

**CARO COMMUNITY SCHOOLS
CONTRACT OF EMPLOYMENT - SUPERINTENDENT
BRUCE NELSON**

Pursuant to Section 1229(1) of the Revised School Code, the Board employs Bruce Nelson ("Superintendent") for 36 months period beginning July 1, 2011 and ending on June 30, 2014, according to the terms and conditions described below:

1. **Duties.** Bruce Nelson 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.
 - A. Superintendent acknowledges the ultimate authority of the Board with respect to his duties and agrees to faithfully perform those duties and to diligently implement the Board's policies and education programs.
 - B. Superintendent is subject to assignment and transfer to another position of administrative employment in the School District at the discretion of the Board.
2. **Qualifications.** Superintendent represents that he possesses and shall maintain all certificates, credentials, and qualifications required by law, including Michigan Department of Education Regulations, and those required by the Board to serve in the position assigned. As a condition of his continued employment, Superintendent also agrees to meet all continuing education requirements for the position assigned, as may be required by law or the Michigan State Board of Education. If at any time Superintendent fails to maintain all certificates, credentials, continuing education requirements, or qualifications for the assigned administrative position, this Contract shall automatically terminate and the Board shall have no further contractual obligations.
3. **Performance.** Superintendent agrees to devote his talents, skills, efforts, and abilities toward competently performing all duties and responsibilities of the position assigned, including compliance with the directives of the Board to carry out its policies and educational programs. Superintendent pledges to use his best efforts to maintain and improve the quality of School District operations and to constantly promote efficiency in all areas of his responsibility. Further, Superintendent agrees to comply with and fulfill all responsibilities and tasks for which he is responsible as required by state and federal law, as well as by the Board.
4. **Performance Evaluation.** Superintendent's performance shall be evaluated by the Board or its designee annually, but not later than March 31, using multiple rating categories that take into account student growth as a factor consistent with Section 1249 of the Revised School Code.
5. **Agreement Extension.** The Board shall annually, on or before March 31, during each year of this Agreement, take official action determining whether or not the Agreement is extended for an additional year and notify the superintendent of its action in writing. If no

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action is taken by the Board, the Agreement shall be deemed to have not been extended for an additional year.

6. **Compensation.** Superintendent shall be paid at an annual (12-month) salary rate of not less than one hundred and two thousand dollars (\$102,000.00) for the 2011-12 school year in consideration of his performance of the duties and responsibilities of the position assigned in conformance with the requirements and expectations of the Board.
 - A. The Board retains the right to adjust the Superintendent's annual salary during the term of this Contract. Any such salary adjustment shall not reduce the annual salary below the minimum annual salary prescribed above unless mutually agreed.
 - B. Starting with the July 1, 2013 contract the Superintendent shall be paid at an annual (12-month) salary base rate of not less than one hundred and four thousand dollars (\$104,000.00)
 - C. With board review, and in accordance with the provisions of Section 1250 of the Revised School Code, the job performance and the job accomplishments of the Superintendent will be significant factors in determining any adjustment to the Superintendent's compensation. The percentage increase received by certified teachers under the CEA contract for the same fiscal year shall be given substantial consideration by the Board when it makes its determination regarding the level of compensation for the Superintendent. Any other adjustment in salary made during the term of this Contract shall be in the form of a written amendment and when executed by the Superintendent and the Board, shall become a part of this Contract.
7. **Reimbursed Expenses.** Superintendent shall be eligible to be reimbursed for travel, meals, and lodging in accordance with per diem expense and reimbursement procedures established by the Board. Superintendent shall be required to present an itemized account of his reasonable and necessary expenses in accordance with directions of the Board or its designee. The Superintendent shall be reimbursed for expenses related to coursework necessary for continuing certification not to exceed 50% of the cost of tuition.
8. **Professional Development.** Subject to prior approval by the Board, the fees or dues for membership in appropriate professional organizations shall be paid by the Board. Subject to approval by the Board, the Superintendent may attend appropriate professional meetings at the local, state, and national levels and shall be reimbursed for any related registration fees, tuition, travel, lodging, reasonable meal expenses for himself not prepaid by the Board.

