

**ROCHESTER COMMUNITY SCHOOLS  
EMPLOYMENT CONTRACT - SUPERINTENDENT OF SCHOOLS**

**NICHOLAS RUSSO**

Pursuant to Section 1229(1) of the Revised School Code and in accordance with the action found in the April 3, 2024 meeting minutes of the **Board of Education** ("Board") of the **Rochester Community Schools** ("District"), the Board employs **Nicholas Russo** ("Superintendent") according to the terms and conditions of this Contract as specifically described below.

1. **Term of Contract.** The Superintendent is employed for a two (2) year period from July 1, 2024 through June 30, 2026, subject to extension, non-renewal, and termination as provided in this Contract. Any extension of this Contract requires the express approval of the Board.

2. **Qualifications.** The Superintendent represents that he possesses and will maintain all certificates, credentials, and qualifications required by law, including Sections 1246 and 1536 of the Revised School Code, Michigan Department of Education regulations, and those required by the Board to serve in the position assigned.

A. As a condition of his continued employment, the Superintendent also agrees to meet all continuing education requirements for the position assigned, as may be required by law or by the Michigan State Board of Education or the State Superintendent.

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

3. **Administrative Duties.** The Superintendent will faithfully and diligently perform the duties of Superintendent of the District as required by law and as prescribed by the Board, as well as those duties that may be further established, modified, or amended from time to time by the Board.

A. The Superintendent acknowledges the ultimate authority of the Board as to his duties and agrees to faithfully perform those duties and to diligently implement the Board's policies and education programs.

B. The Superintendent agrees to devote his talents, skills, efforts, and abilities toward competently and proficiently fulfilling all duties and responsibilities of the position assigned, including compliance with the directives of the Board to carry out its policies and educational programs.

C. The Superintendent agrees to comply with and fulfill all responsibilities and tasks for which he is responsible as required by state and federal law, as well as by the Board through its policies, regulations, and directives.

D. The Superintendent pledges to use his best efforts to maintain and improve the quality of District operations and to promote efficiency in all areas of his responsibility.

4. **Compensation for Services.** In consideration of his performance of the duties and responsibilities of the position assigned in conformance with the requirements and expectations of the Board, the Superintendent will be compensated as follows:

- A. **Wages.** The Board will pay the Superintendent an annual (12-month) salary of not less than a total of \$235,000. The annual salary will be paid in twenty-six (26) equal bi-weekly installments per year, beginning with the commencement of the Contract year (July 1 - June 30) and pro-rated from the Contract's effective date.
- B. **Merit Pay.** As part of his remuneration for service, the Superintendent may become eligible to receive merit pay compensation based on job performance and job accomplishments. The Board will annually establish specific performance objectives for the Superintendent to be accomplished within the Contract year. As a component of the annual performance evaluation process, the Board will determine whether the Superintendent has attained those performance objectives. If the Board determines that some or all of the performance objectives have been attained, it will allocate up to Five Thousand Dollars (\$5,000) to the Superintendent's salary for that Contract year, with that amount to be paid to the Superintendent on or before June 30 of that Contract year. Any amount allocated under this provision shall be based exclusively on the Board's judgment of the Superintendent's success in attaining the specified performance objectives and will be determined in the Board's sole discretion. If awarded, merit pay is limited to the Contract year in which it is awarded and does not become part of the Superintendent's regular annual salary or annual salary rate, as specified in this paragraph 4, for any succeeding Contract year.
- C. **Additional Increases.** The Board retains the right to increase the Superintendent's compensation during the term of this Contract. Any adjustment in salary made during the term of this Contract must be in the form of a written amendment and, when executed by the Superintendent and the Board, will become a part of this Contract.
- D. **Annuity.** In addition to his annual salary for services performed related to his position, Superintendent will be paid wages/compensation as a non-elective annuity contribution to an IRS 401(a), 403(b) or 457 plan in the annual amount of Ten Thousand Dollars and 00/100 (\$10,000.00). This sum shall be prorated based upon actual time worked if Superintendent does not work the full regularly scheduled work year. This sum shall be reported as wages for Office of Retirement Services (ORS) retirement contributions.
- E. **Retirement.** The Board and the Superintendent agree that all items under the "Compensation for Services" section of this Contract are direct compensation for services the Superintendent provides to the District and the Board in the role of superintendent. The Board makes no guarantee that any compensation identified in this Contract will be recognized by the Michigan Public School Employees' Retirement System as a form of countable compensation for purposes of computing the Superintendent's retirement benefits, nor does the Board make any guarantee or assurance as to the Superintendent's eligibility for or receipt of retirement benefits.

