

CONTRACT OF EMPLOYMENT

Superintendent

The Board of Education ("Board") of Forest Area Community Schools ("District") and Michael Moran ("Superintendent"), pursuant to Section 1229(1) of the Revised School Code of the State of Michigan, by Board action at a meeting held on December 11, 2023, employs Michael Moran as Superintendent for a two and one half (2.5) year period commencing on January 1, 2024, and ending on June 30, 2026 according to the following:

1. *Board Authority.* Superintendent shall perform the duties of Superintendent as prescribed by Board and as may be established and/or amended by Board, the Revised School Code, and under the supervision and direction of Board. Superintendent accepts the ultimate authority and direction of Board with respect to his responsibilities.

2. *Credentials.* Superintendent represents he possesses and will maintain all certificates, credentials, and qualifications required by law, including the provisions of Sections 1246 and 1536 of the Revised School Code, including the regulations of the Michigan Department of Education, and those required by Board to serve in the position assigned. Superintendent agrees, as a condition of his continued employment, to meet all continuing education requirements required by law, regulation, or the Michigan Department of Education. If Superintendent fails to maintain all certificates, credentials, continuing education requirements and/or qualifications required, this Contract shall automatically terminate, and Board shall have no further obligations.

3. *Responsibilities.* Superintendent agrees to devote his talents, skills, efforts, and abilities toward competently and proficiently fulfilling all duties and responsibilities of the position assigned. Superintendent agrees to faithfully perform duties assigned by Board and to comply with the directives of Board. Further, Superintendent agrees to comply with and fulfill all responsibilities and tasks required by state and federal law and regulations, District policies, and by Board to carry out the educational programs. Further, Superintendent agrees to devote all of his business time, attention, and services to the diligent, faithful, and competent discharge of his duties on behalf of District to enhance the operation of District and agrees to use his best efforts to maintain and improve the quality of the programs and services of District. Superintendent will not perform professional services outside his administrative duties or perform work for any other employer or entity without the preapproval of Board.

4. *Compensation.* The Superintendent shall receive compensation as follows:

- 12/11/23 DS/MLH
\$59,800
- a. **January 1, 2024 to June 30, 2024.** Superintendent shall be paid a rate of not less than Sixty-Two Thousand Five Hundred Dollars (~~\$62,500~~) in consideration of his performance of the duties and responsibilities of the position for the fiscal year/contract year of January 1, 2024 to June 30, 2024.
- b. **July 1, 2024 to June 30, 2025.** Superintendent shall be paid at an annual salary rate of not less than _____ Dollars and 00/100 (\$117,875) in consideration of his performance of the duties and responsibilities of the position for the fiscal/contract year of July 1, 2024 through June 30, 2025.

- c. **July 1, 2025 to June 30, 2026.** Superintendent shall be paid an annual salary of not less than _____ Dollars and 00/100 (\$120,821) for the fiscal/contract year of July 1, 2025 through June 30, 2026.
- d. The amounts listed above shall be prorated should Superintendent work less than a full fiscal/contract year.
- e. The annual salary shall be paid in up to twenty-six (26) biweekly installments beginning with the commencement of the fiscal/contract year (July 1 through June 30). Biweekly payments shall not begin until Superintendent begins work for the fiscal/contract year.
- f. Should Superintendent be assigned or transferred to another position, his salary shall be as established by Board for that position. Upon separation or unpaid leave of absence of Superintendent during any fiscal/contract year, his salary shall be adjusted to reflect payment, on a per diem basis, for the number of days on which services were actually and physically rendered during the contract year. Any amounts due Superintendent upon separation or commencement of unpaid leave shall be remitted by Board to him as soon as such amounts can diligently be determined. Any salary amounts received by Superintendent in excess of days actually worked during the fiscal/contract year shall be deducted from Superintendent's remaining wages and Superintendent, by executing this Contract, gives his written consent for such deduction. Any wage overpayments not recoverable by Board through wage deduction shall be remitted to Board by Superintendent within three (3) business days of separation from employment. If not paid in this manner, Superintendent agrees that judgment may be entered against him in any Michigan court of competent jurisdiction for such amount(s).
- g. Board retains the right to adjust the annual salary of Superintendent. Any such salary adjustment shall not reduce the annual salary below the minimum annual salary unless Superintendent has been transferred or assigned a position at a lower salary rate. Any adjustment in salary made during this Contract shall be in the form of a written amendment and when executed by Superintendent and Board, shall become a part of this Contract.
- h. If, at any time, ORS reimburses contributions made from wages/compensation in this Contract or from previous contracts between Board and Superintendent, reimbursement of Superintendent's contribution will be credited to Superintendent's 401(a), 403(b) or 457 plan with no cash option given.