9. **Insurance Programs.** Upon proper application and acceptance for enrollment by the appropriate insurance underwriter, policyholder, or third-party administrator, the Board shall make premium payments, minus a \$50.00 per month pretax co-pay, on behalf of Superintendent and his eligible dependents for the following insurance programs:

Plan A:

- Health - MESSA Choices II - \$50 per month co-pay (pre-tax)
 IN Deductible: \$0
 OON Deductible: \$250/\$500
 OV/UC/ER Copay: \$10/\$25/\$50
 RX Drug Copay: \$10
 Riders Included: XVA2, AI
- LTD - 66 2/3% Max. \$4,500
 \$4,500 Maximum Monthly Income
 90 Calendar days modified fill
 Alcohol/Drug - 2 yr limitation
 Mental/Nervous - 2 yr limitation
 Primary Social Security Offset
 Maternity Coverage, Rehabilitation Benefits
 COLA: No
- Life - \$45,000 Negotiated Life with AD & D
- Vision - VSP 2 Silver Plan
- Delta Dental - Class I, II, III, IV: 80/80/80/80; Max \$1,500.
 Lifetime Max: \$1,500
 Riders Included: 2 Cleanings

Plan B:

- LTD - 66 2/3% Max. Mon. Salary \$5,250
 5% Minimum Payout
 \$4,500 Maximum Monthly Income
 90 Calendar days modified fill
 Pre-Existing Condition Waiver
 Alcohol/Drug - 2 yr limitation
 Mental/Nervous - 2 yr limitation
 Primary Social Security Offset
 Maternity Coverage, Rehabilitation Benefits
 2 year Own Occupation
 Freeze on Offsets
 No Survivor Income
 No Educational Supplement
 2 Year Own Occupation
- Life - \$50,000 Negotiated Life with AD & D
- Vision - VSP 3 Gold Plan year is July to July
- Delta Dental - 90/90/90 - Class I, II & III Max \$1,500.; 80 Class IV - \$1,500.
 Lifetime

- C. **Annuity Benefits:** The Board shall contribute to a tax-sheltered annuity plan selected by Superintendent in an amount of \$3,000.00 payable in 26 equal installments.
10. **Insurance Contracts.** 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 Contract.
- A. The Board shall not be required to remit premiums for any insurance coverages for Superintendent and his eligible dependents if enrollment or coverage is denied by the insurance underwriter, policyholder, or third-party administrator.
- B. 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.
- C. Superintendent is responsible for assuring completion of all forms and documents needed to receive the above-described insurance coverage.
- D. 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.
11. **Errors and Omissions Insurance.** The Board agrees to pay the premium amount for errors and omissions insurance coverage for Superintendent while engaged in the performance of a governmental function and while Superintendent is acting within the scope of his authority. The policy limits for this coverage shall be not less than \$2,000,000.
- A. The terms of the errors and omissions insurance policy shall control the Superintendent's defense and indemnity. The Board's sole obligation shall be limited to the payment of premium amounts for the above errors and omissions coverage.
- B. 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 notify Superintendent. In that event, the Board agrees on a case-by-case basis to consider providing legal defense or indemnification to Superintendent as authorized under MCL 691.1408 and MCL 380.11a(3)(d).
12. **Vacation.** Superintendent is employed on the basis of fifty-two (52) weeks of work per fiscal year (July 1 through June 30) as scheduled by the Board. Superintendent shall be granted vacation time of four weeks (20 days) days per fiscal year.
- A. Vacation days must be used within the fiscal year for which they are made available and Superintendent shall not receive any additional compensation in lieu of vacation days.

