

**MARQUETTE-ALGER REGIONAL EDUCATIONAL SERVICE AGENCY
CONTRACT OF EMPLOYMENT
School Administrator**

Pursuant to Sections 601a(1)(d), 623(1)(b), and 1229(1) of the Revised School Code and in accordance with the action found in the minutes of the Board of Education (“Board”) of the Marquette-Alger Regional Educational Service Agency (“Agency”) meeting held on May 26, 2020, the Board employs **Gregory Nyen** (“Administrator”) according to the terms and conditions set forth in this Agreement.

1. **Term of Contract.** The Board employs Administrator for a three (3)-year period beginning July 1, 2020 and ending on June 30, 2023.

2. **Duties.** Administrator shall faithfully and diligently perform the duties of Superintendent as prescribed by the Board and as may be established, modified, or amended by the Board. Administrator acknowledges the Board’s ultimate authority as to his responsibilities and related directions. Administrator is subject to assignment and transfer to another administrative position of employment in the Agency at the Board’s discretion.

3. **Qualifications.** Administrator represents that he possesses, holds, and will maintain all certificates, credentials, and qualifications required by law, including the regulations of the Michigan Department of Education and those required by the Board to serve in the position assigned.

A. As a condition of continued employment, Administrator will meet all continuing education requirements for the position assigned, as required by law and by the Michigan State Board of Education.

B. If at any time Administrator fails to maintain all certificates, credentials, continuing education requirements, or qualifications for the assigned administrative position, this Contract shall automatically terminate and the Board shall have no further obligation.

4. **Performance.** Administrator will devote his talents, skills, efforts, and abilities toward competently and proficiently performing all duties and responsibilities of the administrative position assigned, including compliance with the related Board directives.

A. Administrator will comply with and fulfill all responsibilities and tasks required by state and federal law and regulations, and by the Board, to carry out the Agency’s educational programs and policies during the entire term of this Contract.

B. Administrator will devote substantially all of his business time, attention, and services to the diligent, faithful, and competent discharge of his duties on behalf of the Agency to enhance the Agency’s operations and will use his best efforts to maintain and improve the quality of the Agency’s programs and services.

5. **Compensation.** In consideration of his performance of the duties and responsibilities of the position assigned in conformance with the Board’s requirements and expectations, Administrator

shall be paid at an annual (12 month) salary rate of not less than \$125,000 for July 1, 2020 - June 30, 2021. If Administrator receives a rating of “effective” or “highly effective” on his annual performance evaluation under ¶ 9, the Board shall increase the Superintendent’s annual salary as follows: \$127,500 for July 1, 2021 - June 30, 2022; and \$130,050 for July 1, 2022 - June 30, 2023.

- A. The Administrator’s annual salary shall be paid in twenty-six (26) substantially equal bi-weekly installments beginning with the commencement of the Contract year (July 1 through June 30).
- B. Upon separation of the Administrator during any 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 rendered during the Contract year. Any amounts due the Administrator upon separation shall be remitted by the Board to him as soon as such amounts can diligently be determined. Any wage or benefit amounts received by the Administrator in excess of days actually worked during the Contract year shall be deducted from the Administrator’s remaining wages. By executing this Contract, Administrator gives his written consent for such deduction.
- C. Any wage overpayments not recoverable by the Board through wage deduction shall be remitted to the Board by the Administrator within three (3) business days of separation from employment. If not paid in this manner, Administrator agrees that judgment may be entered against him in any Michigan court of competent jurisdiction for such amount(s).
- D. The Board retains the right to adjust the Administrator’s annual salary during the term of the Contract. Any such salary adjustment shall not reduce the annual salary below the minimum annual salary prescribed above. Any adjustment in salary made during the term of this Contract shall be in the form of a written amendment and when executed by Administrator and the Board, shall become a part of this Contract.

6. **Tax-Deferred Annuity.** The Board shall contribute Six Thousand Dollars (\$6,000) as a non-elective contribution to a 403b annuity designated by the Superintendent from a list of eligible programs available through the District’s 403b Plan. The Board shall remit a monthly contribution of Five Hundred Dollars (\$500) as part of the Superintendent’s compensation for the Contract year.

7. **Paid Time Off Conversion.** At the beginning of each Contract year, Administrator may exercise the option to convert to Administrator’s Board-provided health savings account, his unused sick, vacation, and/or personal leave at his per diem rate as calculated above, not to exceed \$400 per day. This annual cash in amount is capped at Administrator’s annual health insurance deductible amount as specified by the insurance provider. The Administrator’s option to convert these unused days is further limited so that the Administrator reserves at least six (6) paid time off days (in any combination of sick, vacation, and/or personal), which equals one-half (1/2) of a Contract year’s allocation of sick leave of twelve (12) days.