5. *Work Days.* Superintendent is employed on the basis of 250 workdays per fiscal year (July 1 through June 30) as scheduled by Board, and generally works forty (40) hours per week but is expected to work additional hours as required for his position.

6. *Evaluation.* Superintendent's performance shall be evaluated by Board annually and presented to Superintendent in writing no later than June 30 in any given school year. As such

evaluations are to be based in part on goals and objectives, said goals and objectives will be presented to the Superintendent in writing prior to the year of evaluation.

7. *Sick Days.* If Superintendent 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 fiscal/contract year. Unused paid sick leave days shall be cumulative to a maximum of one hundred (100) days for absence due to Superintendent's personal illness or disability. Sick days may be used for personal business. Accumulated unused sick leave days shall be paid in a lump sum payment to Superintendent upon retirement from the District under the Michigan Public Schools Employees Retirement System according to the following formula:

- a. Ten (10) years of service with the District equals twenty-five percent (25%) of unused sick leave days at a per diem rate.
- b. Fifteen (15) years of service with the District equals thirty-three percent (33%) of unused sick leave days at a per diem rate.
- c. Twenty (20) years of service with the District equals fifty percent (50%) of unused sick leave days at a per diem rate.

8. *Bereavement Leave.* Superintendent shall be permitted up to ____ () days per fiscal/contract year for the purpose of bereavement in Superintendent's immediate family.

9. *Vacation.* Superintendent shall receive fifteen (15) days of vacation for each fiscal/contract year. 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 use of vacation days without the express agreement of the Board. Superintendent shall schedule use of vacation days in a manner to minimize interference with the orderly operation and conduct of business of the District. All scheduling of vacation is subject to the approval of the Board. Vacation days shall be prorated should Superintendent work less than a full fiscal/contract year.

10. *Resignation.* Superintendent shall provide a minimum of ninety (90) days' written notice of resignation to the Board. If Superintendent fails to provide appropriate notice under this paragraph, he will forfeit the unused sick day payout set forth in paragraph 7.

11. *Termination.* Board shall be entitled to terminate Superintendent's employment at any time during the term of this Contract for acts of moral turpitude, misconduct, dishonesty, fraud, insubordination, incompetency, inefficiency, conviction or commission of a felony or misdemeanor, if Superintendent materially breaches the terms and conditions of the Contract, or other reasons that are not arbitrary or capricious as determined by Board. If Board acts to dismiss Superintendent during this Contract, he/she shall be entitled to written notice of charges and an opportunity for a hearing before Board. Superintendent may be represented by legal counsel, at his expense, at the Board hearing. If Board acts to discharge Superintendent, this Contract shall automatically terminate, and Board shall have no further obligation.

12. *Nonrenewal.* This Contract may be non-renewed by Board pursuant to Section 1229(1) of the Revised School Code.

13. *FMLA Leave.* Superintendent shall be eligible for family medical leave per Board policy and the Family and Medical Leave Act. Applicable paid leave shall be concurrent with the Family and Medical Leave Act.

14. *Fitness for Duty.* Prior to resumption of duty after an unpaid leave of absence for a serious health condition pursuant to the Family and Medical Leave Act, Superintendent shall provide to Board a fitness for duty certification from Superintendent's health care provider. A second opinion may be required by Board, at its expense, unless the securing of the second opinion in this context is precluded by the Family and Medical Leave Act.

15. *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 Superintendent providing insurance programs specified under this Contract. Additionally, upon request of Board or Superintendent, 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 job accommodation. Any physical or mental examination or disclosure of such information required of Superintendent by Board shall be job related and consistent with business necessity. Any medical or psychological examination under this section shall be at Board's expense. Any information obtained from medical or psychological examinations or inquiries shall be considered and treated as confidential.

16. *Tenure.* Superintendent agrees that he shall not be deemed to be granted continuing tenure in the position of initially assigned or to which he/she 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 District. Nor shall the decision of Board not to continue or renew the employment of Superintendent 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 Contract or a discharge or demotion within the provisions of the Michigan Teachers' Tenure Act. Superintendent shall be deemed to have been granted continuing tenure as an active classroom teacher in accordance with the provisions of the Michigan Teacher Tenure Act.

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

- a. Health Insurance:
- b. Dental Insurance:

- c. Term Life Insurance:
- d. Vision Insurance:
- e. Long Term Disability Insurance:

18. *Employer Contribution.* Superintendent agrees that Board has the right to allocate to Superintendent responsibility for a portion of the premium for the insurance coverages, as may be determined by the Board and in its discretion. This contribution shall not be less than the amount determined by Board to be necessary to comply with the Publicly Funded Health Insurance Contribution Act, 2011 PA 152. Board will notify Superintendent of the insurance costs including taxes, assessments, and copayments subject to payroll deduction for which he/she is responsible in excess of Board paid premium contributions.