- B. Superintendent shall schedule use of vacation days in a manner to minimize interference with the orderly operation and conduct of School District business. All vacation scheduling is subject to the Board's approval.
13. **Holidays.** Consistent with the School District's calendar, Superintendent is entitled to the following holidays for which no service to the School District is required: Fourth of July, Friday before Labor Day, Labor Day, Thanksgiving Day and day after Thanksgiving, Day before Christmas, Christmas Day and day after Christmas, New Year's Eve and New Year's Day, Good Friday, Memorial Day.
14. **Authorized Absence.** If Superintendent is absent from duty on account of personal illness or disability, he shall be allowed full pay for a total of fifteen (15) days per contract year. Unused paid leave days shall be cumulative.
- A. **Personal Leave Days.** At the Board's discretion and approval, Superintendent may be granted up to three (3) personal leave days per contract year. Unused personal leave days are not deductible from accumulated sick leave and do not accumulate beyond the contract year.
- B. **Bereavement Leave.** Superintendent shall be entitled to receive up to three (3) days with pay due to death of a member of the immediate family, which shall be interpreted to mean current spouse, child, parent, grandparent, grandchildren, brother, sister, father-in-law, mother-in-law, daughter-in-law, son-in-law, or any other member of the family who lives in Superintendent's home.
- C. Upon retirement or voluntary termination of the Superintendent under the provisions of the Michigan Public Schools Employees Retirement System, the Board shall pay per diem for each day of accumulated leave time, not to exceed \$6,500.
15. **Disability.** In the event of Superintendent's mental or physical incapacity to perform the duties of his office, he shall be granted an initial leave of ninety (90) work days for purpose of recovery. Superintendent shall first exhaust any accumulated sick leave and accrued vacation time, with the balance of the ninety (90) workday period to be unpaid. Health plan premium payments shall be made on behalf of Superintendent during this interval to the extent required by law. Upon utilizing leave under this provision, Superintendent shall furnish medical certification to the Board (or its designee) respecting the necessity for the leave.
- A. If the Board (or designee) has reason to doubt the validity of the medical certification supplied by Superintendent, it may require a second opinion, at Board expense.
- B. Superintendent may request a ninety (90) workday unpaid leave extension in the event of his 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 Superintendent will be able to resume his duties at the end of the extended leave interval. Medical certification shall be supplied by Superintendent as a condition to

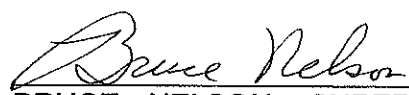
any leave extension. Any extensions of leave for this purpose shall be at the Board's discretion.

- C. If Superintendent is unable to or does not resume work at the conclusion of a leave taken under this paragraph (or any leave extension), his employment and this Contract may be terminated at the Board's option. However, no such termination shall occur where restoration after leave is required by the Family and Medical Leave Act.
 - D. Prior to any resumption of duty after an unpaid leave of absence for a serious health condition, Superintendent shall provide to the Board a fitness for duty certification from Superintendent's health care provider. A second opinion may be required by the Board, at its expense, unless the securing of the second opinion is precluded by the Family and Medical Leave Act.
 - E. The parties agree that the Superintendent's position is a "key employee" position as prescribed by the Family and Medical Leave Act.
16. **Medical Examination.** Superintendent 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.
- A. Upon request of the Board, Superintendent shall authorize the release of medical information necessary to determine if Superintendent is capable of performing the essential job functions required by his assignment, with or without reasonable job accommodation(s). Any physical or mental examination or disclosure of such information required of Superintendent by the Board shall be job-related and consistent with business necessity.
 - B. 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 confidential.
17. **No Tenure In Position.** Superintendent agrees that he shall not be deemed to be granted continuing tenure in the position initially assigned or to which he 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 Board's decision not to continue or renew Superintendent's employment for any subsequent period in any capacity, other than as a classroom teacher as may be required by the Michigan Teachers' Tenure Act, be deemed a breach of this Agreement or a discharge or demotion within the provisions of the Michigan Teachers' Tenure Act.

18. **Termination for Cause.** The Board shall be entitled to terminate the Superintendent's employment at any time during the term of this Contract for misconduct, dishonesty, fraud, insubordination, incompetency, inefficiency, or if Superintendent materially breaches the terms and conditions of this Contract.
- A. The foregoing standards for termination of this Contract during its term shall not apply to non-renewal of this Contract at the expiration of its term, which decision is discretionary with the Board.
- B. In the event that the Board undertakes to dismiss Superintendent during the term of this Contract, he shall be entitled to not less than ten (10) days' written notice of charges and an opportunity for a fair and impartial hearing before the Board. At such hearing, he may have legal counsel at his own expense. 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 contractual obligation. Nonrenewal shall be done in accordance with the provisions of Section 1229(1) of the Revised School Code.
19. **Notice to Board.** If for any reason, the Superintendent intends to vacate the job, he must give the board not less than fourteen (14) days' written notice.
20. **Entire Agreement.** This Contract contains the entire agreement and understanding between the Board and Superintendent as to the employment of Superintendent. Representations, promises, contracts, or understandings (written or oral) not contained in this Contract have no effect.
- A. All prior agreements pertaining to, connected with, or arising in any manner out of the employment of Superintendent by the Board, are terminated and shall have no effect. Provided, however, that this Contract is voidable under the Revised School Code's provisions pertaining to criminal records checks.
- B. No change 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 the Superintendent and President and Secretary of the Board.
- C. No valid waiver of any provision of this Contract, at any time, shall be deemed a waiver of any other provisions of this Contract at such time or at any other time.
21. **Voidability.** 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 provision(s).
22. **Authorization.** This Contract is executed on behalf of the School District pursuant to the authority contained in the resolution of the Board adopted on August 30, 2010, the same being incorporated herein by reference.