8. **Vacation.** Administrator is employed on the basis of fifty-two (52) weeks of work per Contract year (July 1 through June 30) as scheduled by the Board. Administrator shall be granted vacation time of twenty-five (25) days per Contract year.

- A. Administrator will be able to accumulate no more than forty (40) days' vacation time. Days in excess of forty (40) will be lost at the end of the Contract year.
- B. Upon retirement from the Agency, or resignation from employment with the Agency, or in the event of Administrator's death during the term of this Contract, Administrator (or his designated beneficiary, in the event of death) will be paid for any accumulated unused vacation days.
- C. Administrator shall schedule use of vacation days in a manner to minimize interference with the orderly operation and business of the Agency.

9. **Performance Evaluation.** Administrator's performance shall be evaluated by the Board at least annually. Administrator shall notify the Board by February 1st of his pending evaluation. The evaluation process will be completed no later than March 31st.

10. **Termination.** The Board is entitled to terminate the Administrator's employment at any time during the term of this Contract when it determines that Administrator has engaged in any act of moral turpitude, misconduct, dishonesty, fraud, insubordination, incompetency, inefficiency, or if Administrator materially breaches the Contract's terms and conditions, or for other reasons which are not arbitrary or capricious and which are related to the job performance or conduct of the Administrator.

- A. The foregoing standards for termination of this Contract during its term do not apply to non-renewal of this Contract at the expiration of its term, which decision is discretionary with the Board.
- B. If the Board undertakes to dismiss Administrator during the term of this Contract, he shall be entitled to written notice of charges and an opportunity for a hearing before the Board.
- C. If the Administrator's employment is terminated during the term of this Contract, this Contract shall automatically terminate and the Board shall have no further obligation.

11. **Disability Leave.** In the event of Administrator's mental and/or physical incapacity to perform the duties of his office, he shall be granted an initial leave of ninety (90) work days for purpose of recovery. The Administrator shall first exhaust any accumulated sick leave and accrued vacation time, with the balance of the ninety (90) work day period to be unpaid. Health plan premium payments shall be made on behalf of Administrator during this interval to the extent required by law. Upon using leave under this provision, Administrator shall furnish medical certification to the Board (or its designee) for the leave's necessity.

- A. If the Board (or designee) has reason to doubt the validity of the medical certification supplied by Administrator, the Board may require a second opinion, at Board expense.

- B. Administrator may request a ninety (90) work day unpaid leave extension in the event of his physical and/or mental inability to return to work at the expiration of the initial leave interval, as described above, provided that there is a verified prognosis that Administrator will be able to resume his duties at the conclusion of the extended leave interval. Medical certification shall be supplied by Administrator as a condition to any leave extension. Any extensions of leave for this purpose shall be at the Board's discretion.
- C. If Administrator is unable to or does not resume work at the conclusion of a leave taken under this paragraph (or any extension), his employment and this Contract may be terminated at the Board's option. No such termination shall occur where restoration after leave is required by the Family and Medical Leave Act.
- D. Before resumption of duty after an unpaid leave of absence for a serious health condition, Administrator shall provide to the Board a fitness for duty certification from Administrator's health care provider. A second opinion may be required by the Board, at its expense, unless the securing of the second opinion in this context is precluded by the Family and Medical Leave Act.

12. No Tenure in Position. This Contract does not grant the Administrator continuing tenure in the administrative position initially assigned or to which he 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 Agency. The Board's decision not to continue or renew the Administrator's employment for any subsequent period in any capacity, other than as a classroom teacher, as may be required by the Teachers' Tenure Act, shall not be a breach of this Contract or a discharge or demotion under the Michigan Teachers' Tenure Act.

13. Medical Examination. Administrator 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 Contract. Additionally, upon request of the Board, Administrator shall authorize the release of medical information necessary to determine if Administrator is capable of performing the essential job functions required by his assignment, with or without reasonable job accommodation(s). Any physical or mental examination or disclosure of such information required of Administrator by the Board shall be job-related and consistent with business necessity. Any medical or psychological examination under this section shall be at Board expense. Any information obtained from medical or psychological examinations or inquiries shall be considered and treated as confidential.

14. Insurance. Upon proper application and acceptance for enrollment by the appropriate insurance underwriter, policyholder, or third-party administrator, the Board shall make medical benefit plan cost payments, premium payments, and representative premium payments on behalf of Administrator and his eligible dependents for the following insurance programs:

Health: Upon submission of a written application, the Agency agrees to make the full medical benefit plan cost payments, allowable by law, toward health care protection according to family status toward the purchase of MESSA ABC Plan

1, underwritten by Blue Cross/Blue Shield. Administrator must pay any medical benefit plan costs in excess of the employer portion through payroll deduction. The medical benefit plan costs may change annually.

