

SUPERINTENDENT EMPLOYMENT CONTRACT

This contract (the "Agreement" or "Contract") is made between the Board of Education of the **WAYNE COUNTY REGIONAL EDUCATIONAL SERVICE AGENCY (WCRESA)** (hereinafter referred to as "Board" or Agency") and **DR. RANDY LIEPA** (hereinafter referred to as "Superintendent").

In accordance with the terms and conditions of this Agreement, and Dr. Randy Liepa desires to be employed by the Board in accordance with the terms and conditions of this Agreement, the parties in consideration of the mutual promises contained in this Agreement, agree to the following:

I. **TERM**

1.1 Initial Term. The Board, by and on behalf of the Agency, employs the Superintendent, and the Superintendent accepts employment as Superintendent of Schools for the Agency for a term beginning August 3, 2015 and ending on June 30, 2022. The Agency may, by action of the Board, and with the consent and approval of the Superintendent, extend this Contract for an additional term as permitted by state law and in accordance with Section 1.2 and Section 5 of this Contract.

1.2 Term Extension. The Agency may, by action of the Board, and with the agreement of the Superintendent, extend the term of this Agreement for an additional twelve (12) month period upon written notice to the Superintendent. Notice to the Superintendent of the Board's consideration of non-renewal, as well as the Superintendent's right to a meeting on the issue and notice of the Board's final determination, will be pursuant to the mandates of the Michigan Revised School Code.

II. **EMPLOYMENT**

2.1 Duties. The Superintendent is the chief executive officer of the Agency and shall faithfully perform the duties of Superintendent for the Agency in a competent and professional manner as prescribed in the job description and as may be lawfully assigned by the Board, and shall comply with all lawful Board bylaws and directives, state and federal law, Agency policy, rules, and regulations as they exist or may hereinafter be adopted or amended; provided, that except as may be required by law.

2.2 Professional Activities. The Superintendent may hold offices, membership or accept responsibilities in appropriate professional organizations, provided that such responsibilities do not interfere with the performance of his duties as Superintendent. The Superintendent may attend and participate in professional meetings at the local, state, and national levels with the reasonable expenses for such attendance to be borne by the Agency upon Board approval, including membership fees and dues of the Superintendent in such organizations.

2.3 Professional Certification and Records. This Contract is conditioned on the Superintendent's providing valid and maintaining appropriate credentials to act as a superintendent in the State of Michigan as prescribed by the laws of the State of Michigan and the rules and regulations of the Michigan Department of Education. The Superintendent must also file any other records required for the personnel files and for payroll purposes. Failure to provide necessary certification shall render this Contract void, and any misrepresentation in the records shall be grounds for termination.

2.4 Board Meetings and Relations. Unless excused by the Board President or his/her designee, the Superintendent, or his designee, shall attend all meetings of the Board and all Board committee meetings, both open and closed, and may participate in the deliberations of the Board at all such meetings, with the exception of those closed meetings of the Board involving the Superintendent's evaluation, consideration of the terms of the Superintendent employment as set forth in this Contract, when the Board is acting as a tribunal, and/or as otherwise determined by the Board.

2.5 Non-Tenure. It is expressly agreed that the Superintendent shall not be deemed to be granted tenure in his capacity as Superintendent or in any administrative capacity by virtue of this Contract.

III. COMPENSATION AND SALARY

3.1. Annual Base Salary. The Superintendent shall be paid an annual base salary in the sum of Two hundred four thousand, two hundred sixty-five dollars and no cents (\$204,265.00) annually beginning on July 1, 2019 in equal bi-weekly installments subject to the other terms and provisions of this Agreement. Said salary shall continue in effect through the duration of the contract period. This contract is intended to coincide with the fiscal year of the Agency and the annual salary shall be paid for the period July 1st, through the following June 30th.

3.2 Salary Adjustments. At any time during the term of this Contract, the Board may in its discretion, review and adjust the salary of the Superintendent prospectively, but in no event shall the Superintendent be paid less than the salary set forth pursuant to Subsection 3.1 of this Contract except by mutual written agreement of the parties. Such adjustments, if any, shall be in the form of a written addendum to this Contract or a new contract, and such adjustment shall be exclusive of any insurance policy or other benefits unless specifically provided in the addendum or new contract.

