

**Employment Contract between Gregory Pratt  
and the  
Lowell Board of Education**

The Board of Education of the Lowell Area Schools (hereinafter “Board”) and Gregory Pratt (hereinafter “Superintendent”) enter into this employment agreement on the following terms:

- 1. Contract Period.** The Board agrees to employ the Administrator in the position of Superintendent of Schools for the term of five (5) years, commencing July 1, 2015. This contract shall be automatically extended for successive periods of one year (maintaining a rolling five-year agreement) after each June 30 unless the Board gives notice by April 1 of that year of its intent not to extend or renew the contract. At that time, this contract shall become a two-year agreement (and then a one-year agreement the following year) beyond the 2019-2020 school year with no automatic extension or renewal provisions for the subsequent years.
- 2. Duties.** Superintendent agrees to devote his full time and attention to the performance of the duties of Superintendent of Schools. The Superintendent agrees to perform these duties in a competent and professional manner in accordance with the policies and directions of the Board and the laws and regulations of the State of Michigan, and shall not during the term of the Contract be engaged in any other activity for remuneration without prior approval of the Board or its designee. In the event the Board determines that any outside activities interfere with the Superintendent’s performance of his duties, the Board may require that the Superintendent cease some or all of such outside activities. The Superintendent pledges to use his best efforts to maintain and improve the quality and efficiency of the operation of the School District.
- 3. Certification.** Superintendent represents that he meets and will maintain any applicable certification/qualification requirements of the Michigan State Board of Education, and meets any other legal requirements necessary to perform his duties as Superintendent of the Lowell Area Schools, all of which are conditions of continued employment under this Agreement.
- 4. Compensation.** The Board will pay the Superintendent a salary for his services as its Superintendent of Schools as outlined in Appendix A. Compensation for subsequent years will be negotiated, to be no less than the 2019-2020 amounts. Annual compensation is payable in 26 equal bi-weekly installments beginning with the commencement of the fiscal/contract year.
- 5. Incentives.**

  - A. Board Paid Annuity:** \$15,000 shall be contributed annually for the 2015-2016 and 2016-2017 school years on the Superintendent’s behalf to a tax deferred annuity plan as allowed by the Lowell Area Schools Deferred Compensation Plan. \$18,000 shall be contributed annually for the 2017-

2018 and 2018-2019 school years on the Superintendent's behalf to a tax deferred annuity plan as allowed by the Lowell Area Schools Deferred Compensation Plan. \$19,000 shall be contributed annually for the 2019-2020 school year on the Superintendent's behalf to a tax deferred annuity plan as allowed by the Lowell Area Schools Deferred Compensation Plan.

**B. Longevity:** Superintendent will be paid \$12,000 annually for his longevity for the 2015-2016 and 2016-2017 school years. Superintendent will be paid \$18,000 annually for his longevity for the 2017-2018, 2018-2019, and 2019-2020 school years.

**C. Merit:** Based on the previous 5-year student average scores, the Superintendent shall receive \$1,000 annually in merit pay.

**6. Contract Termination.** In the event the Superintendent wishes to terminate this Contract, written notice must be given to the Board of Education ninety (90) days prior to leaving or he shall forfeit any right to payout for unused vacation time (if applicable). By mutual agreement between the Superintendent and the Board, this contract may be dissolved at any time with conditions of final separation to be mutually determined between the two parties.

At any time during this Agreement, the Board may discharge the Superintendent for acts of moral turpitude, grave misconduct in office, dishonesty, fraud, conviction of a felony or high misdemeanor, insubordination, material misrepresentation or falsification of records, in which event, this Agreement may be terminated without liability to the Board.

Upon separation of the Superintendent during any fiscal/contract year, his salary and annuity 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. The Board shall remit any amounts due the Superintendent upon separation to him as soon as such amounts can diligently be determined and processed.

**7. Fitness for Position.** The Superintendent's employment is contingent upon him being fit to fully perform the essential functions of the position, on a regular and consistent basis. In the event of any dispute regarding fitness, the Superintendent shall provide the Board and/or medical personnel designated by the Board with authorization to receive and/or release to the Board the results of any examination(s) upon which he relies.

**8. Benefits**

**A.** A Superintendent who is hired with an effective first work day after the first required work day of the school year shall be entitled to the following benefits from the first day the Superintendent reports to work. The full cost of the following benefits will be paid by the District:

**Priority Health Plan A:** The Board will transmit the full monthly premiums for the Superintendent and his eligible dependents as defined by Priority Health if no health care insurance is available from another source. Superintendent will pay 14% of the annual premium (calculated annually and deducted over 24 pay periods) for all insured benefits through payroll deduction. The employee may elect to make the payroll deduction through a Section 125 Plan.

