

CONTRACT OF EMPLOYMENT
Business Director

It is hereby agreed by and between the Board of Education of the Sandusky Community Schools (the "Board") and **Megan Pearce** ("Business Director") that pursuant to Section 1229(2) of the Revised School Code the Board, in accordance with action found in the minutes of a meeting held on the **June 26, 2025**, has and does hereby employ Business Director for a three (3) year period commencing on July 1, 2025, and ending on June 30, 2028, according to the terms and conditions as described and set forth herein as follows:

1. Business Director shall perform the duties of Business Director as prescribed by the Board and as may be established, modified and/or amended from time to time by the Board. Business Director acknowledges the ultimate authority of the Board with respect to her responsibilities and directions related thereto. Business Director is subject to assignment and transfer to another administrative position of employment in the School District at the discretion of the Board.
2. Business Director represents that she possesses, holds, and will maintain all certificates, credentials and qualifications required by law, the regulations of the Michigan Department of Education, and those required by the Board to serve in the position assigned. Business Director agrees, as a condition of her continued employment, to meet all certification and continuing education requirements for the position assigned, as are and may be required by law and/or by the State Board of Education. If at any time Business Director 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.
3. Business Director agrees to devote her talents, skills, efforts and abilities toward competently and proficiently fulfilling all duties and responsibilities of the position assigned. Business Director agrees to faithfully perform those duties assigned by the Board and to comply with the directives of the Board with respect thereto. Further, Business Director agrees to comply with and fulfill all responsibilities and tasks required by state and federal law and regulations and by the Board to carry out the educational programs and policies of the School District during the entire term of this Contract. Business Director agrees to devote substantially all of her business time, attention and services to the diligent, faithful and competent discharge of her duties on behalf of the School District to enhance the operation of the School District and agrees to use her best efforts to maintain and improve the quality of the programs and services of the School District.
4. Business Director shall be paid at an annual salary rate of not less than **\$104,000** Dollars for the 2025-2026 school year, in consideration of her performance of assigned duties and responsibilities. Business Director's annual salary will increase to not less than: **\$107,120 Dollars** for the 2026-2027 school year and **\$110,334 Dollars** for the 2027-2028 school year. Any wage overpayments not recoverable by the Board through wage deduction shall be remitted to the Board by Business Director within three (3) business days of separation from employment. If not paid in this manner, Business Director agrees that judgment may be entered against her in any Michigan court of competent jurisdiction for such amount(s).

The annual salary shall be paid in twenty-six (26) equal bi-weekly installments beginning with the commencement of the fiscal/contract year (July 1 - June 30).

The Board hereby retains the right to increase the annual salary of Business Director during the term of this Contract. Consistent with the provisions of Section 1250 of the Revised School Code, Business Director's job performance and job accomplishments will be significant factors in determining any adjustment to Business Director's compensation. Any increase in salary made during the term of this Contract shall be in the form of a written amendment and when executed by Business Director and the Board, shall become a part of this Contract.

5. Business Director is employed on the basis of fifty-two (52) weeks of work per contract/fiscal year (July 1 through June 30) as scheduled by the Board.

Business Director shall be granted personal vacation time of twenty-five (25) days per fiscal year. Vacation days must be used within the fiscal year for which they are made available, and Business Director will receive additional compensation in lieu of use of vacation days up to a maximum of 10 days at the per diem amount as listed in Item 4. Vacation Days may be extended to be used by October of the following year with approval of the Superintendent. Business Director shall schedule use of vacation days in a manner to minimize interference with the orderly operation and conduct of business of the School District. All scheduling of vacation is subject to the approval of the superintendent when in excess of 5 consecutive days.

6. Business Director's performance shall be evaluated by the superintendent annually.
7. The Board shall be entitled to terminate the Business Director's employment at any time during the term of this contract for good and just cause. In the event that the Board undertakes to dismiss Business Director during the term of this Contract, she shall be entitled to written notice of charges and an opportunity for a hearing before the Board. In the event of termination of employment during the term of this Contract, this Contract shall automatically terminate, and the Board shall have no further obligation hereunder.
8. Additionally, this Contract may be terminated during its term pursuant to a reduction in administrative personnel, as determined by the Board. The Administrator shall be given at least ninety (90) days' notice of termination prior to the effective date of layoff. In the event of layoff, the Board shall have no further obligation under this Contract.
9. The Board, at its sole discretion, may extend this contract for an additional year during the first year of this Contract, upon completion of an annual performance evaluation and receipt of a "Effective" performance evaluation, which will maintain a three year period.
10. This Contract may be non-renewed by the Board pursuant to Section 1229 of the Revised School Code.
11. In the event of Business Director's mental and/or physical incapacity to perform the duties of her office, she shall be granted an initial leave of ninety (90) workdays for purpose of recovery. The Business Director shall first exhaust any accumulated sick leave and accrued vacation time, with the balance of the ninety (90) workday period to be unpaid. Upon utilizing leave under this provision, Business Director shall furnish medical certification to the Board (or its designee)

