

**ARMADA AREA SCHOOLS**  
Armada, Michigan 48005

**ADMINISTRATIVE CONTRACT**  
Superintendent

It is hereby agreed by and between the Board of Education of the Armada Area School District, hereinafter called "Board" and Michael G. Musary, hereinafter called "Superintendent," that the Board does hereby employ the said Superintendent for the term of four (4) years commencing on July 1, 2015, and ending on June 30, 2019, according to the terms and conditions as described and set forth herein as follows:

1. **QUALIFICATION**

The Superintendent represents that he possesses, holds and will maintain all certificates, credentials and qualifications required by law, including the regulations of the Department of Education, and those required by the Board to serve in the position of Superintendent. Additionally, the Superintendent agrees, as a condition of his continued employment, to meet all continuing education requirements for the position assigned, as may be required by the State Board of Education. If at any time, the Superintendent fails to maintain all certificates, credentials, continuing education requirements and/or qualifications for this position, this contract shall automatically terminate and the Board shall have no further obligations hereunder.

2. **DUTIES**

The Superintendent agrees, during the period of his contract, to faithfully perform his duties and obligations as prescribed by the Board and as may be established, modified and/or amended from time to time by the Board. The Superintendent is subject to assignment and transfer to another administrative position within the District at the discretion of the Board. The Superintendent 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 School District. The Superintendent agrees that he will diligently and competently discharge his duties on behalf of the School District and will fulfill all responsibilities required by state and federal law to carry out the educational programs and policies of the District during the terms of this contract.

3. **TERM**

This contract shall be deemed to have expired as of June 30, 2019, unless the Board takes action to extend or non-renew this contract in accordance with Board policy and Section 1229 of the Revised School Code. MCL §380.1229.

4. EVALUATION

The Board shall evaluate the Superintendent, at least annually, using multiple rating categories that take into account data on student growth as required by Section 1249 of the Revised School Code (or its successor provision). MCL §380.1249. The criteria and process adopted by the Board should be communicated in advance to the Superintendent.

5. TENURE

The Superintendent agrees that he shall not be deemed to be granted continuing tenure in this position or any position to which he may be assigned or transferred or in any capacity. As the Superintendent does not possess a Teaching Certificate, he also cannot be assigned to a position or any other requiring certification. Nor shall the decision of the Board not to continue or renew the employment of the Superintendent for any subsequent period in any capacity as may be required by tenure law, be deemed a breach of this Agreement within the provisions of the Michigan Teachers' Tenure Act. MCL §38.71, et seq.

6. PROFESSIONAL LIABILITY

The 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 District, to the extent authorized by MCL §691.1408 and MCL §380.11a(3)(d), provided the incident arose while the Superintendent was acting within the scope of his employment and excluding criminal litigation and as such liability coverage is within the authority of the District to provide under state law, except that in no case will individual Board members be considered personally liable for indemnifying the Superintendent against such demands, claims, suits, actions or legal proceedings.

If, in the good faith and opinion of the Superintendent, a conflict exists as regards to the defense to such claim between the legal position of the Superintendent and the legal position of the District, the Superintendent may engage counsel in which event the District shall indemnify the Superintendent for the reasonable cost of legal defense as permitted by stated law. The District shall not, however, be required to pay any cost of any legal proceedings in the event the District and Superintendent have adverse interest in such litigation.

The Board agrees to pay the premium amount for error and omissions insurance coverage for the Superintendent while engaged in the performance of a governmental function and while the Superintendent is acting within the scope of his authority. The policy limits for this coverage shall not be less than \$2,000,000. The Board also agrees to pay any deductible amount specified in said policy. The terms of the errors and omissions insurance policy shall be controlling respecting defense and indemnity of the Superintendent. The sole obligation undertaken by the Board shall be limited to the payment of premium amounts for the above errors and omissions coverage.

7. PROFESSIONAL GROWTH

The Superintendent may attend professional meetings at the local, state, and national levels, and attend classes, seminars, or workshops that will apply C.E.U.'s toward the continuing education requirement in the Revised School Code MCL §380.1246, the expenses of said attendance to be paid by the District. The District shall also pay dues of the Superintendent for membership in professional organizations at no more than \$1,500 per year. The Board reserves the right to limit attendance at professional conferences for budgetary reasons.

8. COMPENSATION

The Board agrees to pay the Superintendent an annual two thousand three hundred seventy (\$2,370) dollars or an amount equal to the administrative salary schedule (whichever is higher) for an advanced degree stipend in addition to the following base salary schedule payable in regular installments in accordance with the standard policies and procedures of the District.

2015 – 2016	\$126,627
2016 – 2017	\$129,160
2017 – 2018	\$131,743
2018 – 2019	TBD

Said salaries are subject to upward revision by agreement of the parties. In no case will the salaries be lowered during the term of this agreement.

An annual annuity in the amount of \$10,500 will be paid to the firm designated by the Superintendent in 2015/16; \$11,000 in 2016/17; \$11,500 in 2017/18; and \$12,000 in 2018/19.

9. TRANSPORTATION

The Superintendent will receive a monthly stipend of \$300 for business travel within Macomb County and will receive the IRS rate for mileage reimbursement for travel outside of Macomb County.