In addition to the out-of-pocket contributions, Administrator must pay the annual deductible amount for single subscriber or 2-person/family subscriber as specified by the insurance provider. The full deductible amount may be deposited in the Administrator's Board-provided health savings account at the beginning of each plan year. Administrator would also be allowed to contribute additional funds to his Board-provided health savings account through payroll deduction.

Dental: SET SEG Self-Funded Dental Plan: 90/90/90; max annual benefit per person \$1,500; lifetime maximum benefit orthodontic to age 19 of \$1,500.

Term life: \$100,000 policy face value for July 1, 2020 – June 30, 2021 (Administrator only); an increase of \$50,000 to the policy face value for each subsequent year of the contract provided the Administrator receives a performance evaluation rating of highly effective. The term life policy shall not exceed two times the annual salary of Administrator.

Vision: SET SEG Self-Funded Vision Plan: Benefits include coverage every twelve (12) months with no limit on exam, glasses lenses or contact lenses; and frame allowance \$265 every twelve (12) months.

Long Term Disability: SET SEG (3 month wait period; 60% of salary to \$5,000/month maximum) (Administrator only)

If Administrator makes a voluntary written election not to avail himself of the health/medical coverage offered by the Board, he will instead receive \$300.00, on a monthly basis, under a qualified Section 125 plan, on the further condition that Administrator furnishes written evidence that he is enrolled in another health/medical benefits plan that meets the minimum value and coverage requirements of the Affordable Care Act.

15. Insurance Contracts. The Board reserves the right to change the identity of the insurance carrier, policyholder, or third-party administrator for any of the above coverage, provided that comparable coverage, as determined by the Board, is maintained during the term of this Agreement. The Board shall not be required to remit medical benefit plan cost payments, premium payments, or representative premium payments for any insurance coverages for Administrator and his eligible dependents if enrollment or coverage is denied by the insurance underwriter, policyholder, or third-party administrator.

- A. 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. Administrator is responsible for assuring completion of all forms and documents needed to receive the above-described insurance coverage. The Agency, by payment of the medical benefit plan cost payments, premium payments, and representative premium payments

required to provide the above-described insurance coverage, shall be relieved from all liability with respect to insurance benefits.

- B. For each medical benefit plan year, the Agency shall determine whether its method of compliance with the Publicly Funded Health Insurance Contribution Act, MCL 15.561 et seq, will be through implementing the hard cap or through adoption of a resolution to pay not more than 80% of the medical benefit plan costs, as allowed by Section 4 of that Act. The election made by the Agency will take effect at the beginning of the applicable medical benefit plan year.

16. Holidays. Administrator is entitled to the following holidays for which no service to the Agency is required: July 4; Labor Day; Thanksgiving Day; Friday after Thanksgiving; Christmas Eve; Christmas Day; New Year's Eve; New Year's Day; Good Friday; Memorial Day.

17. Sick Leave. If Administrator is absent from duty for his personal illness or disability or that of his immediate family, he shall be allowed full pay for a total of twelve (12) days per Contract year. "Immediate family" is defined as: spouse, children, siblings, parents, and parents-in-law. Unused paid leave days for illness/disability shall be cumulative without limitation.

18. Personal Business Leave. Administrator shall be permitted up to two (2) days per Contract year to conduct personal business which cannot be otherwise conducted outside of Administrator's working hours. If these days are not used they will, at the conclusion of the Contract year in which they were made available, be credited to Administrator's accumulated sick leave as referenced in paragraph 17 of this Contract.

19. Bereavement Leave. Administrator shall be allowed up to three (3) work days paid leave for purposes of bereavement in Administrator's immediate family. Upon Board authorization, additional days (deductible from sick leave under paragraph 17 of this Contract) may be granted for extenuating circumstances connected with a death in Administrator's immediate family.

20. Business Expenses. Administrator is eligible to be reimbursed for travel, meals, and lodging in accordance with expense and reimbursement policies and procedures established by the Board.

Subject to express approval by the Board, the fees or dues for membership in appropriate professional organizations shall be paid by the Board. Subject to prior approval by the Board, the Administrator may attend appropriate professional meetings at the state and national levels and shall be reimbursed for any related registration fees, tuition, travel, lodging, and reasonable meal expenses for himself not prepaid by the Board.

21. Errors and Omissions/General Liability Insurance. The Board will pay the premium amount for errors and omissions coverage and comprehensive general liability coverage for Administrator while engaged in the performance of a governmental function and while Administrator is acting within the scope of his authority.