3.3. Business Expenses. The Agency shall pay or reimburse the Superintendent for actual, necessary and reasonable expenses incurred by the Superintendent in the continuing performance of the Superintendent's official duties under this Contract including but not limited to the reasonable cost of remote internet connectivity. The Superintendent shall comply with all policies, procedures and documentation requirements in accordance with Board policies and established procedures which shall be subject to review by the Agency's independent auditors.

3.4 Health and Other Insurance. The Superintendent shall be entitled to and the Agency shall provide comprehensive family group health and hospitalization, dental and vision insurance and prescription drug insurance coverage applicable to such twelve (12)-month non-bargaining employees as are incident to their employment relationship with the Service Agency and as referenced in the *2019-2020 Benefits Enrollment Guide*. The Service Agency contribution for medical benefits shall be limited in accordance with Section 3 of PA 152 of 2011 (Publicly Funded Health Insurance Contribution Act).

The Superintendent shall be entitled to term life insurance policy in an amount equal to three (3) times his annual salary.

3.5. Vacation days and Holidays. The Superintendent shall receive twenty-five (25) vacation days to be earned annually and are front loaded on July 1st of each year for usage only. Any unused vacation days are converted to cash at the close of the fiscal year at 90% of the per diem rate. The Superintendent shall be entitled to and observe the same paid legal holidays as those observed by other executive employees.

3.6. Sick Leave. The Superintendent shall receive twelve (12) days per year for non-catastrophic illness. Unused sick days will not be carried over or accumulated annually. Any unused sick days will be converted to cash at a rate of 90% of the per diem rate at the close of the fiscal year. Pay for sick days used but not earned shall be withheld from the final paycheck upon severance of an employee and repaid following periods of unpaid leave excluding periods of approved Family Medical Leave Act (FMLA).

3.7 Personal Business Days. The Superintendent shall receive sixteen (16) days of personal business time with the ability to carry over no more than three (3) days to the following year. Personal Business Days are subject to pro-ration upon separation of employment.

3.8 Annual Physical Examination. The Superintendent shall undergo an annual physical examination performed by a licensed physician mutually acceptable to the Board and the Superintendent. The physician shall submit a confidential statement (“Physician’s Statement”) to the Board verifying the Superintendent’s fitness to perform the Superintendent’s duties, and copies of all such Physician’s Statements shall be confidential to the extent permitted by law. The Agency shall pay all reasonable costs of the annual physical examination. The Physician’s Statement shall be on file with the Assistant Superintendent for Human Resources and available for private review by the Board.

3.9 Disability Insurance. The Agency shall pay the annual premium for disability income protection insurance as provided to other executive employees.

3.10 Automobile. The Agency will pay the Superintendent an amount of One Thousand Dollars (\$1,000.00) per month, \$12,000 annually, during the term of this Contract to provide him with a car allowance for use of personal automobile. This monthly payment shall be paid to the Superintendent in a lump sum payment each month, after appropriate withholding consistent with the Superintendent’s regularly-earned salary. This payment will be treated as income to the Superintendent and reported on the Superintendent’s W-2 form.

3.11 Tax Deferred Annuity. The Superintendent shall be entitled to contribute to the 403(b) tax sheltered annuity program on a before tax basis to the extent consistent with applicable federal income tax laws and regulations. The Board shall annually contribute Five thousand, two hundred sixteen dollars and sixty-eight cents (\$5,216.68) to the Superintendent's 403(b) annuity. The contribution made by the board may be adjusted in the same manner as provided to other executive employees of the agency. The contribution shall be made by the Board to the extent that such amount does not violate Section 403(b) or any other provision of the United States Tax Code, resulting in disallowance of the tax-deferred treatment of the Board's contribution.

3.12 Retirement Service. Prior to June 30th of each contract year, the Board will pay a cash stipend to the Superintendent in an amount equivalent 50% of the cost to purchase one (1) year of retirement service credit in the 2016-2017 fiscal year.

3.13 Furlough Days. The Superintendent shall be subject to up to six (6) unpaid furlough days each year of this contract consistent with other executive employees. Furlough declarations are at the discretion of the Board.

