

Employment Contract Between

Terrence Starr
and the Board of Education
of the Shepherd Public School District

This contract is entered into on the 20th day of April 2021, between the Board of Education of the Shepherd Public School District, referred to as the "Board of Education," and Terrence Starr as Superintendent, referred to as "Administrator," in this contract.

Because the Board of Education at a meeting held on the 20th day of April 2021, approved the employment of the Administrator as Superintendent in accordance with the terms and conditions of this contract, and the Administrator desires to be employed by the Board of Education in accordance with the terms and conditions of this contract, the parties in consideration of the mutual promises contained in this contract, agree to the following:

1. **TERM.** This contract shall take effect on the 1st day of July, 2021, and continue in force through the 30th day of June, 2024, subject to extension and termination as provided in Paragraphs 4 and 11.

2. **DUTIES.** The Administrator represents that he/she possesses, holds and will maintain all certificates, credentials and qualifications required by law, including the provisions of Sections 1246 and 1536 of the Revised School Code, the regulations of the Michigan Department of Education, and those required by the Board of Education to serve in the position assigned. The Administrator agrees, as a condition of his/her continued employment, to meet all certification and continuing education requirements for the position assigned, as are and may be required by law or by the Michigan Board of Education. If at any time the Administrator fails to maintain all certificates, credentials, continuing education requirements and/or qualifications for the position assigned as required herein, this Contract shall automatically terminate, and the Board shall have no further obligation hereunder.

The Administrator agrees to devote his/her talents, skills, efforts and abilities toward competently and proficiently fulfilling all duties and responsibilities of the position assigned. The Administrator agrees to faithfully perform those duties assigned by the Board of Education and to comply with the directives of the Board of Education with respect thereto. The Administrator further agrees to comply with and fulfill all responsibilities and tasks required by state and federal law and regulations, and by the Board of Education, to carry out the educational programs and policies of the School District during the entire term of this Contract. The Administrator agrees to devote substantially all of his/her business time, attention and services to the diligent, faithful and competent discharge of his/her duties on behalf of the School District to enhance the operation of the School District and agrees to use his/her best efforts to maintain and improve the quality of the programs and services of the School District.

3. **EVALUATION.** Annually, no later than the last day of December of each year during the term of this contract, the Board of Education shall review with the Administrator his or her performance as Superintendent as required by MCL 380.1249 and MCL 380.1249b. The Administrator shall remind the Board of Education of this responsibility in a timely manner.

4. **EXTENSION.** The Board of Education, no later than the 31st day of March 2023 and each successive year during the term of this contract, may extend the contract for an additional one-year period. In exercising this option, the Board of Education also shall establish the annual salary to be paid to the Administrator for the school year included in the extension. All other terms and conditions of this contract shall remain unchanged. The Board of Education in its sole discretion and with or without cause may decline to extend this contract for an additional year by: (1) voting to not extend the contract or (2) not taking action on extending the contract.

5. **TENURE EXCLUSION.** This contract does not confer tenure upon the Administrator in the position of Superintendent or any other administrative position in the district.

6. **BASE COMPENSATION.** The Board of Education shall pay to the Administrator an annual salary of One hundred Twenty-Two Thousand (\$122,000) dollars for the school year 2021-2022. Annual increases for the 2022-2023 and 2023-2024 school years will be consistent with the increase granted to the Shepherd Education Association thru negotiations not to exceed annual increases of Three Thousand (\$3,000) dollars. The salary shall be paid in 26 equal installments. The Board of Education retains the right to adjust the salary during the continuation of this contract, but an adjustment shall not reduce the annual salary below the figures specified in this paragraph. Annually, the Board of Education shall also provide the Administrator with tax deferred compensation (annuity) equal to 1.5% of their base compensation amount.

MERIT COMPENSATION. Consistent with Section 1250 of the Revised School Code, the Superintendent's job performance and job accomplishments will be significant factors in determining any future adjustments to the Superintendent's compensation.

7. **INSURANCE BENEFITS.** During the term of this contract, the Administrator shall receive the insurance benefits provided by the school district to full-time, professional administrative staff on the same basis as available to those staff members in accord with the Board of Education policy and subject to the following limitations: first, this paragraph excludes any insurance benefit specifically set forth in this contract; and second, such insurance benefits are subject to change at any time on the same basis as changed for full-time, professional administrative staff.

The Board of education shall provide the Administrator with a \$200,000 life insurance policy.