***PLAN A***

<p>Health: Priority Health Plan</p>	<p>Option 1: Traditional \$250/500 In-Network \$500/1000 Out-of Network 100% In-Network 80/20 Out-of-Network After Deductible Met. \$10/40 Rx Co-Pay \$20 Ofc Visit Option 2: High Deductible \$1300/2600 In-Network \$3000/6000 Out-of Network 100% In-Network 80/20 Out-of-Network After Deductible Met. \$10/40 Rx Co-Pay \$0 Ofc Visit</p>
<p><u>Long Term Disability</u></p>	<p>66 2/3% \$6,000 Maximum Monthly Income Benefit 90 Calendar Day Benefits shall begin after the exhaustion of the Administrator’s accumulated sick leaves (plus days from the sick bank, if any) or expiration of 90 calendar days of disability accumulated in any twelve (12) consecutive months. Only the last three days of the waiting period need be consecutive and for the same condition.</p>
<p><u>Vision</u> Priority Health Self-Funded Plan Year November 1 to October 31</p>	<p>Priority Vision Plan</p>
<p><u>Dental</u> Priority Health Self-Funded Plan Year November 1 to October 31</p>	<p>Priority Dental Plan 100% Class IA; 90% IB; 90% Class II; 90% Class III \$2,000 Class I &amp; II Yearly Maximum \$3,000 Class III Lifetime Maximum</p>
<p><u>Negotiated Life</u></p>	<p>\$250,000 with AD&amp;D*</p>

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**Priority Health Plan B:** The Board will pay full monthly rate amounts for the Superintendent and his eligible dependents as defined by Priority Health if health insurance is not elected. Superintendent will pay 14% in 2012-2013 of the annual premium (calculated annually and deducted over 24 pay periods) for all insured benefits through payroll deduction. The employee may elect to make the payroll deduction through a Section 125 Plan.

In addition, Superintendent will receive a monthly stipend equal to the amount offered under the LEA Master Agreement as cash in lieu of health insurance.

***PLAN B***

<u>Long Term Disability</u>	66 2/3% \$6,000 Maximum Monthly Income Benefit 90 Calendar Day Benefits shall begin after the exhaustion of the Administrator’s accumulated sick leaves (plus days from the sick bank, if any) or expiration of 90 calendar days of disability accumulated in any twelve (12) consecutive months. Only the last three days of the waiting period need be consecutive and for the same condition.
<u>Vision</u> Priority Health Self-Funded Plan Year November 1 to October 31	Priority Vision Plan
<u>Dental</u> Priority Health Self-Funded Plan Year November 1 to October 31	Priority Dental Plan 100% Class IA; 90% IB; 90% Class II; 90% Class III \$2,000 Class I & II Yearly Maximum \$3,000 Class III Lifetime Maximum
<u>Negotiated Life</u>	\$250,000 with AD&D*

\*The 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 administrator providing insurance programs specified under this Agreement.

- B.** A choice between Plan A and Plan B will be made one time only each year during open enrollment or upon a change in family status. Choices are not interchangeable during the insurance coverage year.

- C.** The open enrollment period shall be jointly established by the Board of Education and Priority Health whose new annual rates begin August 1 of each year. The Board of Education shall be responsible for providing insurance information including applications and claim materials.
  - D.** In the event the Superintendent dies during the school year, and providing the policy permits continued dependent coverage, the Board of Education shall continue payments of the applicable premiums through June 30<sup>th</sup> of the school year during which the death occurs.
  - E.** In the event the Superintendent, voluntarily or involuntarily, terminates his employment with the district, the Superintendent, spouse, and dependent children should be entitled to continued coverage, at the Superintendent's expense, if the qualifying event is due to termination of employment or a reduction of hours. This continuation of coverage shall be in accordance with applicable law.
  - F.** The Board may at its option provide substantially equivalent healthcare coverage from a different insurance carrier. Features of the coverage (i.e. deductibles, prescription co-payments, etc.) may vary if mutually agreed upon by the Board and Superintendent.
  - G.** In the event the Superintendent is disabled through an injury or illness covered by Worker's Compensation, all employee benefits shall continue for no more than twelve (12) months from the commencement of the disability.
- 9. Vacations, Holidays and Leave Time.** The Superintendent shall be entitled to twenty-five days of vacation, with no more than 10 days to be carried over to the following year. The Superintendent may elect to be paid out, based on the per diem rate of his current salary, for no more than 10 unused vacation days per year. The Board shall be notified of the number of unused vacation days each year. Upon retirement or severance from the District, Superintendent shall be entitled to the payout of any accumulated vacation days based on a per diem rate of his current salary ÷ 260 days.
- A. Vacations & Holidays.** Holidays are as follows: July 4; Labor Day; Thanksgiving Day; Friday following Thanksgiving Day; December 24, 25, 26, 31; January 1; Good Friday; Memorial Day

**NOTE:** Holidays which fall on Saturday or Sunday shall be observed on Friday or Monday, respectively, provided that school is not in session.
  - B. Leave Time**

- i. Superintendent shall be entitled to fourteen (14) annual sick days, six (6) of which may be used for personal leave. Any unused sick days shall accumulate with no limit.
- ii. Should the Superintendent be unable to perform any or all of his duties by reason of illness, accident, or other cause beyond his control and has exhausted his sick leave, the District may grant up to a maximum of thirty (30) additional days per year for extenuating circumstances. If the illness or disability does not qualify for long term disability, the District may in its discretion make a proportionate deduction from the salary stipulated. In the event an illness or disability qualifies for LTD, the number of days needed to qualify for LTD shall be granted.