3.14 Indemnification and Defense.

(a) The Agency shall indemnify, defend, and hold the Superintendent harmless regarding any civil claims, demands, duties, actions or other legal proceedings against the Superintendent for any act or failure to act involving the exercise of judgment and discretion within the normal course and scope of his duties as Superintendent of the Agency, to the fullest extent permitted by law, except as otherwise provided in this paragraph. The Agency has no obligation to indemnify, defend, or hold the Superintendent harmless regarding any claims, demands, duties, actions or other legal proceedings against the Superintendent if the Superintendent admits in writing or under oath, or is found by a Court of competent jurisdiction (i) to have acted with gross negligence and/or malice; (ii) to have acted with the intent to violate a person's clearly established legal rights; or (iii) to have engaged in criminal conduct.

(b) The Agency shall provide an attorney, fees, expenses and costs reasonably necessary to defend the Superintendent in any civil claims, demands, duties, actions or other legal proceedings against the Superintendent in which the Superintendent is alleged (i) to have acted with gross negligence or malice; (ii) to have acted with intent to violate a person's clearly established legal rights; or (iii) to have engaged in criminal conduct.

(c) If the Superintendent admits in writing or under oath, or is found by a court of competent jurisdiction (i) to have acted with gross negligence or malice; (ii) to have acted with intent to violate a person's clearly established legal rights; or (iii) to have engaged in criminal conduct, then the Superintendent will promptly reimburse the Agency all sums advanced by the Agency to defend the Superintendent in the court proceeding in which such admission or finding is made.

(d) In the case of any criminal proceeding arising out of the Superintendent's responsibilities as Superintendent or other actions against the Agency, the Agency shall provide an attorney, fees, expenses and costs reasonably necessary to defend the Superintendent in any criminal claims, demands, duties, actions or legal proceedings against the Superintendent. If the Superintendent admits in writing or under oath or is found

by a court of competent jurisdiction to have engaged in criminal conduct, then the Superintendent will promptly reimburse the Agency all sums advanced by the Agency to defend the Superintendent in court.

(e) The Agency may fulfill its obligation by (i) purchasing appropriate insurance coverage for the benefit of the Superintendent, (ii) including the Superintendent as a covered party under any errors and omissions insurance coverage purchased for the protection of the Board and the professional employees of the Agency, provided that the insurance coverage insures all of the Superintendent's actions or lack of actions that the Agency would otherwise be obligated to indemnify and hold harmless the Superintendent under this Subsection.

(f) The Superintendent agrees to provide reasonable assistance to and cooperate with the Agency, its Trustees, agents, employees and attorneys in response to any legal proceeding or claims brought against the Agency.

(g) No individual member of the Board shall be personally liable for indemnifying, defending or holding harmless the Superintendent, or for any other obligation assumed by the Agency.

IV. ANNUAL PERFORMANCE EVALUATION

4.1 Development of Goals. The Superintendent shall, by September 1st of the first year of this Contract, submit for the Board's consideration and approval a preliminary list of annual goals for the Agency. Thereafter the Superintendent shall submit a preliminary list of annual goals for the Agency prior to June 1st of each contract year for consideration and approval by the Board. The annual goals approved by the Board shall be reduced to writing and shall be among the criteria on which the Superintendent's performance will be reviewed.

4.2 Review of the Performance. The Board shall evaluate and assess the performance of the Superintendent in writing at a mutually agreed upon time, not later than March 1st of each year of this Contract. The meetings at which the Board evaluates the Superintendent will be held in an open meeting unless the Superintendent requests that it should be held in a closed meeting. The evaluation and assessment shall be related to the duties of the Superintendent as outlined in the Superintendent's job description and the annual goals for the Agency.

4.3 Confidentiality. The evaluation of the Superintendent shall at all times be considered confidential to the extent permitted by law. Nothing herein shall prohibit the Board or the Superintendent from sharing the content of the Superintendent's evaluation with their respective legal counsel.

