

CLARENCEVILLE SCHOOL DISTRICT ADMINISTRATOR EMPLOYMENT CONTRACT

The contract is entered into this 1st day of July 2018 (“Contract”), between the Board of Education (the “Board”) of the Clarenceville School District of Oakland and Wayne Counties, Michigan (the “School District”) and Paul K. Shepich, (the “Superintendent”). The Board of Education of the Clarenceville School District of Wayne and Oakland Counties, Michigan, hereinafter designated as the BOARD, and Paul K. Shepich, hereinafter designated as SUPERINTENDENT, do, in consideration of the mutual covenants, hereinafter, agree as follows:

PREAMBLE

The parties are mutually agreeable to entering into this Superintendent’s Contract of Employment for the employment of Paul K. Shepich.

CONTRACT PERIOD

The BOARD agrees to employ the SUPERINTENDENT as the Superintendent of Schools for a term of three (3) years from July 1, 2018, (prorated from December 13, 2018 to June 30, 2019) to and including June 30, 2021. The BOARD shall notify the SUPERINTENDENT in writing, on or before the 30th of April of each contract year, of the BOARD’S intent to renew or not renew the contract. Failure to do so will automatically result in a one – year extension of the contract through June 30, 2022.

NOW THEREFORE IT IS AGREED AS FOLLOWS:

1. DUTIES

The Superintendent agrees, during the period of this contract, to faithfully perform the duties and obligations in such a capacity for the School District including, but not limited to, those duties required of the Chief Executive Officer of the School District, in accordance with and under the Revised School Code and the Board’s by-laws, policies, rules and regulations, as they now exist or may be subsequently amended. He will act as an advisor to the Board on matters pertaining to the school administration or the School District, and he will inform the Board as to administrative action taken on its behalf. The Superintendent shall recommend, effect, or cause to be effected, the policies and programs of the Board of Education as may be adopted, from time to time, and in general, he will faithfully and diligently fulfill all the duties and obligations incumbent upon him as the executive head of the administrative section of the school system and the School District.

2. QUALIFICATIONS

The Superintendent represents that he meets all Michigan requirements, and the qualifications established by the Board, for the position. If, for any reason, additional statutory or regulatory requirements dictate that additional endorsements be obtained, plus any additional requirements reasonably imposed by the Board, the Superintendent agrees to meet such requirements in a timely fashion. Failure to comply with all such requirements shall result in the Superintendent’s immediate termination, notwithstanding the notice provision set forth in this Contract, or in Section 1229 of the Revised School Code.

3. TERM

The Board agrees to continue to employ Paul K. Shepich as Superintendent of the School District from this date to and including June 30, 2021. The Board of Education shall, no later than April 30 of 2021 during the term of Contract, consider the extension of this Contract for an additional one (1) year period. The Superintendent, prior to March 31 of each such year, shall advise the Board in writing of their obligation to consider an extension of this Contract. For purposes of this Contract, a "Contract Year" and "School Year" are synonymous and the term of any Contract Year or School Year shall begin at 12:00 AM on July 1 and end at 11:59 PM on June 30 of the following calendar year.

4. EVALUATION

The Board shall evaluate the Superintendent, at least annually, using a state approved evaluation tool, unless hereafter modified by the Board.

5. TENURE

The Superintendent shall not acquire continuing tenure in his position.

6. PROFESSIONAL LIABILITY

The School District agrees that it shall defend, hold harmless and indemnify the Superintendent from any and all demands, claims, suits, actions and legal proceedings brought against the Superintendent in his individual capacity, or in his official capacity as agent and employee of the School District, provided the incident arose while the Superintendent was acting within the scope of his employment and excluding criminal matters. The Board shall provide public liability insurance for the Superintendent 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. In no case will individual Board members be considered personally liable for indemnifying the Superintendent against such demands, claims, suits, actions and legal proceedings.

7. PROFESSIONAL GROWTH

The Superintendent may attend professional meetings at the state and national levels. The expenses of such attendance will be paid by the School District, provided such meetings and proposed expenses are approved in advance by the Board. The District shall reimburse the Superintendent for all reasonable expenses incurred for successfully completed academic university courses, in-depth study conference attendance or to conduct research if it is related to his position as Superintendent. The reimbursement includes tuition, books, meals and other necessary costs, excluding mileage.