**10. School Vehicle or Mileage Reimbursement.** The Board shall provide the Superintendent with a District-owned vehicle for use on school business and for travel to and from work, together with insurance coverage, fuel and vehicle repairs. The annual value of the vehicle for personal use shall be reported by the District as income for tax purposes, but not for retirement purposes. With approval from the Board, the Superintendent may elect a car allowance instead of a school vehicle. The monthly car allowance will be \$550, paid annually in 26 equal bi-weekly installments.

**11. Organizations and Reimbursement.** The Board shall reimburse the Superintendent for the amount of the annual dues of one local service organization which he may elect to join, and for two professional organizations. He shall also be reimbursed for his other reasonable expenses incurred in connection with his duties as Superintendent in accordance with Board policies.

The Superintendent may attend appropriate professional meetings at local and state levels after giving the Board appropriate notice, and shall be reimbursed for his reasonable expenses as provided by Board policy.

**12. Evaluation.** The Board will conduct a formal evaluation of the Superintendent no later than March 15 of each contract year using criteria and an evaluation process mutually agreed to by the Board and the Superintendent.

At the Superintendent's request, the Board may also meet with the Superintendent on a quarterly basis to evaluate his performance. At the Superintendent's option, such evaluations shall be open or closed as permitted by the Open Meetings Act.

**13. No Administrative Tenure.** The Superintendent shall not acquire tenure in the position of Superintendent or any other administrative position in the District.

- 14. Professional Liability.** In light of the unique nature of the professional duties of the Superintendent, the Board shall provide, at its expense and option either professional liability insurance, or legal counsel and indemnification for any legal action which may result from his actions in the course and within the scope of his employment as Superintendent. This shall not apply to indemnification or insurance for any liability arising from criminal activity or intentional wrongdoing, including intentional discrimination in violation of any state or federal law, constitution or common law.
- 15. Due Process and Termination.** At any time during this Agreement, the Board may discharge the Superintendent for acts of moral turpitude, grave misconduct in office, dishonesty, fraud, conviction of a felony or high misdemeanor, insubordination, material misrepresentation or falsification of records, in which event, this Agreement may be terminated without liability to the Board. The Board may also discharge the Superintendent for breach of this Agreement including but not limited to unsatisfactory performance. No discharge shall be effective until written charges have been served upon him and an opportunity has been given 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 hearing, he may have legal counsel at his own expense.
- 16. Arbitration.** Any and all disputes between the parties regarding the application or enforcement of this contract, including any claims of illegal discrimination or violation of state or federal statutes or constitutions, shall be resolved through submission to binding arbitration. Any claim for arbitration must be made to the other party, in writing, within ninety (90) days of the alleged violation. If the parties are unable to mutually agree upon an arbitrator, the matter shall be referred to the American Arbitration Association ("AAA") and processed in accordance with its rules and procedures for voluntary labor arbitrations. Either party may have legal representation in the proceedings at the party's cost. The Superintendent and the Board shall split any fees of the arbitrator and/or AAA and shall otherwise bear their own expenses for the arbitration, except as the arbitrator may allocate them pursuant to an applicable statute. The arbitrator shall have the authority to interpret external law, if applicable to the claim, and award any relief available under such applicable law, except reinstatement, including attorney fees if available. The arbitrator shall have the authority to set discovery guidelines and issue subpoenas for documents or witnesses as he deems appropriate. The decision of the arbitrator shall be final and binding on both parties, absent fraud, or exceeding the granted authority. The award may be enforced in any court of competent jurisdiction.
- 17. Complete Agreement.** This represents the complete Agreement between the parties. There are no other agreements or understandings, oral or written, that induced the parties to enter into this contract. Any modification of this contract must be made in writing and signed by the Board's authorized representatives and the Superintendent.

**Employment Contract Between Gregory Pratt  
and the  
Lowell Board of Education – 2015-2020**

In Witness Whereof, the parties have executed this Agreement on the date specified above.

Date: \_\_\_\_\_

\_\_\_\_\_  
Gregory Pratt, Superintendent  
Board of Education, Lowell Area Schools

Date: \_\_\_\_\_

\_\_\_\_\_  
James Turner, President  
Board of Education, Lowell Area Schools

Date: \_\_\_\_\_

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Patrick Nugent, Secretary  
Board of Education, Lowell Area Schools



APPENDIX A

Salary:	
2015-16	\$156,111
2016-17	\$159,233
2017-18	\$162,418
2018-19	\$165,666
2019-20	\$168,980