V.
TERMINATION OF EMPLOYMENT CONTRACT

5.1 Retirement or Death. This Contract shall be terminated upon the retirement or death of the Superintendent.

5.2 Dismissal for Cause. The Board may dismiss the Superintendent during the term of this Contract for cause as that term is applied under Michigan law. Said termination will relieve the Agency of any obligations to make further payments to the Superintendent pursuant to the terms of this Contract. The term "cause" shall include but is not limited to the following definition:

- (a). Failure to fulfill duties or responsibilities as set forth under the terms and conditions of this Contract;
- (b). Incompetence or inefficiency in the performance of required or assigned duties as documented by evaluations, supplemental memoranda, or other written communication from the Board; provided, however, the terms and conditions of this paragraph shall not justify cause unless the Board has provided the Superintendent a reasonable opportunity to remediate any incompetency or inefficiency;
- (c). Insubordination or failure to comply with lawful written Board directives or published policies;
- (d). Failure to comply with the Board's policies or the Agency's administrative regulations;
- (e). Neglect of duties;
- (f). Convicted of driving while intoxicated;
- (g). Illegal use of drugs, hallucinogens, or other substances regulated by the Michigan law;
- (h). Conviction of a felony or crime involving moral turpitude;
- (i). Failure to meet the Agency's standards of professional conduct;
- (j). Immorality, which is conduct the Board determines is not in conformity with the accepted moral standards of the community encompassed by the Agency. Immorality is not confined to sexual matters, but includes conduct inconsistent with rectitude or indicative of corruption, indecency, or depravity;
- (k). Assault on an employee or student;
- (l). Knowingly falsifying records or documents related to the Agency's activities;

- (m). Conscious misrepresentation of material facts to the Board or other Agency officials in the conduct of the Agency's business;
- (n). Failure to fulfill requirements for superintendent certification;
- (o). Any dishonesty, theft, unethical or unlawful conduct or conduct which, in the Board's judgment, impairs the reputation of the Agency;
- (p). Violation of any law committed in the Superintendent's employment capacity;
- (q). Reduction in the Agency's workforce occasioned by economic necessity or other legitimate business cause or reason; and
- (r). Any other reason constituting "cause" under Michigan law.

5.3 Termination Procedure for Cause. In the event that the Board proposes to terminate this contract for cause, the Superintendent shall be afforded the rights as set forth:

The Board may terminate this contract for cause, upon ten (10) days written notice to the Superintendent, which states the reason or cause for termination of this contract.

After being notified by the Agency of the cause(s) for termination, the Superintendent shall have the right to respond to the stated reason(s), verbally or in writing, by requesting an open or closed meeting with the Board within ten (10) days of receipt of the Agency's notice to the Superintendent. The Superintendent may be allowed legal counsel at the meeting, at his own expense. Following the Superintendent's meeting with the Board, the Board shall notify the Superintendent of its decision within ten (10) days. In the event employment is terminated for cause, all compensation including salary and all other fringe benefits shall cease upon the effective date of such termination.

5.4 Termination Without Cause. The Board may terminate this contract without cause at any time, upon giving the Superintendent sixty (60) days' written notice and provided that the Board shall continue to compensate and provide fringe benefits to the Superintendent for the duration of the current contract term or extension. In such instances however, compensation and fringe benefits will be reduced by any wages and fringe benefits earned by the Superintendent from other employment during the remainder of the term or extension of this contract, The Superintendent must notify the Agency of such other employment within reasonable time of its attainment, and the Superintendent's failure to do so shall result in the Superintendent's forfeiture of all remaining amounts due, as well as liability for amounts received from the Superintendent's termination date.

5.5 Termination by Superintendent. The Superintendent may terminate this contract by giving the Board at least sixty (60) days advanced written notice of voluntary termination. Such notice shall be made to the President of the Board. Failure by the Superintendent to provide such prior notice shall cause him to forfeit all compensation and benefits to which the Superintendent would otherwise be entitled to payment at the time the Agreement is voluntarily terminated, and shall make him liable for the Board's actual damages caused by the early termination. Upon the Board's receipt of the Superintendent's notice of voluntary termination, the Board may, in its sole discretion, immediately effect the Superintendent's voluntary termination, provided that in such event the Board shall pay the Superintendent

his annual salary and benefits for the duration of the sixty (60) day notice period. Voluntary termination of this contract by the Superintendent shall terminate the parties' rights and obligations, including the Board's right to renew or extend the term of this contract.