5. **Business Expenses.** The Board will reimburse the Superintendent for all reasonable and necessary business-related expenses resulting from the performance of his duties as Superintendent. Verification of the expenses must be in the manner determined by the Board or its designee.

6. **Professional Dues.** The Board will pay the Superintendent's dues for membership in the Michigan Association of School Administrators (MASA) and the MASA region in which the District is located, along with other appropriate professional, civic, and educational organizations that may benefit the District, subject to pre-approval by the Board.

7. **Professional Development.** Subject to budget allowances, the Superintendent may attend professional meetings, conferences, or workshops at the local, state, and national levels, as well as training related to professional development and certification. The Board will pay the Superintendent's reasonable expenses related to attendance including registration fees, tuition, travel, lodging, and meal expenses for the Superintendent.

8. **Insurance Programs.** Upon proper application and acceptance for enrollment by the appropriate insurance underwriter, policyholder, or third-party administrator, the Board will make premium payments on behalf of the Superintendent and his eligible dependents for the insurance programs identified below, subject to possible modification as stated in paragraph 9 below, consistent with the District's group insurance plan for its other administrators.

- A. Health and hospitalization insurance
- B. Dental insurance
- C. Vision insurance
- D. Long-term disability insurance
- E. Term life insurance to include an accidental death and dismemberment provision.

The Superintendent agrees that the Board has the right to allocate to the Superintendent responsibility for a portion of the benefit plan costs for the insurance coverage specified above, as may be determined by the Board, in its discretion. This contribution, however, may not be less than the statutory "hard cap" amount necessary to comply with the Publicly Funded Health Insurance Contribution Act, MCL 15.561 et seq. The Board will notify the Superintendent of the amount for which he is responsible in excess of the Board-paid benefit plan contributions. The Superintendent agrees that the amount of benefit plan costs contributions designated by the Board as the Superintendent's responsibility may be payroll-deducted from the Superintendent's compensation.

9. **Insurance Contracts.** The Board reserves the right to change the identity of the insurance carrier, policyholder, or third-party administrator for any of the coverages for the plans and programs identified in paragraph 8, provided that comparable coverage (as determined by the Board) is maintained during the term of this Contract.

- A. The Board is not required to remit premiums for any insurance coverage for the Superintendent and his eligible dependents if enrollment or coverage is denied by the insurance underwriter, policyholder, or third-party administrator.

- B. The terms of any contract or policy issued by any insurance company or third-party administrator are controlling as to all matters concerning benefits, eligibility, coverage, termination of coverage, and other related matters.
- C. The Superintendent is responsible for ensuring the completion of all forms and documents needed to receive the above-described insurance coverages.
- D. The Board, by remitting the premium payments required to provide the above-described insurance coverage(s), is relieved from all liability with respect to insurance benefits.

10. **Errors and Omissions Insurance.** The Board will pay the premium amount for errors 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 will be not less than one million dollar per occurrence and one million dollar annual aggregate.

- A. The terms of the errors and omissions insurance policy will control the Superintendent's defense and indemnity. The Board's sole obligation is limited to the payment of premium amounts for the above errors and omissions coverage.
- B. If such insurance coverage cannot be purchased in the above amount or at a reasonable premium rate, the Board will promptly notify the Superintendent of that fact and the parties will promptly meet and confer to reach a mutually agreeable solution to address that situation.

11. **Vacation.** The Superintendent is employed on the basis of fifty-two weeks of work per contract year (July 1 - June 30), as scheduled by the Board. The Superintendent is granted vacation time of 25 days per contract year, pro-rated from the Contract's effective date, in addition to the holidays recognized by the District and identified below.

- A. The Superintendent must schedule use of vacation days in a manner to minimize interference with the District's business and orderly operation. The Board President must approve the Superintendent's vacation time request.
- B. Vacation days should be used within the conclusion of the Contract year in which they were earned. Vacation days are not cumulative and cannot be used in subsequent Contract years. Unused vacation days are not subject to pay-out upon separation from employment.

12. **Holidays.** Consistent with the District's calendar, the Superintendent is entitled to the following holidays for which no service to the School District is required: New Year's Day, Good Friday, Memorial Day, July 4th, Labor Day, Thanksgiving Day, Friday after Thanksgiving, Christmas Eve Day, Christmas Day, December 26<sup>th</sup>, and New Year's Eve Day.