respecting the necessity for the leave.

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

At the expiration of the initial leave interval, Business Director may request a ninety (90) workday unpaid leave extension in the event of her physical and/or mental inability to return to work, provided that there is a verified prognosis that Business Director will be able to resume her duties at the conclusion of the extended leave interval. Business Director shall supply medical certification as a condition to any leave extension and all extensions of leave for this purpose shall be at the discretion of the Board.

If Business Director is unable to or does not resume work at the conclusion of a leave taken under this paragraph (or any extension thereof), her employment and this Contract may be terminated at the option of the Board. However, no such termination shall occur where the Family and Medical Leave Act requires restoration after leave.

Prior to resumption of duty after an unpaid leave of absence for a serious health condition, Business Director shall provide the Board a fitness for duty certification from Business Director's health care provider.

The Board, at its expense, may require a second opinion unless the Family and Medical Leave Act precludes the securing of the second opinion in this context.

12. Business Director shall submit to such medical examinations, supply such information and execute such documents as may be required by any underwriter, policyholder or third-party Business Director providing insurance programs specified under this Contract.

Additionally, upon request of the Board, Business Director shall authorize the release of medical information necessary to determine if Business Director is capable of performing the essential job functions required by her assignment, with or without reasonable job accommodation(s). Any physical or mental examination or disclosure of such information required of Business Director 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.

13. Insurance: The Board shall make premium payments on behalf of Administrator and eligible dependents for the following insurance programs:

Plan A: Health (Current options available):

MESSA ABC Plan 1
\$1650/\$3300 deductible
ABC Rx

MESSA ABC Plan 1
\$1650/\$3300 deductible
20% coinsurance
ABC Rx Mail

MESSA ABC Plan 1
\$1650/\$3300 Deductible
ABC Rx Mail

MESSA ABC Plan 2
\$2000/\$4000
20% coinsurance
3 Tier Rx

H.S.A	Board pays 100% of the deductible
AD&D:	minimum of \$40,000
Life:	minimum of \$100,000
Long Term Disability:	66 2/3%
	\$7,500 maximum monthly benefit
	90 Calendar Days Modified Fill
	Pre-existing condition waiver, Freeze on offsets
	Alcoholism/Drug - same as any other illness
	Mental/Nervous - same as any other illness
Vision:	VSP 3 Plus Platinum
Dental:	Delta Dental (min 90/90/90; \$2,000 annual max)

As per PA 152 of 2011, the district will pay the current year hard cap amount towards the employee health insurance premium. These amounts will be adjusted yearly based upon the requirements of PA 152 of 2011. The board reserves the right to offer an alternative benefit package.

Plan B:	For Administrators not needing health insurance:
AD & D:	minimum of \$40,000
Life:	minimum of \$100,000
Long Term Disability:	Same as Plan A
Vision:	Same as Plan A
Dental:	Same as Plan A

The Administrator not electing Plan A (referred to above) upon written application, will be entitled to a cash in lieu stipend of \$6,000 per year with Pak B family coverage, to be paid by the board. In order to ensure that eligible employees receive cash-in lieu in compliance with the Patient Protection and Affordable Care Act, the following conditions must be met: (1) the employee voluntarily and in writing opts out of the available medical health care plan; and (2) provides documentation to the Superintendent's designee that the employee has other medical health care coverage that meets the minimum value and coverage requirements of the Affordable Care Act.

14. The Board reserves the right to change the identity of the insurance carrier, policyholder, or third-party Administrator for any of the above coverages, 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 premiums for any insurance coverages for Business Director and her eligible dependents if enrollment or coverage is denied by the insurance underwriter, policyholder, or third-party Administrator.

