

## GLADSTONE AREA SCHOOLS

### Superintendent's Employment Contract Extension

This Employment Contract is entered into on the 1st day of July, 2007, between the Board of Education of the Gladstone Area Schools, referred to as the "BOARD" and Gerald E. Kulbertis, as Superintendent of Schools, referred to as "SUPERINTENDENT" in this Employment Contract.

Because the BOARD at a meeting held on the 15th day of June, 2009, approved the employment of the SUPERINTENDENT in such capacity in accordance with the terms and conditions of this Contract, and the SUPERINTENDENT desires to be employed by the BOARD in accordance with the terms and conditions of this Contract, the parties in consideration of their mutual promises set forth in this Contract agree as follows:

#### §1. TERM:

This Contract shall take effect on the 1st day of July, 2007, and continue in force through the 30th day of June, 2012, subject to any extension and termination provisions set forth below.

#### §2. QUALIFICATIONS:

The SUPERINTENDENT represents to the BOARD that he holds all certificates and credentials required by law and regulation and also by the BOARD to accept and hold the position of Superintendent of Schools.

#### §3. DUTIES:

The SUPERINTENDENT agrees to perform the duties of Superintendent in a competent and professional manner in compliance with the laws applicable to the School District and the policies and regulations adopted by the BOARD.

#### §4. COMPENSATION:

The BOARD shall pay to the SUPERINTENDENT a base salary of \$ 96,820 for the school year 2007-08. The salary shall be paid in twenty-six (26) equal installments. The base salary shall be increased by 1% in each subsequent year of this contract: 2008-09 = \$97,788; 2009-10 = \$98,766; 2010-11 = \$99,754; and 2011-12 = \$100,752. The BOARD stipulates that an additional \$1,400 will be added to the base salary in recognition of the attainment of a Doctor of Education degree. Recognizing the value of years of service to the district, step increases of 2.5% will be added to the adjusted base salary each year. The BOARD also reserves the right to adjust the salary during the continuation of this Contract, but such an adjustment shall not reduce the annual salary below the figures specified in this section.

#### DEFERRED COMPENSATION

Upon completion of his first year of service the SUPERINTENDENT will have credited to him deferred compensation in the amount of \$6,190. The value of this annual deferred compensation payment will increase by an increment of \$760.

Prior to June 30, 2010 this money is expressly inaccessible and unavailable to the SUPERINTENDENT. Beginning with July 1, 2010 this money will be available to him for the purpose of retirement or resignation for any reason. Also, beginning July 1, 2010 the SUPERINTENDENT (even if he remains employed by GAS) may direct the district to disperse this money to him in a lump sum or spread over a number of years. At his discretion these funds may also be placed into a Tax Sheltered Annuity 403(b), Roth account, etc.

It is expressly understood that should the SUPERINTENDENT leave the employ of the district prior to June 30, 2010 for any reason, then this deferred compensation will not be available to him on June 30, 2010 or any other time.

Starting June 30, 2008 should the SUPERINTENDENT die while in the employ of the Board of Education the amount credited under this deferred compensation clause will be payable to the SUPERINTENDENT'S designated beneficiary.

#### §5. FRINGE BENEFITS:

The SUPERINTENDENT shall be entitled to the following specific additional benefits:

- a. MESSA CHOICES II Health Insurance
- b. Dental - 80/80/80 - \$1,000, Ortho - 80/ - \$1,300
- c. Vision Plan VSP3
- d. The SUPERINTENDENT shall pay \$160.00 per month toward the cost of health insurance during the 2007-08 school year. This amount is based upon the difference between the Boards cost for MESSA Choices II and the Boards contribution of a maximum of \$15,000 for the SUPERINTENDENT health insurance in the 2007-08 school year.  
At the SUPERINTENDENT'S option he may participate in a different group health insurance program, if he is eligible to do so, but the Board of Education's contribution will still be limited to \$15,000 for the 2007-08 school year. In subsequent years, health insurance benefits for the SUPERINTENDENT will be the same as those for the Administrative group.
- e. \$100,000 in term life insurance with AD & D
- f. The SUPERINTENDENT shall be entitled to twenty (20) days vacation each year at a time mutually agreeable to both parties. If it is not possible for the days to be used in a given year, the SUPERINTENDENT may, at his sole discretion, elect to sell back up to 10 vacation days at his daily rate of pay.
- g. The SUPERINTENDENT shall be granted 15 days sick leave per year, cumulative to 180 days. All money due the SUPERINTENDENT which is payable on a daily rate of pay shall be calculated by dividing the annual salary by two hundred twenty (220) and the quotient shall be the daily pay rate. The SUPERINTENDENT'S accumulation will be for 180 days at a rate of 85% of the daily rate of pay.
- h. The BOARD may provide the SUPERINTENDENT with transportation or, if he uses his personal car, shall pay him mileage at the I.R.S. rate for every mile traveled on Board business.
- i. The District grants the following paid holidays: July 4, Friday before Labor Day, Labor Day, Thanksgiving Day and the day after Thanksgiving, Christmas Eve Day, Christmas Day, New Years Eve Day, New Years Day, Memorial Day, and Good Friday. In the event

that Christmas and New Years holidays fall on Saturday or Sunday, the preceding or the day after will be granted.