13. **Personal Leave.** The Superintendent will receive 30 personal leave days each Contract year. The Superintendent may use personal leave days when absent from duty due to personal or family illness, except that no more than 10 personal leave days may be used for illness in the Superintendent's immediate family (immediate family member includes a spouse, child, parent, step



parent, step child, or spouse's parent). The Superintendent may use up to 3 personal leave days per Contract year for personal business that cannot be attended to during non-work hours. Personal leave days are not cumulative and cannot be used in subsequent Contract years. Unused personal leave days are not subject to pay-out upon separation from employment.

14. **Bereavement Leave.** The Superintendent will receive 3 bereavement/funeral leave days without loss of pay and with no deduction to vacation or personal leave banks for the death of an immediate family member (immediate family member includes a spouse, child, parent, step parent, step child, or spouse's parent). Additionally, up to 5 personal leave days may be used per year for the death of an immediate family member or close relative.

15. **Disability Leave.** In the event of the Superintendent's mental or physical incapacity to perform the essential functions of his job with or without reasonable accommodation, he will be granted an initial leave of 60 work days for purpose of recovery. The Superintendent must first exhaust any accumulated vacation under paragraph 11 and personal leave under paragraph 13 before triggering the paid disability leave in this paragraph. Health plan premium payments will be made on the Superintendent's behalf during this interval to the extent required by law. Upon using leave under this provision, the Superintendent will furnish medical certification to the Board (or its designee) as to the necessity for the leave.

- A. If the Board (or designee) has reason to doubt the validity of the medical certification supplied by the Superintendent, the Board may require a second opinion, at its expense.
- B. The Superintendent may request a 30 work-day unpaid leave extension in the event of his physical 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 the Superintendent will be able to resume his duties at the end of the extended leave interval. Medical certification must be supplied by the Superintendent as a condition to any leave extension. Any extensions of leave for this purpose are at the Board's discretion.
- C. If the Superintendent is unable to or does not resume work at the conclusion of a leave taken under this paragraph (or any leave extension), his employment and this Contract may be terminated at the Board's option. However, no such termination may occur when restoration after leave is required by the Family and Medical Leave Act.
- D. Before any resumption of duty after an unpaid leave of absence for a serious health condition, the Superintendent must 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, unless securing a second opinion is precluded by law.

16. **Medical Examination.** The Superintendent will submit to such medical examinations (including drug or alcohol tests), 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, or as may be directed by the Board to determine the Superintendent's ability to perform the essential job functions required by his assignment, with or without reasonable job accommodation(s).

- A. Upon the Board's request, the Superintendent will authorize the release of medical information necessary to determine if the Superintendent is able to perform the essential job functions required by his assignment, with or without reasonable job accommodation(s).
- B. Any medical or psychological examination or disclosure of such information required of the Superintendent by the Board must be job-related and consistent with business necessity.
- C. Any medical or psychological examination under this section will be at Board expense and will be conducted by appropriate medical personnel of the Board's choice.
- D. Any information obtained from medical or psychological examinations or inquiries will be confidential. The Superintendent may receive the results of Board-ordered tests and examinations upon written request.

17. **Performance Evaluation.** The Superintendent's performance will be evaluated by the Board, at least annually. This evaluation process will comply with Section 1249b of the Revised School Code (or its successor provision), using multiple rating categories that take into account student growth data as a significant factor. See MCL 380.1249b. The Board will evaluate the Superintendent annually on or before December 31st of each Contract year, with the first evaluation being on or before December 31, 2025. The Superintendent and the Board will attempt in good faith to identify an evaluation tool used to conduct the Superintendent's performance evaluation, but the Board retains the sole discretion to determine the evaluation tool if the Parties cannot otherwise agree. Notwithstanding any other term in this Paragraph, the Board may establish performance goals and conduct periodic informal evaluations of the Superintendent's performance at any time and in its sole discretion.

18. **Extension of Agreement.** On or before June 30 of each contract year, the Board will consider whether to extend the Superintendent's Contract for an additional Contract year. The Superintendent will place the issue of extension on the Board's agenda for the last Board meeting in June, except that if the Contract is set to expire, the Superintendent will place the issue of nonrenewal on the Board's agenda no later than March 1<sup>st</sup>. The Contract may be extended by the affirmative vote of a majority of the Board. Compensation for additional Contract years may be set at the time of extension or determined later in accordance with this Contract.

