OAKLAND SCHOOLS CONTRACT OF EMPLOYMENT FOR THE SUPERINTENDENT

This Superintendent's Contract of Employment (hereinafter the "Contract") is made and entered into at Waterford, Michigan, by and between the **OAKLAND SCHOOLS**, a Michigan Intermediate School District (hereinafter the "School District"), and **KENNETH GUTMAN** (hereinafter the "Superintendent").

IT IS AGREED:

This Contract revokes and otherwise supersedes any and all other contracts or agreements that may be in effect as of this date which concern the employment relationship between the Superintendent and the School District.

1. EMPLOYMENT:

The School District hereby employs the Superintendent and the Superintendent agrees to continue to work for the School District commencing on July 1, 2025, and ending on June 30, 2030, subject to all covenants and conditions of this Contract. It is understood and agreed that the Superintendent is employed in the capacity of Superintendent, as defined in the Michigan Revised School Code.

2. **DUTIES:**

The Superintendent agrees to serve the School District and perform the duties in his capacity as Superintendent as directed by the Board of Education for the School District and as required by the laws of the State of Michigan. The Superintendent further agrees to obey and fulfill the policies, rules, and regulations as established from time to time by the Board of Education of the School District and to carry out its programs and policies during the term of this Contract. It is further agreed that the Superintendent shall be deemed to serve in the capacity of a fiduciary on behalf of the School District and, as such, shall act in a manner that assures at all times during the term of this Contract there is authority for his actions on behalf of the School District, either by operation of the Revised School Code or as a result of established Board policies and procedures or other form of Board action.

3. <u>SALARY:</u>

For the Superintendent's annual services, the School District agrees to pay the Superintendent an annual salary for the 2025-2026 fiscal year in the amount of Two Hundred Ninety-Two Thousand Dollars (\$292,000.00). The salary for the subsequent four years is noted in the compensation schedule. The Superintendent shall also be entitled to the same fringe benefits that are available to other cabinet level administrators of the School District. The Superintendent agrees to devote his undivided time, skill, labor, and attention to the employment created by this Contract and to otherwise perform faithfully the duties of Superintendent for the School District, as directed by the Board of Education or as otherwise required by law or the dictates of prudent judgment as an educator and administrator. The above annual salary shall be paid in equal installments in accordance with the policy of the Board of Education governing payment of other cabinet level administrators of the School District. In the event of the District's declining financial situation,

the Superintendent agrees that the Board may reduce the salary stated in this Employment Contract by five work days during the 2025-2026 school year and each year thereafter. In return, it is agreed that the Superintendent will be permitted to take five furlough days. In addition, consistent with the requirements of applicable law, the Board shall also establish criteria for job performance and job accomplishments as a significant factor in determining compensation in a manner similar to that established for the professional instructional staff. The Superintendent's per diem rate shall be defined as the sum of the base salary and board paid TSA divided by 261 days.

4. COMPENSATION SCHEDULE:

BASE SALARY	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030
MASTER'S	\$292,000	\$305,000	\$319,000	\$334,000	\$350,000
DOCTORATE	\$300,760	\$314,150	\$328,570	\$344,020	\$360,500
BOARD PAID TSA	\$10,000	\$10,000	\$10,000	\$11,000	\$12,000

5. EDUCATION REIMBURSEMENT:

The Board will reimburse the Superintendent (up to \$15,000 per fiscal year) for courses taken within a doctoral program, with such reimbursement to cover tuition, books, and fees for courses. One fiscal quarter (three months) after conferment of the doctorate, compensation shall be adjusted according to the compensation schedule. Should the Superintendent terminate employment within three years of obtaining the doctorate for reasons other than illness or retirement due to illness, he shall repay Oakland Schools its contributions for tuition, books, and fees.

6. TAX-DEFERRED RETIREMENT PROGRAM(S):

As remuneration for the Superintendent's annual services, the School District shall contribute annually during the term of this Contract Ten Thousand Dollars (\$10,000.00), as shown in the compensation schedule, to the tax-deferred program of the Superintendent's choice. Said program(s) shall be selected by the Superintendent and shall be of a type that the School District is permitted to contribute into pursuant to the provisions of the Internal Revenue Code and any applicable Michigan laws and regulation. In addition, at the Superintendent's request, the School District shall annually contribute during the term of this Contract an amount determined by the Superintendent out of his annual salary to a tax-deferred retirement program(s) for the benefit of the Superintendent. Said program(s) shall be selected by the Superintendent and shall be of a type that the School District is permitted to contribute into pursuant to the provisions of the Internal Revenue Code and any applicable Michigan laws and regulations.