- A. The aggregate policy limits for errors and omissions coverage shall be not less than \$2,000,000 inclusive of defense costs, charges and expenses.
- B. The aggregate policy limits for comprehensive general liability insurance shall not be less than \$5,000,000.
- C. Administrator shall have the right to access copies of insurance policies, documents, claim forms, and related documents.
- D. The terms of the above insurance policies shall control as to the Administrator’s defense and indemnity. The Board’s sole obligation is limited to the payment of premium amounts for the above coverage. If that coverage cannot be purchased in the above amounts and/or reasonable premium rates, the Board has the right to discontinue that coverage and shall notify Administrator. In that event, the Board will, on a case-by-case basis, consider providing legal defense and/or indemnification to Administrator as authorized by MCL 691.1408 and MCL 380.601a(1)(d).

22. **Longevity.** Upon retirement from the Agency and upon simultaneously becoming eligible for benefits from the Michigan Public School Employees Retirement System, the Board shall pay a longevity payment to Administrator equivalent to four (4) days of longevity for each year of MARESA service at Administrator’s daily rate. In case of death, this benefit shall be paid in a lump sum to a survivor designated in writing by Administrator. The maximum payable benefit under this provision shall not exceed forty (40) days.

23. **Retirement Payment.** Additionally, upon retirement from the Agency and simultaneous eligibility for benefits under the Michigan Public School Employees Retirement System, Administrator shall be eligible to receive a longevity payment in accordance with the foregoing schedule.

<u>SERVICE CREDIT</u>	<u>LONGEVITY PAYMENT</u>
20 years of MPSERS service credit	\$6,000
25 years of MPSERS service credit	\$7,000
30 years of MPSERS service credit	\$8,000

The above payment will be made in a lump sum (less deductions required by federal, state, and local law) provided that written application for retirement is made by Administrator not later than three (3) months before the Administrator’s anticipated retirement date. Administrator will not receive this longevity payment under this provision unless and until he has presented proof of retirement from MPSERS. Benefits under this provision shall terminate upon the Administrator’s death as the same is not intended as a benefit for his heirs or survivors.

24. **Entire Agreement.** This Contract contains the entire agreement and understanding by and between the Board and Administrator as to the Administrator’s employment and any representation, promise, contract, or understanding, written or oral, not in this Contract, shall not have any force or effect. Without limitation to the above, Administrator’s employment with the Agency shall not be governed by the document entitled “Administrative Employment Terms and Benefits” or by any collective bargaining agreement or individual contract between the Board and

any other employee or group of employees. All prior agreements pertaining to, connected with, or arising in any manner out of the employment of Administrator by the Board not reflected in this Contract, are terminated and shall have no force or effect. No change or modification of this Contract shall be valid or binding unless it is in writing and signed by Administrator and the 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.

25. Arbitration. In the event of any dispute between the parties relating to the Administrator's discharge during the term of this Contract, the parties agree to submit that dispute 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 600.5001 *et seq.* and MCR 3.602.

- A. The parties intend that this process of dispute resolution shall include all contract and statutory claims advanced by Administrator arising from Administrator's discharge during the term of this Contract, including (but not limited to) claims of unlawful discrimination and all claims for damages or other relief. However, this agreement to arbitrate does not restrict Administrator 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 any claims for unemployment compensation or workers' compensation which may be brought by Administrator. Instead, this agreement to arbitrate claims applies to those matters which are otherwise subject to state or federal court proceedings.
- B. This agreement to arbitrate means that Administrator is waiving his right to adjudicate discrimination claims in a judicial forum and is instead opting to arbitrate those claims. In any such arbitration proceeding, Administrator has 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, Administrator, 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 the Board and Administrator, subject to the Administrator's right to seek to tax such fees as costs against the Board.
- D. Any claim for arbitration under this provision must be filed with the American Arbitration Association, in writing, and served on the Board within one hundred eighty (180) days of the effective date of Administrator's discharge during the term of this Contract. The arbitrator's decision and award shall be final and binding and judgment thereon may be entered in the Circuit Court for the 25th Judicial Circuit of Michigan (Marquette County).

26. Severability. If any provision of this Agreement 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 provision(s).

27. **Limitations.** Administrator agrees that any claim or suit arising from Administrator's employment with the Board must be filed no more than six (6) months after the date of the employment action that is the subject of the claim or suit. Administrator understands that the statute of limitations for claims arising out of an employment action may be longer than six (6) months, but agrees to be bound by the six (6) month 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 unreasonably short period of time to commence a law suit, 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.

28. **Authorization.** This Agreement is executed on behalf of the Marquette-Alger Regional Educational Service Agency pursuant to the authority granted as contained in the resolution of the Board adopted on May 26, 2020 and amended on June 29, 2020, the same being incorporated by reference.

ADMINISTRATOR

Date: _____, 2020

Gregory Nyen

MARQUETTE-ALGER RESA
BOARD OF EDUCATION

Date: _____, 2020

By _____
President

By _____
Secretary