

CONTRACT OF EMPLOYMENT

School Administrator

It is hereby agreed by and between the Board of Education of the Traverse Bay Area Intermediate School District (hereinafter "Board") and Michael J. Hill (hereinafter "Administrator") that pursuant to Sections 601a(1)(d), 623(1)(b) and 1229(1) of the Revised School Code, the Board in accordance with its action found in the minutes of its meeting held on the 20<sup>th</sup> day of June, 2010, has and does hereby employ the said Michael J. Hill for a three (3) year period commencing on July 1, 2010 and ending on June 30, 2013, 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 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 Intermediate 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 provision of Sections 1246 and 1536 of the Revised School Code, 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 continued employment, to meet all certification and 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 assigned as required herein, this Contract shall automatically terminate and the Board shall have no further obligation 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. Without limitation of the above, Administrator is responsible for conducting collective bargaining negotiations with all organized employee groups within the Intermediate School District as well as for the administration of all collective bargaining agreements.

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 Intermediate 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 Intermediate School District to enhance the operation of the Intermediate 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 One Hundred Fifty-Eight Thousand One Hundred Forty-Nine Dollars (\$158,149) in consideration of his performance of the duties and responsibilities of the position assigned in conformance with the requirements and expectations of the Board. 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 the remuneration for Administrator's services rendered under this Contract, the Board will make an annual contribution for a 403(b) annuity in an amount equal to the cost (at the time that the annuity contribution is made) for purchase of one-half (1/2) of one (1) year of universal service credit under Section 69f of the Michigan Public School Employees Retirement Act, MCL 38.1369f or its successor provision. The 403(b) annuity to which contribution in the above amount is made on behalf of Administrator shall be selected by Administrator, in compliance with the Intermediate School District's 403(b) plan. This remuneration will be remitted by June 30 annually in consideration of services rendered by Administrator during the fiscal year that closes on that date.

Should Administrator be assigned or transferred to another administrative position, the salary paid shall be as established by the Board for that position.

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

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 allocated thirty (30) vacation days at the beginning of each fiscal year. Vacation days must be used within the fiscal year in which they are first made available, but Administrator may receive pay, at his per diem rate, for up to ten (10) unused vacation days per fiscal year. Payment for those days will be excluded for retirement contribution purposes under the Michigan Public School Employees Retirement Act. Administrator shall schedule use of vacation days in a manner to minimize interference with the orderly operation and conduct of business of the Intermediate School District.

6. Before September 30 of each year of this Contract, the Board and Administrator shall meet to discuss standards for assessment of the Administrator's performance, which shall be adopted by the Board in consultation with Administrator. The Board shall evaluate the Administrator by June 30 annually, using multiple rating categories which take into account data on student growth as a significant factor.

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, inefficiency, or if Administrator materially breaches the terms and conditions of this Contract, or for other causes found to be sufficient 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.

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) 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. Health plan premium payments shall be made on behalf of 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 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 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 Intermediate 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.

10. 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.

11. 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 enrollment in the following insurance programs:

Health insurance: MASB - SET Medical Group Insurance (Ultra-Med).

Dental insurance: MASB - SET Ultra-Dental.

Term life insurance: (Administrator Only) Two times Administrator's annual salary, beneficiary to be designated (per policy terms) by Administrator.

Vision insurance: MASB - SET Ultra-Vision.

Long Term Disability insurance: (Administrator only) MASB - SET.

Travel Disability insurance: (Administrator only) MASB - SET.

Administrator shall be responsible for payment of ten percent (10%) of all premiums required to maintain the enrollment of Administrator (and his eligible dependents) in the health, dental and vision insurance programs specified above. Administrator hereby consents to payroll deduction of those premiums amounts from Administrator's wages.

12. 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. 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.

13. Administrator is entitled to the following holidays for which no service to the Intermediate School District is required:

New Year's Day  
Good Friday (if school is not in session)  
Memorial Day  
Independence Day  
Labor Day  
Thanksgiving  
Day after Thanksgiving  
Christmas Eve Day  
Christmas Day  
Day after Christmas

14. If Administrator is absent from duty on account of personal illness or disability, he shall be allowed full pay for a total of twelve (12) days per contract year. Unused paid leave days hereunder shall be cumulative to a maximum of two hundred twenty-five (225) days for absence due to personal illness or disability of Administrator.

Provided that Administrator has been employed by the Board for a minimum of ten (10) consecutive years at the time of his resignation (or in the event that Administrator deceases prior to the time of resignation) he shall be paid for accumulated sick leave days on the effective date of resignation (or death, as applicable) at the rate of fifty percent (50%) of his per diem rate at the time of separation. The Board shall not make contribution to the Michigan Public School Employees Retirement System for this severance amount, which Administrator may elect to have contributed to a 403(b) tax deferred annuity, subject to IRS contribution

limits. The Administrator shall not be eligible for payment under this provision if his separation occurs through the provisions of paragraph 7 of this Contract.

15. Absence without loss of salary shall be allowed for up to six (6) days upon the death of Administrator's spouse, child, parent, parent-in-law, sibling, brother-in-law, sister-in-law, grandparent, grandparent-in-law, grandchild, dependent, or other individual as may be determined by the Board on a case by case basis. Two (2) of these days may be used for the purpose of visiting any of the above-named relatives during periods of critical illness under circumstances where death may be imminent. The Board's decision with respect to the use of such leave shall be final.

Upon receipt of a request from Administrator, accompanied by a physician's recommendation, additional days may be granted by the Board for the above purposes. If granted, these additional days shall be subtracted from Administrator's accumulated sick leave.

16. 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 reasonable and necessary expenses in accordance with direction of the Board or its designee.

17. The Board will lease a suitable business automobile for use by Administrator and the Intermediate School District in connection with the performance of administrative functions within the Intermediate School District. The monthly lease cost shall not exceed seven hundred dollars (\$700) and the Intermediate School District will be responsible for all costs of maintenance, insurance, tires, gasoline (for school business), registration/license and similar associated costs. The Administrator will be responsible for reporting personal use of the automobile in accordance with Intermediate School District policy and applicable IRS standards.

18. 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 \$500,000. 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 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 MCL 691.1408 and MCL 380.601a(1)(d).

19. 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.

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.

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 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.

22. This Agreement is executed on behalf of the Traverse Bay Area Intermediate School District pursuant to the authority granted as contained in the resolution of the Board adopted on June 20, 2010, the same being incorporated herein by reference.

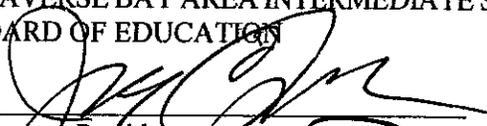
IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the day and year first above written.

Date: 6/22/10

  
ADMINISTRATOR - Michael J. Hill

Date: 6/22/10

TRAVERSE BAY AREA INTERMEDIATE SCHOOL DISTRICT  
BOARD OF EDUCATION

By   
President

By   
Secretary