretion of the Board.

If Administrator is unable to, or does not, resume work at the conclusion of a leave taken under this paragraph (or any extension thereof), his/her employment and this Contract may be terminated at the option of the Board. However, no such termination shall occur where restoration after leave is required by the Family and Medical Leave Act.

Prior to resumption of duty after an unpaid leave of absence for a serious health condition, Administrator shall provide to the Board a fitness for duty certification from Administrator's health care provider. A second opinion may be required by the Board, at its expense, unless the securing of the second opinion in this context is precluded by the Family and Medical Leave Act.

The parties agree that the Superintendent's position is a "key employee" position as prescribed by the Family and Medical Leave Act.

13. Administrator agrees that he/she shall not be deemed to be granted continuing tenure in the position initially assigned or to which he/she may be assigned or transferred 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 (requiring certification) with the School District. Nor shall the decision of the Board not to continue or renew the employment of Administrator for any subsequent period in any capacity, other than as a classroom teacher, as may be required by the Teachers' Tenure Act, be deemed a breach of this Agreement or a discharge or demotion within the provisions of the Michigan Teachers' Tenure Act.

14. Administrator shall submit to such medical examinations, supply such information and execute such documents as may be required by any underwriter, policyholder or third party administrator providing insurance programs specified under this Contract. Additionally, upon request of the Board, Administrator shall authorize the release of medical information necessary to determine if Administrator is capable of performing the essential job functions required by his/her assignment, with or without reasonable job accommodation(s). Any physical or mental examination or disclosure of such information required of administrator by the Board shall be job related and consistent with business necessity. Any medical or psychological examination under this section shall be at Board expense. Any information obtained from medical or psychological examinations or inquiries shall be considered and treated as confidential.

15. Upon proper application and acceptance for enrollment by the appropriate insurance underwriter, policyholder, and/or third party administrator, the Board shall make monthly pro-rated medical benefit plan contributions and other insurance premium contributions in an amount determined by the Board (which may not exceed the limits of PA 152 of 2011, as amended), on behalf of Administrator and his/her eligible dependents for insurance program(s) chosen by the Board.

Administrator agrees that the Board has the right to allocate to Administrator responsibility for any portion of the medical benefit plan costs (as defined by 2011 PA 152, as amended), and other insurance costs, which exceed the Board's monthly contribution.

The superintendent agrees to waive the above medical benefit plan and instead elect to receive Pak B benefits for the duration of this contract as long as his spouse continues to be offered a comprehensive medical benefit plan through her employment as a teacher.

The Board will notify Administrator of the amount for which he/she is responsible which is in excess of the Board's contribution. Administrator agrees that the amount of Administrator's responsibility shall be payroll deducted from Administrator's compensation, or paid directly by Administrator if Administrator's compensation is not available for payroll deduction. To the extent allowable by law or regulation, Administrator may sign an agreement authorizing that any such amounts be payroll deducted through the Board's Section 125 Plan.

Administrators eligible for Board paid insurance may make a written waiver of that coverage and instead elect to receive Pak B benefits.

The Board shall provide the Superintendent with term life insurance equal to two (2) times his base salary, including accidental death and dismemberment coverage of the same coverage amount. The Board shall also provide Long-Term Disability. Accumulated paid leave days may be used prior to enacting LTD benefits.

Administrator is hereby advised that he/she may have a right pursuant to Section 4438 of the Insurance Code of 1956, MCL 500.4438, to convert his life insurance policy, and that Superintendent must make application to the life insurance carrier within 31 days of any termination of his/her employment status.

Administrator acknowledges that any insurance plan(s) must comply with 2011 PA 152, the Internal Revenue Code, and the Patient Protection and Affordable Care Act (hereinafter the "PPACA"),

including any requirements necessary to avoid taxes, penalties, and fees chargeable to the Board. Administrator specifically authorizes the Board to make any changes to the plans chosen by the Board which are necessary to avoid or remedy violations of 2011 PA 152, the Internal Revenue Code, and the PPACA, including any requirements necessary to avoid taxes, penalties, and fees chargeable to the Board.

16. 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.

Additionally, the Board reserves the right to self-fund any of the above benefits.

The Board shall not be required to remit premiums for any insurance coverages for Administrator and his/her 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 third-party administrator shall be controlling as to all matters concerning benefits, eligibility, coverage, termination of coverage, and other related matters. Administrator is responsible for assuring completion of all forms and documents needed to receive the above-described insurance coverage. The Board, by remitting the premium payments required to provide the above-described insurance coverage(s), shall be relieved from all liability with respect to insurance benefits.