- j. Other fringe benefits shall be the same as spelled out in the Teachers' Master Agreement and Administrators Master Agreement.

§6. PROFESSIONAL LIABILITY:

District agrees that it shall defend, hold harmless and indemnify SUPERINTENDENT from any and all demands, claims, suits, actions and legal proceedings brought against SUPERINTENDENT in his individual capacity, or in his official capacity as agent and employee of the District, provided the incident arose while SUPERINTENDENT was acting within the scope of his employment and excluding criminal litigations. 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 SUPERINTENDENT against such demands, claims, suits, actions and legal proceedings.

§7 TENURE EXCLUSION:

This Contract does not confer tenure upon the SUPERINTENDENT in the position of SUPERINTENDENT or any other Administrative position in the District.

§8. RENEWAL:

This Contract may be extended either by option of the BOARD or by operation of law, as follows:

1. Board Option: The BOARD, no later than the 31st day of March of each year during the term of this Contract may extend the Contract for an additional one (1) year period. All terms and conditions of the Contract shall remain unchanged, except for any amendments specifically agreed to in writing by the parties. The BOARD in its sole discretion and with or without cause may decline to extend the Contract for an additional year.
2. Operation of Law: Unless the Board of Education gives written notice of non-renewal of this Contract to the SUPERINTENDENT at least ninety (90) days before the Contract's termination date, the Contract will, without further action, be automatically renewed for an additional one (1) year period as provided by Public Act 183 of 1979. The Superintendent annually shall advise the Board of Education of this obligation during the month of January.

§9. REIMBURSEMENT FOR EXPENSES:

The 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. The SUPERINTENDENT shall present an itemized account of his reasonable and necessary expenses in accordance with the direction of the BOARD or its designee.

§10. PROFESSIONAL DUES:

The SUPERINTENDENT shall attend appropriate professional meetings at the local, state and national levels. The District shall pay Association dues of the SUPERINTENDENT for the American Association of School Administrators, Michigan Association of School Administrators and Region I, as well as other appropriate affiliations as approved.

§11. EVALUATION:

Annually, no later than the last day of February of each year during the term of this Contract, the BOARD shall review with the SUPERINTENDENT his performance. The SUPERINTENDENT shall remind the BOARD of this responsibility in a timely manner.

§12. RESIDENCY:

The SUPERINTENDENT shall establish and maintain his family residence within a twenty (20) mile radius of the boundaries of the BOARD'S School District.

§13. TERMINATION:

During the term of this Contract, termination of employment shall occur only under the following circumstances: Mutual agreement of the parties; retirement of the SUPERINTENDENT; breach of this Contract; or discharge for good and just cause by the BOARD.

In the event that the BOARD undertakes to dismiss the SUPERINTENDENT during the term of this Contract, he shall be entitled to written notice of the charges against him and an opportunity for a hearing before the BOARD.

§14. DISPUTE RESOLUTION:

In the event of a dispute between the parties relating to any provision of this Contract, the parties agree to submit such dispute to binding arbitration. Such arbitration shall be conducted under the rules of, and administered by, the American Arbitration Association. The arbitrator's fee and the expense of the American Arbitration Association shall be shared equally by the parties. All parties are entitled to have representation of their own designation. However, each party shall be responsible for the cost of such respective representation.

§15. SEVERABILITY:

If any provision of this Contract is ruled illegal or unenforceable by a court of competent jurisdiction, the remainder of the Contract not affected by the ruling shall remain valid and in effect.

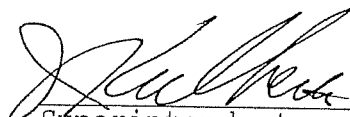
§16. ENTIRE AGREEMENT:

This Contract contains the entire agreement and understanding between the parties with respect to the employment of the SUPERINTENDENT. No representations, promises, or understandings, written or oral, not contained in this Contract shall be of any force or effect. No change or modification of this Contract shall be valid or binding unless it is in writing and signed by the SUPERINTENDENT and the BOARD.

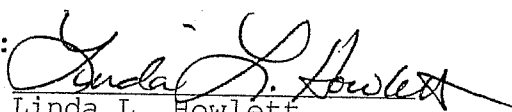
No waiver of any provision of this Contract, at any time, shall be deemed a waiver of any other provision of this Contract at such time or at any other time.

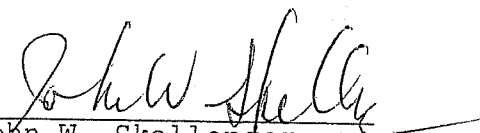
The parties have caused this Contract to be executed on the dates set forth below.

JUNE 17, 09  
Date

  
Superintendent

GLADSTONE AREA SCHOOLS  
BOARD OF EDUCATION

By:   
Linda L. Howlett  
President

By:   
John W. Skellenger  
Secretary