7. RETIREMENT:

The School District shall assume and pay the full costs of the statutorily required employer contributions and employee contributions, if any, to the Michigan Public School Employees Retirement System ("MPSERS") on behalf of the Superintendent.

8. WORK YEAR:

The Superintendent shall perform his duties over the full twelve (12) months of the School District's fiscal year (July 1 to June 30), less applicable vacation, leave, and holidays. The Superintendent shall be expected to attend meetings of the Board of Education and its committees and to attend and participate in School District functions or, on occasion, other civic activities having relation to the School District's interests within or without Oakland County. The time expended in attending such meetings and activities has been considered in setting the aforesaid salary and, thus, subject to paragraph 13, no additional compensation shall be forthcoming for such attendances and participations. Upon approval of the Board of Education, compensatory time off may be allowed where the time dedicated to such meetings and activities is extraordinary.

9. TENURE:

It is expressly agreed that the Superintendent shall not be deemed to be granted continuing tenure in his capacity as Superintendent or in any other administrative capacity by virtue of this Contract of Employment.

10. EVALUATION:

The Board of Education shall review and evaluate in writing the Superintendent's progress in achieving established goals and working relationships with the Board, the staff, and the Oakland County community as per applicable statute(s). The Superintendent shall initiate the process of establishing goals and promoting working relationships for the immediately succeeding school year by submitting his written proposal for same to each Board of Education member by no later than the end of each school year for consideration and approval by the Board of Education. For FY 2025-2026, this submittal shall be made no later than September 29, 2025. The Board of Education shall consider same and either agree to the Superintendent's proposal or to modify/change same promptly following receipt of the Superintendent's proposal. The Board of Education's failure to act on the Superintendent's proposal by October 1 of each school year shall, by default, serve to authorize and approve the Superintendent's proposal, as timely submitted.

11. **CERTIFICATE:**

The Superintendent shall possess and maintain, throughout the life of this Contract, the educational or other qualifications that may be required by the Michigan Revised School Code or any successor statute thereto.

12. <u>CONFLICT OF INTEREST:</u>

The Superintendent shall faithfully serve the School District and be regardful of its interest during the term of this Contract, to the extent required by this Contract and by law. The Superintendent shall not directly or indirectly acquire or otherwise possess any interest adverse to that of the School District. In the event that a question reasonably arises as to whether a given interest is in conflict with the interests of the School District, the Superintendent shall make full disclosure of same to the Board of Education for its review and disposition, which disposition shall be controlling and complied with by the Superintendent. Failure to adhere to this requirement shall provide a basis for termination (for cause) of employment.

13. OTHER WORK:

The Superintendent shall not undertake consultative work, speaking engagements, writing, lecturing, or other professional duties and obligations when such activities would be inconsistent with the discharge of his responsibilities under this Contract, unless the Board of Education gives its prior consent to such activities by Board of Education action adopted at a duly constituted meeting. The limitations imposed upon the Superintendent, as above expressed, are not intended to apply as a limitation on time spent for vacation purposes.

14. EXPENSES:

The Superintendent is encouraged to attend and participate in appropriate professional activities and conferences at the local, state, and national levels. The Superintendent is entitled to be reimbursed, consistent with Board of Education policy, for the reasonable expenses of travel and lodging in connection with such attendances and participations. The Superintendent may draw an advance for amounts that he reasonably anticipates expending in connection with long distance travel, subject to him making a prompt accounting for such funds and shall refund any unexpended portions of the advance promptly upon his return. The Superintendent is entitled to be reimbursed for the reasonable expenses incurred in attending and participating in local professional activities and conferences as he may deem to be appropriate on behalf of the School District. The Superintendent shall provide to the School District an itemized account and substantiation of the above reimbursed expenses in accordance with Board policy or for federal/state income tax, expense reporting purposes. The Superintendent shall also be entitled to be reimbursed District mileage expense at the current IRS mileage rate.

15. MEMBERSHIP DUES:

The School District shall pay the cost of the Superintendent's membership in educational, professional, and local civic organizations as he deems reasonably appropriate which are approved in writing in advance by the Board.