10. FRINGE BENEFITS

The Board of Education shall pay and remit premium amounts on behalf of the Superintendent for the following benefits:

- Health, Dental and Vision insurance no less than those provided other administrative employees as of the date of this agreement.
- Long-term disability insurance at the rate of 66 2/3% of his total annual salary with a 90 day waiting period.
- Sick day allocation no less than that given other District administrators.
- Twenty-five (25) vacation days per year. A maximum of ten (10) unused vacation days per year may be submitted for reimbursement at his daily salary rate. Vacation days may not be carried over into succeeding years.
- Three (3) personal days per year.

- A term life insurance policy not less than 1.5 times the Superintendent's gross salary and rounded up to the next \$50,000 increment.
- Annual executive physicals.
- Superintendent shall not receive medical coverage contributions from the District above the statutory caps established pursuant to the Publicly Funded Health Insurance Contribution Act, MCL §15.561, et seq. The Board reserves the right to change the identity of the insurance carrier, policyholder or third party administrator for any of the above coverage. 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. The Superintendent 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.

#### 11. HOLIDAYS

The following days are considered "paid" holidays:

Labor Day  
 Thanksgiving Day  
 Thanksgiving Friday  
 December 24, 25, and 26  
 December 31  
 January 1  
 Good Friday  
 Easter Monday  
 Memorial Day  
 July 4

Should any paid holiday fall on a weekend, the Friday or Monday adjacent to the holiday (or another day as selected by the superintendent) shall be considered a paid holiday.

#### 12. FRINGE BENEFITS (ELECTION NOT TO RECEIVE)

In the event the Superintendent elects not to receive health, dental, or vision insurance, arrangements shall be made that will allow him to receive a stipend or annuity in an amount equal to twenty-five percent (25%) of the annual premium of that insurance.

#### 13. DISABILITY

Should the Superintendent be unable to perform the duties and obligations of this Contract, by reason of illness, accident or other causes and such disability exists for a period of more than 180 work days, the Board of Education, at its option, may terminate this Contract, whereupon the respective rights, duties and obligations of the parties shall thereby terminate. Likewise, if it is immediately determinable that such disability is permanent, irreparable, or of such nature as to make the continued performance of Superintendent's duties improbable, the Board, at its option, may forthwith terminate this Contract, whereupon the respective rights, duties and obligations of the parties shall

thereby terminate. However, no such termination shall occur where restoration after leave is required by the Family and Medical Leave Act. 29 U.S.C. §2601 et seq.

The provision shall not in any way derogate from any long term disability benefits that apply by operation of other provisions of this Contract. Health, long term disability, and life insurance premiums shall be maintained by the Board during this period unless waiver of said premiums is provided through those coverages or coverage is provided through another source. After depleting all accumulated sick leave, vacation days, and personal days, the Superintendent's salary shall be maintained at 66 2/3% for the remainder of the first 90 days. Upon utilizing leave under this provision, the Superintendent shall furnish medical certification to the Board (or its designee) regarding the necessity for the leave. This certification, from the Superintendent's health care provider, shall include:

- a. The date the serious health condition commenced and the health care provider's best medical judgment concerning the probable duration of the condition and prognosis for recovery.
- b. Diagnosis of the serious health condition
- c. A brief statement of the regimen of treatment.
- d. An indication of whether inpatient hospitalization is required.

If the Board (or designee) has reason to doubt the validity of the medical certification supplied by the Superintendent, it may require a second opinion, at Board expense. Prior to resumption of duty after an unpaid leave of absence for a serious health condition, the Superintendent shall provide to the Board a fitness for duty certification from the Superintendent's health care provider. A second opinion may be required by the Board, at its expense.

#### 14. TERMINATION PROVISIONS

The Superintendent shall be subject to discharge during the term of this contract for acts of moral turpitude, gross misconduct, fraud, insubordination, incompetency, if the Superintendent materially breaches the terms and conditions of this Agreement, or for any other cause deemed appropriate by the Board. In any case, the Board shall not arbitrarily and capriciously dismiss him. No discharge shall be effective until written charges have been served upon him and he shall have an opportunity for a fair hearing before the Board after (7) 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.

The 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 of Education.

#### 15. DISPUTE RESOLUTION

In the event of a dispute between the parties relating of any provision of this Agreement,

or a dispute concerning any of the parties' rights or obligations as defined pursuant to the Agreement, the parties hereby agree to submit such to binding arbitration. Such arbitration shall be conducted under the rules of, and administered by, the American Arbitration Association under the National Rules for the Resolution of Employment Disputes. 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 costs of such respective representation. Arbitration under this provision shall be conducted pursuant to the terms of the Michigan Arbitration Act, MCL §600.5001, *et seq.*, MCR §3.602. Any claim for arbitration under this provision must be filed with the American Arbitration Association in writing and served upon the Board within 180 days of the date the Superintendent knew, or should have known, of the dispute, or in cases of discharge during the term of this contract, within 180 days of the effective date of the discharge.

The decision and award of the arbitrator shall be final and binding and judgment thereon may be entered in the circuit court for the 16<sup>th</sup> Judicial Circuit of Michigan (Macomb County). The arbitrator shall not have jurisdiction or authority regarding any dispute pertaining to non-renewal of this contract at the expiration of its term.

16. 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.

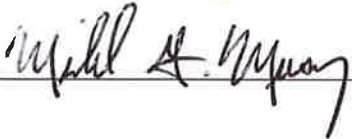
IN WITNESS WHEREOF the parties hereto have set their hands,

By , Board President

16 FEB 16  
Date

By , Board Secretary

2-16-16  
Date

By , Superintendent

2/12/16  
Date