

CONTRACT OF EMPLOYMENT

School Administrator

RECEIVED JUL 30 2012

It is hereby agreed by and between the Board of Education of the Sandusky Community Schools (hereinafter "Board") and Michael E. Carmean (hereinafter "Administrator") that pursuant to Section 1229 (2) of the Revised School Code of the State of Michigan, the Board in accordance with its action found in the minutes of its meeting held on the 15th day of February, 2012, has and does hereby employ the said Administrator for a two (2) year term commencing on July 1, 2012, and ending on June 30, 2014. Not later than June 30, 2013, the Board will consider whether or not it will offer a one (1) year extension (i.e. to June 30, 2015) of this Contract to Administrator. Any extension of this Contract shall be at the discretion of the Board of Education. Any failure of the Board of Education to consider extension of this Contract on or before June 30, 2013, shall not result in an automatic extension of the Contract by default. The terms and conditions are 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, and/or amended from time to time by the Board. Administrator acknowledges the ultimate authority of the Board with respect to his responsibilities and directions related thereto. Administrator is subject to assignment and transfer to another administrative position of employment in the school district, at the discretion of the Board.
2. Administrator represents that he possesses, holds, and will maintain all certificates, credentials, and qualifications required by law, including the regulations of the Department of Education, and those required by the Board to serve in the position assigned. Additionally, Administrator agrees, as a condition of his continued employment, to meet all continuing education requirements for the position assigned, as are and may be required by law and/or by the State Board of Education. If at any time Administrator fails to maintain all certificates, credentials, continuing education requirements, and/or qualifications for the position as assigned as required herein, this Contract shall automatically terminate, and the Board shall have no further obligations hereunder.
3. Administrator agrees to devote his 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 to devote substantially all of his business time, attention, and services to the diligent, faithful, and competent discharge of his duties on behalf of the School District to enhance the operation of the School District, and agrees to use his best efforts to maintain and improve the quality of the programs and services of the School District.

4. Administrator shall be paid at an annual (twelve month) salary rate of not less than ninety-seven thousand, two hundred dollars (\$97,200) in consideration of his performance of the duties and responsibilities of the position assigned in conformance with the requirements and expectations of the Board.

Should Administrator be assigned or transferred to another administrative position, the salary paid shall be as established by the Board for that position. The annual salary shall be paid in twenty-six (26) equal bi-weekly installments beginning with the commencement of the fiscal/contract year (July 1 – June 30).

As part of remuneration for his services under this Contract, Administrator will also be paid nine thousand, eight hundred dollars (\$9,800) annually to be contributed to a tax-deferred annuity of his choice. The annuity shall be paid in twelve (12) equal monthly installments beginning with the commencement of the fiscal/contract year (July 1 – June 30).

The Board hereby retains the right to increase the annual salary of Administrator during the term of this Contract. 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.

The amended salary listed above, for the 2012-2013 fiscal year, was approved by Board action on June 27, 2012.

5. 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. Administrator shall be granted vacation time of twenty-five (25) days per fiscal year. Vacation days must be used within the fiscal year for which they are made available, and Administrator shall not receive any additional compensation in lieu of use of vacation 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.

6. Administrator's performance shall be evaluated by the Board annually, not later than June 30.

7. 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, or if Administrator materially breaches the terms and conditions of this Contract or for other causes that are not arbitrary or capricious, as determined by the Board.

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 of Education.

In the event that the Board undertakes to dismiss Administrator during the term of this Contract, he 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.

8. In the event of Administrator's mental and/or physical incapacity to perform the duties of his office, he shall be granted an initial leave of ninety (90) workdays for purpose of recovery. The Administrator 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 the Administrator during this interval to the extent required by law. 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 physical and/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 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 the Administrator is unable to or does not resume work at the conclusion of a leave taken under this paragraph (or any extension thereof), his 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.

9. 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 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.

10. Upon proper application and acceptance for enrollment by the appropriate insurance underwriter, policyholder, and/or third-party administrator, the Board shall make premium payments on behalf of Administrator and his eligible dependents for the following insurance programs:

Health insurance: SET-SEG "Health Plus" PPO 2G 100% RX HSA

Dental insurance: SET-SEG Self Funded Dental 90/90/90; \$2,000

Vision insurance: SET-SEG NVA Plan 3 Platinum Plus
Term Life insurance: \$100,000.00
Negotiated Life: \$20,000 AD&D
Long Term Disability: 66 2/3%
\$2,500 maximum monthly benefit
90 calendar days modified fill
Waiver on pre-existing condition
Alcoholism/Drug – same as any other illness
Mental/Nervous – same as any other illness
Freeze on offsets

The Board pays 100% of the deductible for the Health Plus PPO 2G 100% RX HSA plan.