17. Administrator is entitled to the following holidays for which no service to the School District is required: 4th of July, Labor Day, Thanksgiving Day, Friday after Thanksgiving, Christmas Eve Day, Christmas Day, New Year's Eve Day, New Year's Day, President's Day, Good Friday, Memorial Day.

18. If Administrator is absent from duty on account of personal illness or disability, he/she shall be allowed full pay for a total of fifteen (15) days per contract year. Unused paid leave days hereunder shall be cumulative to a maximum of one hundred twenty (120) days for absence due to personal illness or disability of Administrator.

Funeral leave days shall be granted up to the following limitations: five (5) funeral leave days for a death in the immediate family: spouse, parent, parent-in-law, brother/sister, child/stepchild, grandchild; two (2) funeral leave days for a death of: brother/sister-in-law, son/daughter-in-law, grandparent, grandparent-in-law; one (1) funeral leave day for a death in the non-immediate family: nephew/niece, aunt/uncle, first cousin, or a non-relative held in the same regard and living in the household of the employee.

19. Administrator 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. Any expense to be incurred by Administrator for out-of-district travel shall be submitted in advance for review and approval by the Board. Administrator shall be required to present an itemized account of his/her reasonable and necessary expenses in accordance with direction of the Board or its designee.

Administrator shall be eligible to be reimbursed for expenses related to the use of electronic communication devices for District purposes in accordance with the reimbursement standards and procedures established by the Board. Reimbursement of expenses related to electronic communications devices shall reflect invoiced amounts and shall not exceed **Fifty Dollars (\$50)** per month.

Subject to express approval by the Board, the fees or dues for membership in appropriate professional organizations shall be paid by the Board. Subject to prior approval by the Board, the Administrator may attend appropriate professional meetings at the local, state and national levels and shall be reimbursed for any registration fees, tuition, travel, lodging and/or reasonable meal expenses for himself/herself in relation thereto not prepaid by the Board.

Superintendent may enroll in and be reimbursed for one (1) approved, accredited college course during the contract year that provides advancement in a degree program that enhances Superintendent's competency and proficiency to maintain and improve the quality of the programs and services of the Board.

20. The Board agrees to pay the premium amount for errors and omissions insurance coverage for Administrator while engaged in the performance of a governmental function and while the Administrator is acting within the scope of his/her authority. The policy limits for this coverage shall be not less than \$1,000,000. The terms of the errors and omissions insurance policy shall be controlling respecting defense and indemnity of Administrator. 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 in the above amounts or at a reasonable premium rate, the Board shall have the right to discontinue said coverage and shall so notify Administrator. In that event, the Board agrees on a case-by-case basis to consider providing legal defense and/or indemnification to Administrator as is authorized under MCL 691.1408 and MCL 380.11a(3)(d).

21. This Contract contains the entire agreement and understanding by and between the Board and Administrator with respect to the employment of Administrator and no prior or concurrent representations, promises, contracts, or understandings, written or oral, not contained herein, shall be of any force or effect. All prior contracts or other agreements (written or oral) pertaining to the terms of this contract are cancelled and are superseded by the terms of this contract. Provided, that this contract is voidable pursuant to the provisions of the Revised School Code pertaining to criminal records and criminal history checks.

No amendment to or modification of this Contract shall be valid or binding unless it is in writing, approved by official action of the Board reflected in its minutes, and signed by Administrator and the President and Secretary of 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 at any other time.


22. If any provision of this Agreement 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).

23. Administrator agrees that any claim or suit arising out of Administrator's employment with the Board must be filed no more than six (6) months after the date of the employment action that is the subject of the claim or suit. Administrator understands that the statute of limitations for claims arising out of an employment action may be longer than six (6) months, but agrees to be bound by the six (6) month period of limitation set forth herein and waives any statute of limitations to the contrary. Should a court of competent jurisdiction determine that this provision allows an unreasonably short period of time to commence a law suit, it is the intent of the parties that the court enforce this provision to the extent possible and declare the law suit barred unless it was brought within the minimum reasonable time within which the suit should have been commenced.

24. This Agreement is executed on behalf of the Durand Area Schools pursuant to the authority granted as contained in the resolution of the Board adopted on **March 29th, 2017**, the same being incorporated herein by reference.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the day and year first above written.

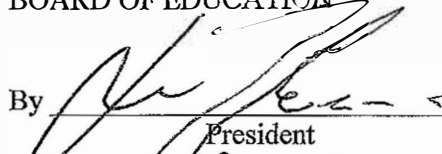
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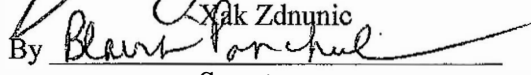
Craig McCrumb

DURAND AREA SCHOOLS
BOARD OF EDUCATION

Date: 3-29-17

By 

President
Yak Zdnunic

By 

Secretary
Blair Panchek