16. MEDICAL EXAMINATION:

At least once a year during the term of this Contract, the Superintendent shall have a medical examination by a physician, to be selected by the Superintendent, the costs for which shall be paid by the School District to the extent not covered by the Superintendent's medical insurance. Upon request from the Board President, a copy of the report from the examination, or a certificate of the physician certifying the fitness of the Superintendent to serve in his capacity as Superintendent, shall be provided to the President of the Board of Education as soon as it is available following said medical examination. The Board of Education reserves the right at any time during the term of this Contract to direct the Superintendent to an examining physician, of the Board's choosing, for an examination and medical report if, in its judgment, there are circumstances that warrant a verification of either the physical or psychological competence of the Superintendent. Any certificate or written report required by this paragraph shall be limited to the issue of whether the Superintendent is physically or mentally competent to perform the essential functions of his position with or without reasonable accommodation. The reports from both the annual examination and the latter examination may be shared by the President of the Board of Education with other Board of Education members but shall at all times be maintained in confidence by the Board of Education trustees.

17. **BOARD MEETINGS:**

Among his other duties, the Superintendent shall prepare the agenda for each Board of Education meeting in consultation with the President of the Board, or the President's delegate, and forward same to each member of the Board of Education, along with his recommendations and supporting documentation on each agenda item, sufficiently in advance of the meeting so that each Board of Education member can assimilate such information prior to the meeting to which the agenda applies. The Superintendent shall be entitled to attend all public meetings of the Board of Education. The Superintendent shall also be entitled to attend all closed meetings of the Board unless the subject of such closed meeting involves a) deliberations about the possible dismissal, suspension, or disciplining of the Superintendent, b) deliberations upon complaints or charges brought against him, or c) consideration of attorney/client privileged communications that concern the School District's rights or obligations vis a vis the Superintendent. In all of such cases, the Board shall exercise its discretion as to whether his participation in a closed meeting shall be permitted.

18. 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 one hundred eighty (180) calendar days in any three hundred sixty-five (365) consecutive day period, 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 the Superintendent's duties improbable, the Board of Education, at its option, may forthwith terminate this Contract, whereupon the respective rights, duties, and obligations of the parties shall thereby terminate. Notwithstanding the foregoing, the Superintendent shall be entitled during said period of disability to the full benefit of short-term and long-term disability insurance benefits provided under this Contract and shall be entitled to the full benefit of any available/unused sick leave days and any available/unused vacation days.

19. VACATION:

Beginning with FY 2025-2026, the Superintendent shall receive twenty-five- and one-half days (25.5) of compensated vacation annually, exclusive of legal holidays. Such vacation days shall be front loaded and taken at the Superintendent's discretion, but upon prior notice of scheduling same to the President of the Board of Education. The Superintendent may carry over vacation days to the next fiscal year. However, the Superintendent shall have no more than forty (40) vacation days in his bank. Vacation days shall be used and redeemed in a manner similar to other administrative staff. The superintendent, at his sole discretion, is entitled to return up to fifteen (15) vacation days annually and be compensated for same at his current per diem rate.

20. BENEFITS:

Unless otherwise specified in this Contract the Superintendent shall be entitled to receive thirteen (13) sick leave days per year and otherwise the same standard leave and other benefits that are available to other administrators of the School District, as they may be changed from time to time, and on the same terms and conditions.

21. INSURANCE/SELF-INSURED BENEFITS:

The School District shall provide the Superintendent with the same standard insurance benefits that are provided for non-bargaining unit employees of the School District including Medical/Health, Group Life, Dental, and Optical insurance. The Superintendent shall similarly be entitled to the benefit of short-term disability coverage as is provided for non-bargaining unit employees of the School District. The Superintendent shall be entitled to the benefit of long-term disability at a benefit percentage of 70% up to a \$20,000 (Twenty Thousand Dollars and 00/100) monthly maximum benefit. The Superintendent acknowledges that the above benefits are subject to change by the Board of Education during the term of this Contract and, upon becoming effective, shall be applicable to the Superintendent and shall supersede and replace such benefits as of the time this Contract is entered. The Superintendent shall contribute toward the cost of employee insurance premiums in accordance with applicable law and Board Policy.

The Superintendent shall be entitled to term life insurance coverage two- and one-halftimes salary to a maximum of \$825,000 (Eight Hundred Twenty-Five Thousand Dollars and 00/100).