8. **OTHER BENEFITS.** The administrator is entitled to the following specific benefits:

- A. **Sick Leave.** The administrator shall be credited with 12 sick days at the beginning of each fiscal year. Remaining sick leave at the end of each fiscal year shall be accumulated to a maximum of 150 days.
- B. **Personal Leave.** The Administrator shall be granted 3 personal days per fiscal year. These days are non-cumulative but unused days will be added to accumulated sick leave at the end of each fiscal year.
- C. **Holidays.** The following days shall be considered paid non-work holidays for the Administrator: New Year's Day; Memorial Day; Good Friday (if school is not in session); Fourth of July; Labor Day; Thanksgiving Day and the day after and the period between and inclusive of Christmas Eve and New Year's Eve.
- D. **Vacation.** The Administrator shall be granted 25 days of vacation time per fiscal year, such days shall be non-accumulative however the immediate previous year's vacation days may be used prior to July 31st of a succeeding fiscal year. The Administrator shall schedule utilization of vacation so as to minimize interference with the proper operation of the school district.
- E. **Retirement.** If the Administrator serves at least six (6) years in the Shepherd Public School District and retires from the District under the provision of the Michigan Public School Employee's Retirement System, the Administrator shall receive a one-time retirement severance payment in the amount of \$6,000 in the form of a contribution to the District's 403(b) plan. This one-time retirement severance payment will increase \$1,000 annually for each successive year of service to a maximum payment of \$10,000.

9. **SPECIAL PROVISIONS.**

- A. **Physical Examination.** As a condition precedent to the duties and obligations under this contract, the Superintendent agrees to have a comprehensive medical examination and to provide the Board of Education with a doctor's verification indicating the physical competency of the individual to perform the duties of the position. Thereafter, the Superintendent agrees to have a comprehensive medical examination at any point

wherein there is a legitimate basis to question his or her fitness for duty. The Superintendent agrees to supply the Board of Education with a doctor's verification of such, as previously specified. It is agreed that the doctor's verification shall be treated as confidential information by the Board of Education. The cost of any mandated medical examination, if not covered by insurance, will be paid for by the Board of Education.

B. **Disablement.** Should the Administrator be unable to perform any or all of the duties outlined herein by reason of illness, accident, or other causes beyond the individual's control for period in excess of their accumulated sick leave and unused vacation time, the Board of Education may in its discretion make a proportionate deduction from the salary hereinbefore stipulated. If such a disability continues for more than one year or if said disability is considered permanent, irreparable, or of such a nature as to make performance of their duties impossible, the Board of Education may, at its option, terminate this agreement whereupon the respective duties, rights, and obligation hereunder shall terminate. Death of the superintendent terminates this contract.

C. **Residency Requirement.** Consistent with Michigan Law, MCL 15.602, the Administrator agrees to establish and maintain his or her personal residence within 20 miles of the nearest District boundary by August 1, 2021 and his or her family residence within 20 miles of the nearest District boundary by June 30, 2022.

10. **REIMBURSEMENT OF EXPENSES.** The Board of Education shall reimburse the Administrator for all actual and necessary business expenses related to the performance of the Administrator's duties on behalf of the District.

With prior knowledge and approval of the Board of Education, membership dues in professional organizations (including MASA and AASA) may be reimbursed. Further, reasonable expenses incurred in attending professional conferences related to the Administrators job responsibilities may be approved by the Board of education, upon proper prior request by the Administrator.

11. **TERMINATION.** If, at any time, the Administrator fails to maintain the credentials and qualifications for the position of superintendent as required by this contract, the contract shall automatically terminate. The Administrator may not be discharged, nor this contract terminated for reasons that are arbitrary and capricious. The foregoing 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.

It is further agreed that prior to any dismissal by the Board of Education, the Administrator shall have the right of written charges, notice of hearing and a fair hearing before the Board of Education. If the individual so chooses, they may be accompanied by legal counsel at the hearing, said legal expenses to be paid for by the Administrator. Any hearing before the Board of Education will be public unless a private hearing is requested by the Administrator.

12. **SEVERABILITY.** If any provision of this contract is ruled illegal or unenforceable by a court of competent jurisdiction, the remainder of the contract not affected by the ruling shall remain valid and in effect.

13. **DISPUTE RESOLUTION.** Any dispute or controversy relating to a provision of the contract which involves a claim of monetary damages or employment, or both, including any claim related to termination of employment, will be arbitrated pursuant to the rules of the American Arbitration Association. Each party will be responsible for its own representation costs.

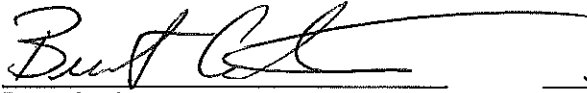
14. **RECOVERY OF EXPENSES.** In any adversarial proceedings between the parties arising out of this agreement, the prevailing party will be entitled to recover from the other party, in addition to any other relief awarded, all expenses that the prevailing party incurs in those proceedings, including attorneys' fees and expenses.

15. **GOVERNING LAW.** This contract is governed by and shall be interpreted in accord with the laws of the State of Michigan.

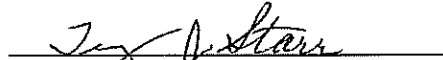
We, the parties to this Superintendent's Employment Contract, sign our names and execute this contract as of the day and year written in the opening paragraph.

FOR THE BOARD OF EDUCATION

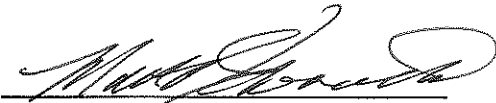
BY THE ADMINISTRATOR:



Brent Curtiss
President



Terrence Starr
Superintendent



Matthew R. Showalter
Secretary