The Contract term will not be extended without the affirmative vote of a majority of the Board. Merely achieving an evaluation rating of "effective" does not guarantee that the Board will extend the Contract term.

19. **Nonrenewal.** The Board's decision not to renew the Superintendent's employment for any subsequent period in any capacity is within the Board's sole discretion and is not a breach of this Contract.

20. **Reassignment.** The Superintendent is subject to assignment and transfer to another administrative position of employment within the District at the Board's discretion. In the event of such assignment/transfer, the Board agrees to maintain the Superintendent's salary during the transfer.

21. **No Tenure in Position.** This Contract does not grant the Superintendent continuing tenure in the capacity of superintendent or any other administrative position in the District. The Board's failure to reemploy the Superintendent at the conclusion of this Contract, in any capacity other than as a classroom teacher as certified and qualified, may not be deemed a breach of this Contract or a discharge or demotion under the Michigan Teachers' Tenure Act.

22. **Termination for Cause.** The Board may terminate the Superintendent's employment for just cause at any time during the term of this Contract when it determines that the Superintendent has engaged in any act of moral turpitude, misconduct, dishonesty, fraud, insubordination, incompetency, inefficiency, or if the Superintendent materially breaches the terms and conditions of this Contract, or for any other reason.

- A. The foregoing standard for termination of this Contract during its term does not apply to nonrenewal of this Contract at the expiration of its term, which decision is discretionary with the Board and which is governed by Section 1229 of the Revised School Code, MCL 380.1229.
- B. If the Board undertakes to dismiss the Superintendent during the term of this Contract, the Superintendent will be entitled to written notice of charges and an opportunity for a hearing before the Board.
- C. If the Board terminates the Superintendent's employment during the term of this Contract, this Contract will automatically terminate and the Board will have no further contractual obligation to the Superintendent.

23. **Limitations.** The Superintendent agrees that any claim or suit arising out of his employment with the Board must be filed no more than 180 days after the date of the action or event giving rise to the claim or suit. The Superintendent understands that the statute of limitations for claims arising out of an employment action may be longer than 180 days but agrees to be bound by the 180-day period of limitation set forth in this Contract and expressly 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 lawsuit, it is the parties' intent that the court will 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.

24. **Entire Agreement.** This Contract contains the entire agreement and understanding between the Board and the Superintendent about the Superintendent's employment. Prior or concurrent representations, promises, contracts, or understandings (written or oral) not contained in this Contract (including, without limitation, those contained in the Cabinet Manual) have no effect.

- A. Except as otherwise stated in this Contract, any prior agreement (written or oral) pertaining to the terms of this Contract is cancelled and superseded by this Contract. Provided, however, that this Contract is voidable under the Revised School Code's provisions pertaining to criminal history and records checks.

B. No change or modification of this Contract is valid or binding unless it is in writing, approved by official action of the Board as reflected in its minutes, and signed by the Superintendent and the President and Secretary of the Board.


C. No valid waiver of any provision of this Contract, at any time, may be deemed a waiver of any other provisions of this Contract at such time or at any other time.

25. **Voidability.** If any provision of this Contract becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable, or void, this Contract will continue in full force and effect without said provision(s).

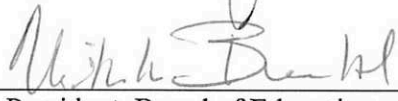
26. **Not Assignable.** This Contract is for personal professional services and may not be assigned or transferred by the Board or by the Superintendent. This provision, however, does not in any way impede the Board's rights to assign the Superintendent to administrative duties or to reassign the Superintendent to a different position as it deems appropriate, in its sole discretion.

27. **Authorization.** This Contract is executed on behalf of the District pursuant to the authority contained in the Board resolution adopted on 4/8/24, the same being incorporated by reference.

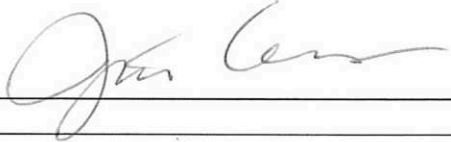
Dated: 4/8, 2024

By:   
Nicholas D. Lugo, Superintendent

Dated: 4/8, 2024

By:   
President, Board of Education

Dated: 4/8, 2024

By:   
Secretary, Board of Education