22. LIABILITY INSURANCE:

The Superintendent shall be provided the same level of liability insurance coverage (basic, plus errors and omissions) as is available to the Board of Education members for liability associated with performing the duties and responsibilities required under this Contract.

23. TOTALITY OF TERMS:

This Contract contains all of the terms agreed to by the parties with respect to the subject matter of this Contract and supersedes and replaces all prior contracts, arrangements and communications between the parties concerning such subject matter, whether oral or written.

24. TERMINATION OF CONTRACT BY SCHOOL DISTRICT:

Termination for Cause. The Board of Education may terminate the Superintendent's employment with the School District during the term of this Contract, without further liability under this Contract, for reasonable and just cause, including acts of moral turpitude and violations of the substantive terms and conditions of this Contract. In such event, the Superintendent will be advised, in writing and at least ten (10) days in advance, of the Board of Education's intention to so terminate his employment. The Superintendent will also be provided an opportunity for a hearing regarding such termination, which may, at the Superintendent's option, be open to the public or closed. The Superintendent is entitled to be represented at the hearing by legal counsel of his choosing and at his own expense.

Arbitration. The Superintendent and the Board of Education agree that a claim alleging the Board of Education did not have reasonable and just cause to terminate the Superintendent's employment with the School District or was otherwise unlawful will be submitted to final and binding arbitration according to the American Arbitration Association's Rules for the Resolution of Employment Disputes. The Superintendent or the Board of Education may move for entry of judgment on the resulting arbitration award in any court of competent jurisdiction. This subparagraph does not apply to a termination or other act or omission allegedly violating the constitutions or laws of the United States or the State of Michigan, or any decision to not renew the Superintendent's employment with the School District.

25. TERMINATION OF CONTRACT BY SUPERINTENDENT:

The Superintendent shall have the right for any reason to terminate his employment pursuant to this Contract at any time during its term, but subject to providing the School District one hundred eighty (180) days advance written notice of his intent to terminate. Upon termination occurring as a result of the exercise of such right, all existing contractual rights and benefits inuring to the benefit of the Superintendent by virtue of this Contract shall thereupon cease and be of no further force and effect.

26. INDEMNIFICATION:

To the extent it may be permitted by applicable law, the School District does hereby agree to defend, hold harmless and indemnify the Superintendent from any and all demands, claims, suits, actions, judgments, expenses and attorneys' fees incurred in any legal proceedings brought against the Superintendent while serving in his official capacity as an employee and as Superintendent of the School District, providing the incident(s), which is (are) the basis of any such demands, claims, suits, actions, judgments, expenses, and attorneys' fees, arose from an act or omission occurring within the course and scope of the Superintendent's employment with the School District; excluding, however, any such demands, claims, suits, actions, judgments, expenses and attorneys' fees for those claims or any causes of action where it is determined by the Board of Education that the Superintendent committed misconduct, or committed a willful or wrongful act or omission, or an act or omission constituting gross negligence, or acted in bad faith, with conscious indifference or reckless disregard and further excluding any legal proceeding in which the Superintendent's interests are adverse, hostile, or otherwise in opposition to the interests of the School District as expressly set forth in those proceedings. The selection of the Superintendent's legal counsel in any legal proceeding implicating this right of indemnification shall be with the mutual agreement of the Superintendent and the School District if such legal counsel is not the School District's legal counsel. A legal defense may be provided through insurance coverage, in which case the Superintendent's right to agree to legal counsel provided for him will be subject to the terms of the applicable insurance contract. To the extent this paragraph exceeds the authority provided and limitations imposed by applicable law, it shall be construed and modified accordingly. The provisions of this paragraph shall survive the termination of this Contract.

27. NONRENEW AL OF CONTRACT:

As recited in paragraph 1 herein, this Contract shall terminate on June 30, 2030. The Superintendent acknowledges that he has no expectation of employment by the School District beyond that date. In the event the Board of Education contemplates non-renewal of this Contract, it will provide the Superintendent with written notice of intent/consideration to not renew this Contract at least ninety (90) days prior to expiration of this Contract as provided under applicable law (e.g., by not later than April 1, 2030). The Superintendent shall advise the Board President in writing of the Board of Education's obligation with respect to making a decision regarding non-renewal of this Contract pursuant to this section by February 1, 2030.

By:	Kenneth Gutman	By:	Board of Education
	Kenneth Gutman		Marc Katz
	Superintendent		President
Date:	June 3, 2021	Date:	6/3/2025