8. PROFESSIONAL DUES

The School District shall, during each Contract Year, pay the membership dues of the Superintendent for three (3) of the following organizations: The American Association of School Administrators, Superintendents Executive Leadership Academy, American School Board Journal, the Michigan Association of School Administrators, MASA Region in which the School District is located or other appropriate organizations. Other professional memberships paid or reimbursed by the District shall be subject to prior authorization by the Board.

9. COMPENSATION

The Superintendent's current annual base salary is \$140,625 for the 2018-19 school year, in 2019-20 base salary will be \$142,031 and in 2020-21 \$143,451. The Superintendent's annual base salary is payable in regular installments in accordance with the School District's policies or procedures. The Board retains the right to increase the Superintendent's annual base salary during the term of this contract. Any 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. In no instance shall the salary for any subsequent Contract Year be less than the previous year.

10. FRINGE BENEFITS

The Board of Education shall provide the Superintendent with the following benefits:

- a. Health, Dental and Vision Insurance provided other administrative employees.
- b. Twenty – five vacation days per year. Vacation days shall be non-reimbursable and non-cumulative during the term of this Contract. The Superintendent may, with prior written approval of the Board obtain prior to June 30 of a current Contract Year, carry over not more than five (5) vacation days not used in that Contract Year. Any carried over vacation days must be used during the next Contract Year.
- c. Term life insurance in an aggregate amount of \$125,000 (at standard rates) which amount is inclusive of the life insurance provided to other administrators of the School District.
- d. Fifteen (15) sick days per Contract Year.
- e. The Superintendent will receive \$100.00 per credit hour for graduate hours earned beyond the MA degree from an accredited college or university. A maximum of forty (40) graduate semester hours beyond a MA degree will be allowed at this rate. A lump-sum payment will be made in June of each year.
- f. The Board shall provide the Superintendent with a long-term disability insurance policy which shall provide for the payment of a disability benefit to the Superintendent in the event the Superintendent becomes disabled during his term of this Contract. The cost of the premiums for such a policy shall be paid by the Board of Education.
- g. Should the Superintendent sever his employment prior to retirement from the district, he shall be entitled to receive one-half (1/2) of his unused accumulated sick days, not to exceed 100 days, paid at a rate of sixty dollars (\$60.00) per day. If the Superintendent should retire from the district, he shall be entitled to receive one-half (1/2) of his unused accumulated sick days, not to exceed 100 days, paid at his current daily rate. Retirement is defined as an individual who is eligible for and receives a pension from the Michigan Public School Employees Retirement Fund.
- h. Cash in lieu in an amount equal to the state of Michigan 2 Party cap in those years in which health insurance is not taken.
- i. Such other benefits provided to administrators pursuant to Board policy.

11. LONGEVITY

Following three (3) years of service as Superintendent, longevity shall be paid in an amount equal to two percent (2%) of the Superintendent's then current salary and shall be paid to the Superintendent on or before July 31 of each Contract Year.

12. TAX SHELTERED ANNUITY The Board will make an annual payment to a tax-sheltered annuity at 8% of base salary.

13. TERMINATION PROVISIONS

The Superintendent shall be subject to discharge for cause, including but not limited to the willful failure to uphold any Board by-law, policy, rule or regulation. No discharge shall be effective until written charges have been served upon him and he shall have an opportunity for a 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 a hearing, he may have legal counsel at his own expense. If the BOARD acts unilaterally to discharge the SUPERINTENDENT without just cause resulting in the termination of the contract, all salary and benefits occurring to the SUPERINTENDENT under this contract shall be awarded to the SUPERINTENDENT in full.

14. TERMINATION BY MUTUAL AGREEMENT

This Contract may be terminated prior to June 30, 2021, by mutual consent of the Board and the Superintendent.

15. AMENDMENT

This agreement constitutes the entire understanding and agreement of the Parties, superseding any prior agreements. No change shall be effective with respect to the terms of this Employment Agreement unless in writing and signed by both Parties.

16. DISPUTE RESOLUTION

All disputes arising in connection with this Agreement shall be settled under the applicable arbitration rules of the American Arbitration Association by one or more arbitrators appointed in accordance with such rules. Any award or decision by the arbitrators shall be binding on the parties. The arbitration shall be held in Oakland County, Michigan unless the arbitrator or a majority of the arbitrators decide that it shall be held at some other place. Judgment upon any arbitration award received may be rendered in any court having jurisdiction, or application may be made to such court for judicial acceptance of the award and an order of enforcement as the case may be.

Executed by the parties on the date set forth on Page 1 of this Contract.

By: 

President, Board of Education

By: 

Secretary, Board of Education

By: 

Paul K. Shepich, Superintendent