5.6 Dispute Resolution. The parties agree that any and all disputes, controversies or claims arising out of, in connection with, or relating to this contract, including claims of breach or alleged breach of this Contract, violations of state or federal statute(s) or regulation(s), or commission of any tort shall first be submitted for resolution through non-binding mediation.

Should the parties fail to resolve any disputes through mediation, then any and all disputes, controversies or claims arising out of, in connection with, or relating to this contract, including claims of breach or alleged breach of this Contract, violations of state or federal statute(s) or regulation(s), or commission of any tort shall, upon the written request of either party, be submitted to and settled exclusively by binding arbitration according to the laws for such in the state of Michigan, as well as applicable Michigan Court Rules.

The Agency and the Superintendent agree to arbitrate such matter(s) in a joint proceeding and according to the rules established by the American Arbitration Association. Notice of a demand for arbitration shall be given in writing to the other party to this contract, within ninety (90) days after the claim, dispute or other matters in question arose, or where the party asserting the claim, dispute or other matter in question should reasonably have been aware of same, but in no event later than the applicable Michigan statute of limitations.

The parties shall mutually select an arbitrator, or shall agree to accept one selected by the American Arbitration Association. The arbitration shall have no power to add to, subtract from or alter the terms of this contract, and shall render a written decision setting forth findings of fact and conclusions of law only as to the claims or disputes at issue. Arbitration expenses shall be borne equally by both parties, except that each party shall pay for their own experts, evidence and counsel fees. Any arbitral award regarding compensation due to the Superintendent shall be limited to the period equal to the balance of the contract term less the amount of any compensation from subsequent employment received during that same time. Any arbitration award shall be final and binding upon the parties, and a judgment entered thereon may be entered in the highest court with jurisdiction over the matter.

VI. **MISCELLANEOUS**

6.1 Controlling Law. This Contract shall be governed by the laws of the state of Michigan, and it shall be performable in Wayne County, Michigan, unless otherwise provided by law.

6.2 Complete Agreement. This Contract embodies the entire agreement between the parties, and it cannot be amended except by written agreement, fully executed, by both parties.

6.3 Conflicts. In the event of any conflict between the terms, conditions, and provisions of this Contract and the provisions of the Board's policies, or any permissive state or federal law, then, unless otherwise prohibited by law, the terms of this Contract shall take

precedence over the contrary provisions of the Board's policies or any such permissive law during the term of the Contract.

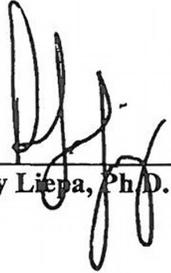
6.4 Savings Clause. In the event any one or more of the provisions contained in this Contract shall, for any reason, be held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect any other provisions thereof, and this Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

6.5 Notice. Any notice required or permitted to be given pursuant to this contract shall be sufficient if it is made in writing and sent by certified mail, return receipt requested, to the Superintendent at his last known place of residence, or to the Board, to the attention of the Board President at its administrative offices, or to such address as the Board or the Agency shall provide.

6.6 Emergency Manager. An emergency manager appointed under the local government and school district fiscal accountability act, 2011 PA 4, MCLA 141.1501 to 141.1531, is allowed to reject, modify or terminate the Contract as provided in the local government and school district fiscal accountability act, 2011 PA 4, MCL 141.1501 to 141.1531.

In witness whereof, the parties have executed this contract and set their hands and seals this 24th day of July, 2019.

SUPERINTENDENT:

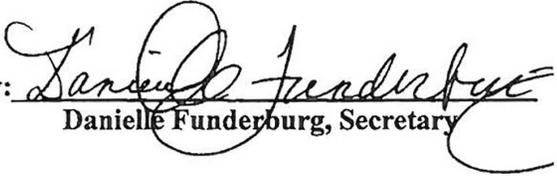


Randy Liepa, Ph.D.

**BOARD OF EDUCATION
WAYNE COUNTY REGIONAL
EDUCATIONAL SERVICE AGENCY**

By: 

James Petrie, President

By: 

Danielle Funderburg, Secretary