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

15. Business Director is entitled to the following holidays for which no service to the School District is required: Labor Day, Friday before Labor Day, Thanksgiving, Day after Thanksgiving, Christmas Eve, Christmas, New Year's Eve, New Year's Day, Presidents Day, Good Friday, Memorial Day, and Fourth of July.

16. If Business Director is absent from duty on account of personal illness or disability, she shall be allowed full pay for a total of thirteen (13) days per contract year. Unused paid leave days hereunder shall be cumulative; upon leaving the District, Business Director shall be compensated for any unused days at a rate of \$85.00/day.
17. Business Director shall be eligible to be reimbursed for travel, meals and lodging in accordance with per diem expense and reimbursement standards and procedures established by the Board. Any expense to be incurred by Business Director for out-of-district travel shall be submitted in advance for review and approval by the Board. Business Director shall be required to present an itemized account of her reasonable and necessary expenses in accordance with the direction of the Board or its designee.

The Board agrees to pay fees and dues for membership in MASB, as well as other additional appropriate professional organizations by request. Subject to prior approval by the superintendent, Business Director may attend appropriate professional meetings at the local, state and national levels and be reimbursed for any registration fees, tuition, travel, lodging and/or reasonable meal expenses for herself in relation thereto not prepaid by the Board. The Board will reimburse Business Director for use of her personal cell phone at agreed upon rate.

18. This Contract contains the entire agreement and understanding by and between the Board and Business Director with respect to the employment of Business Director and no prior or concurrent representations, promises, contracts or understandings, written or oral, not contained herein, shall be of any force or effect. All prior contracts or other agreements (written or oral) pertaining to the terms of this Contract are cancelled and are superseded by the terms of this Contract. Provided, that this Contract is voidable pursuant to the provisions of the Revised School Code pertaining to criminal records and criminal history checks. No amendment to or modification of this Contract shall be valid or binding unless it is in writing, approved by official action of the Board reflected in its minutes, and signed by Business Director and the President and Secretary of 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 at such time or at any other time.
19. In the event of any dispute between the parties relating to discharge of Business Director during the term of this Contract, the parties hereby agree to submit such 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 Uniform Arbitration Act, MCL 691.1681 *et seq* and MCR 3.602. The parties intend that this process of dispute resolution shall be inclusive of all contract and statutory claims advanced by Business Director arising from Business Director'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 Business Director 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 Business Director. Instead, this agreement to arbitrate claims applies to those matters which would otherwise be subject to state or federal court proceedings.

This agreement to arbitrate means that Business Director is waiving her right to adjudicate discrimination claims in a judicial forum and is instead opting to arbitrate those claims. In any

such arbitration proceeding, Business Director shall have the right to representation by counsel of her choice, the right to appointment of a neutral arbitrator, the right to reasonable discovery and the right to a fair hearing. However, Business Director, through this agreement to arbitrate such claims, does not waive any statutory rights or remedies in the context of such arbitration proceedings.

Notwithstanding the fact that the AAA National Rules for the Resolution of Disputes may have a different arrangement for the payment of fees and costs, the arbitrator's fee and the costs imposed by the American Arbitration Association shall be shared equally by the Board and Business Director, subject to the right of Business Director to seek to tax such fees as costs against the Board. 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 Business Director's discharge during the term of this Contract. The Decision and award of the arbitrator shall be final and binding and judgment thereon may be entered in the 24th Circuit Court of Michigan (Sanilac County), pursuant to MCL 691.1681 *et seq.*

20. Business Director agrees that any claim or suit arising out of Business Director'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. Business Director 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 lawsuit, 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.
21. Administrator agrees that she shall not be deemed to be granted continuing tenure.
22. 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). This Agreement is executed on behalf of the Sandusky Community Schools pursuant to the authority granted as contained in the resolution of the Board adopted on June 26, 2025, the same being incorporated herein by reference.

[Signature page follows.]

IN WITNESS WHERE OF, the parties have caused this Contract to be executed on the last day and year written below.

8/18/25
Date

Megan Pearce
Megan Pearce, Business Director

SANDUSKY COMMUNITY SCHOOLS
BOARD OF EDUCATION

8/18/25
Date

Carolyn Stouterburg
Carolyn Stouterburg, Board President

8/18/2025
Date

Norah Harding
Norah Harding, Board Secretary

Admin: _____

District: _____