As per PA 152 (Health Insurance Cap), the district will pay the maximum amount shown below towards the employee health insurance premium.

\$458.33/month for Single
\$916.67/month for Two-Person
\$1250.00/month for Family

These amounts will be adjusted yearly based upon the requirements of PA 152.

11. 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 to the Sandusky Education Association Master Agreement, as determined by the Board, is maintained during the term of this Agreement. The Board shall not be required to remit premiums for any insurance coverages for Administrator and his 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.

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

13. If Administrator is absent from duty on account of personal illness or disability, he shall be allowed full pay for a total of thirteen (13) days per contract year, with five (5) days used for personal business.

Sick leave shall accumulate and carryover from year to year. Administrator's compensation per accumulated sick leave, capped at 90 days, shall be granted upon resigning from Sandusky Community Schools, at a rate of \$22.00/day.

14. Administrator shall be eligible to be reimbursed for travel, meals, and lodging in accordance with per diem expenses 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 reasonable and necessary expenses in accordance with direction of the Board or its designee.

15. 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 in relation thereto not prepaid by the Board.

16. 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 authority. The policy limits for this coverage shall be not less than two million dollars (\$2,000,000.00) per claim. 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 and/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 MCLA 691.1408 and MCLA 380.11a(3)(d).

17. This Contract contains the entire agreement and understanding by and between the Board and Administrator with respect to the employment of Administrator; and no representations, promises, contracts, or understandings, written or oral, not contained herein, shall be of any force or effect. All prior agreements pertaining to, connected with, or arising in any manner out of the employment of Administrator by the Board, are hereby terminated and shall hereafter be of no force or effect whatsoever. No amendment to or modification of this Contract shall be valid or binding unless it is in writing 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.

18. In the event of any dispute between the parties relating to discharge of Administrator during the term of this Contract, the parties hereby agree to submit such to binding arbitration. Selection of the arbitrator and the arbitration proceedings shall be conducted under the National Rules for the Resolution of Employment Disputes of, and administered by, the American Arbitration Association. Arbitration under this provision shall be conducted pursuant to the terms of the Michigan Arbitration Act, MCLA 600.5001 et seq and MCR 3.602.

The parties intend that this process of dispute resolution shall be inclusive of all contract and statutory claims advanced by Administrator arising from Administrator's discharge during the term of this Contract, including (but not limited to) claims of unlawful discrimination and all claims for damages or other relief. However, this agreement to arbitrate does not restrict Administrator from filing a claim or charge with any state or federal agency (such as the Equal Employment Opportunity Commission or the Michigan Department of Civil Rights), and does not apply to any claims for unemployment compensation or workers' compensation which may be brought by Administrator. Instead, this agreement to arbitrate claims applies to those matters, which would otherwise be subject to state or federal court proceedings.

This agreement to arbitrate means that Administrator is waiving his right to adjudicate discrimination claims in a judicial forum and is instead opting to arbitrate those claims. In any such arbitration proceeding, Administrator shall have the right to representation by counsel of his choice, the right to appointment of a neutral arbitrator, and the right to a fair hearing. However, Administrator, through this agreement to arbitrate such claims, does not waive any statutory rights or remedies in the context of such arbitration proceedings.

The arbitrator's fee and costs imposed by the American Arbitration Association shall be shared equally by the Board and Administrator, subject to the right of Administrator to seek to tax such fees as costs against the Board.

Any claim for arbitration under this provision must be filed with the American Arbitration Association, in writing, and served on the Board within one hundred eighty (180) days of the effective date of Administrator's discharge during the term of this Contract. The Decision and Award of the arbitrator shall be final and binding and judgment thereon may be entered in the Circuit Court for the 24th Judicial Circuit of Michigan (Sanilac County).

19. Administrator 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 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 Teacher's Tenure Act, be deemed a breach of this Contract or a discharge or demotion within the provisions of the Michigan Teacher's Tenure Act.

20. 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).

21. 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 lawsuit, it is the intent of the parties that the court enforce this provision to the extent possible and declare the lawsuit barred unless it was brought within the minimum reasonable time within which the suit should have been commenced.

22. This Agreement is executed on behalf of the School District pursuant to the authority granted as contained in the resolution of the Board adopted on February 15, 2012, the same being incorporated herein by reference.

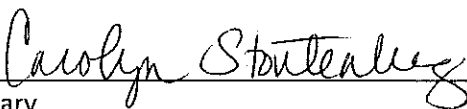
IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the day and year first above written.

Date: 7/18/12 _____

ADMINISTRATOR

Date: 7/18/12 _____ SANDUSKY COMMUNITY SCHOOLS BOARD OF EDUCATION

By  _____
President

By  _____
Secretary