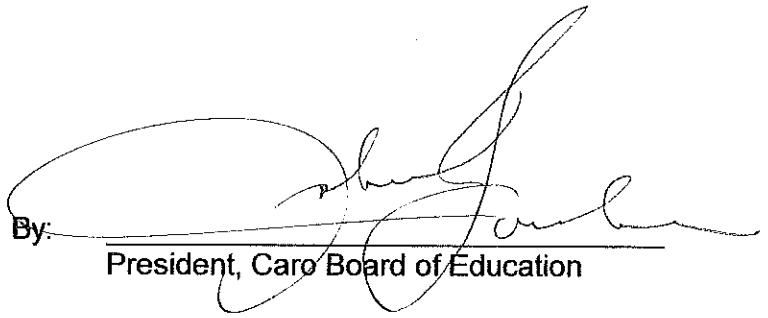
IN WITNESS WHEREOF, the parties have caused this Contract to be executed on the day and year first above written.

Date: _____, 2011



BRUCE NELSON, SUPERINTENDENT
CARO COMMUNITY SCHOOLS
BOARD OF EDUCATION

Date: _____, 2011

By: 

President, Caro Board of Education

By: 

Secretary, Caro Board of Education

**ADDENDUM TO JULY 1, 2012 CONTRACT BETWEEN
BRUCE E. NELSON AND CARO BOARD OF EDUCATION**

This appendix amends pages 2, 3 ,4 and replaces the Addendum of July 2011 of the Superintendent's Contract.

6. Compensation.

A. . . .below the minimum annual salary prescribed above. *As part of a concessions agreement with the other administrators and in light of legislation regarding insurance co-pays and annuities, the parties agree to the following annual salary changes:*

Contract salary:	102,000.
2% reduction:	- 2,040.
Rollback to H.SA	- 1,000.
Rollback to cover 20% medical Ins co-pay(2P)	- 2,424.
Rollin of annuity	+ 3,000.
Salary:	\$99,536.

9. Insurance Programs.

Upon proper application and acceptance for enrollment . . .

Plan A:

The Board shall provide a Health Savings Account coupled with a high deductible insurance plan with Health Plus. On an annual basis, the salary rollback for 20% of insurance shall be adjusted as premium rates or enrollment status changes. Accordingly, since the Superintendent is making his insurance co-pay and H.SA contribution via a salary rollbacks The Board shall pay the appropriate premium and \$3,500. into the Health Savings Account on an annual basis. The insurance plan shall mirror the previous agreement as closely as the new plan permits.

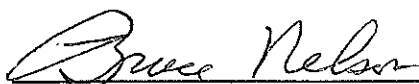
Plan B:

In lieu of taking Plan A, the Administrator shall receive LTD as provided in Plan A plus a monthly stipend of \$300. per month.

Starting July 1, 2012 the Board will no longer contribute to a tax sheltered annuity. Continued contributions may be made at the option of the Superintendent from his salary.

10. Insurance Contracts.

The Board, by remitting the premium payments *and the above designated H.S.A. contribution* required to provide the above-described insurance coverage(s), shall be relieved from all liability with respect to insurance benefits.



BRUCE NELSON



DATE

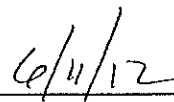

JOHN FORSHEE, PRESIDENT



DATE


HANK KNIER, SECRETARY

Henry



DATE