19. *Insurance Carrier.* Board reserves the right to change the identity of the insurance carrier, policyholder, or third-party administrator for any of the above coverages, as determined and maintained by Board during this Contract. Board reserves the right to self-fund any of the above benefits. Board shall not be required to remit premiums for any insurance coverages for Superintendent and his eligible dependents if the underwriter, policyholder, or third-party administrator denies enrollment or coverage. The terms of any contract or policy issued by any insurance company of third-party administrator shall be controlling as to all matters concerning benefits, eligibility, coverage, termination of coverage, and other related matters. Superintendent is responsible for assuring completion of all forms and documents needed to receive the insurance coverage. District, by payment of the premium payments required to provide insurance coverage, shall be relieved from all liability with respect to insurance benefits.

20. Superintendent is entitled to the following holidays for which no service to District is required: New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, and Christmas Day.

21. *Reimbursement.* 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. Any expenses to be incurred by Superintendent for out-of-district travel shall be submitted in advance for review and approval by Board or its designee. Superintendent shall be required to present an itemized account of reasonable and necessary expenses in accordance with direction of Board or its designee.

22. *Professional Organizations.* Subject to express approval by Board, the fees or dues for membership in appropriate professional organizations shall be paid by Board. Subject to prior approval by Board, Superintendent 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 Board.

23. *Errors and Omissions Policy.* 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 Two Million Dollars and 00/100 (\$2,000,000.00). The terms of the errors and omissions insurance policy shall be controlling respecting defense and indemnity of Superintendent. The sole obligation undertaken by 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, Board shall have the right to discontinue said coverage and shall so notify Superintendent. In that event, Board agrees on a case-by-case basis to consider providing legal defense and/or indemnification to Superintendent as is authorized under MCL 691.1408 and MCL 380.11a(3)(d).

24. *Academic Credit.* Subject to express approval by Board, Board shall reimburse Superintendent's tuition expenses not to exceed six (6) semester hours of academic credit per fiscal/contract year. These hours must be successfully completed and be pertinent to Superintendent's professional responsibilities to District.

25. *Arbitration.* If a dispute arises between the parties relating to discharge of Superintendent during this Contract, the parties 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, MCL 691.1681 *et seq.* and MCR 3.602.

- a. The parties intend that this dispute resolution shall be inclusive of all contract and statutory claims advanced by Superintendent arising from Superintendent's discharge during this Contract, including (but not limited to) claims of unlawful discrimination and all claims for damages or other relief. This agreement to arbitrate does not restrict Superintendent 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 claims for unemployment compensation or workers' compensation that may be brought by Superintendent. This agreement to arbitrate claims applies to those matters which would otherwise be subject to state or federal court proceedings. Superintendent acknowledges he/she is waiving his right to adjudicate discrimination claims in a judicial forum and is instead opting to arbitrate those claims.
- b. In any such arbitration proceeding, Superintendent shall have the right to representation by counsel of his choice, the right to appointment of a neutral arbitrator, the right to reasonable discovery and the right to a fair hearing. However, Superintendent, through this agreement to arbitrate such claims, does not waive any statutory rights or remedies in the context of such arbitration proceedings.
- c. The arbitrator's fee and the costs imposed by the American Arbitration Association shall be shared equally by Board and Superintendent, subject

to the right of Superintendent to seek to tax such fees as costs against Board. Any claim for arbitration under this provision must be filed with the American Arbitration Association, in writing, and served on Board within one hundred eighty (180) days of the effective date of Superintendent's discharge during the term of this Contract and to enforce the award.

26. *Statute of Limitations.* Superintendent agrees that any claim or suit arising out of Superintendent's employment with Board must be filed no more than 180 days after the date of the employment action that is the subject of the claim or suit. Superintendent understands that the statute of limitations for claims arising out of an employment action may be longer than 180 days but agrees to be bound by the 180-day 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 unreasonable 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.

27. *Entire Agreement.* This Contract contains the entire agreement and understanding between the Board and Superintendent with respect to the employment of Superintendent 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. Provided, that this Contract is voidable pursuant to the provisions of the Revised School Code, pertaining to criminal records and criminal history checks. No amendment to or modification of this Contract shall be valid or binding unless it is in writing and signed by Superintendent and 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.

28. *Severability.* 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 provisions; provided, however, that no such severability shall be effective if it materially changes the economic benefit of this Contract to any party.

29. *Choice of Laws.* This Contract is executed on behalf of the District pursuant to the authority granted under the laws of the State of Michigan.


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

12/11/23
Date


Michael Moran, Superintendent

**BOARD OF EDUCATION OF FOREST AREA
COMMUNITY SCHOOLS**

12/11/2023
Date


Its: President

12/11/2023
Date


Its: Secretary