

Employment Contract Between

Matthew Rakauskas

And

The Board of School Directors of the Lackawanna Trail School District

This Employment contract, made and entered into this 14th day of March, 2011, by and between the Board of School Directors of the Lackawanna Trail School District, P. O. Box 85, Factoryville, Pennsylvania, hereinafter referred to as District, and Matthew Rakauskas, RR1, 139 A Colvin Road, Dalton, Pennsylvania, hereinafter referred to as Superintendent.

Whereas, District desires to provide Superintendent with a written employment contract in order to enhance administrative stability and continuity which District believes improves the quality of its overall educational program; and

Whereas, District and Superintendent believe that a written employment contract is necessary to describe specifically their relationship and to serve as the basis of effective communication between them as they fulfill their administrative functions in the operation of the education program of the district.

NOW, THEREFORE, District and Superintendent, intending to be legally bound and in consideration of the mutual covenants contained herein do hereby agree as follows:

1. Term

District hereby employs Superintendent in the capacity of District Superintendent and Superintendent hereby accepts employment as District Superintendent for a term commencing July 1, 2011 and ending June 30, 2016.

2. Professional Certification and Responsibilities

A. Certification. The Superintendent shall submit a valid certificate issued by the State of Pennsylvania prior to commencement of this contract. Failure to submit such certificate shall make this contract null and void. Superintendent represents that he possesses all of the qualifications required by law to serve as a District Superintendent. Superintendent agrees to maintain throughout the term of this Agreement, valid and current legal credentials as required by law, and to present same to the Board of School Directors on request. He further agrees to subscribe to and take the proper oath of office.

B. Duties. The Superintendent shall have charge of the administration of the District under the direction of the Board of School Directors. He shall be the executive officer of the Board. At the direction of the Board of School Directors, the Superintendent shall direct and assign teachers and other employees of the schools under his supervision; and shall organize, reorganize and arrange the administrative supervisory staff, including instruction and business affairs, as best serves the District. The Superintendent shall select, appoint, promote, reduce, transfer, demote, or terminate all personnel subject to the approval of the Board of School Directors. In addition the Superintendent shall from time to time suggest regulations rules and procedures deemed necessary for the well ordering of the school district; and in general perform all duties incident to the office of the Superintendent in a competent and professional manner in accordance with the laws of the Commonwealth of Pennsylvania, the policies of the School District, and the regulations of the Board of School Directors.

The Board of School Directors, individually and collectively, shall promptly refer all criticisms, complaints and suggestions called to its attention to the Superintendent for study, disposition, and recommendation and the results thereof shall be reported to the Board of School Directors.

In general, the Superintendent shall have the right to attend all Board meetings and work sessions and all Board and citizen committee meetings, serve as an advisor of all Board committees and provide administrative recommendations on each item of business considered by each of these groups. However, the Board of Directors, in its sole discretion, may exclude the Superintendent from an executive session when the Board deems it necessary.

The Superintendent shall prepare and update, from time to time, for approval by the Board of School Directors, a table of organization which shall provide a basis for disposition of matters contained within this section of the Agreement and communications related thereto.

C. Outside Activities. The Superintendent **shall** devote his time, attention and energy to the business of the school district. However, Superintendent, with specific District approval and to the extent allowable under statute, may undertake consultative work, speaking engagements, writing and lecturing. With District approval Superintendent may use vacation days to perform District approved outside activities.

3. Professional Growth of Superintendent

District encourages the professional growth of the Superintendent. Superintendent shall, upon prior District approval, be permitted to attend appropriate local, state, and national professional meetings, expenses for which shall be paid by the District upon proper and lawful authorization and presentation by the Superintendent of legally adequate and satisfactory documentation. Upon prior District approval, District shall pay for dues for professional organizations to which Superintendent may belong.

4. Salary

Subject to conditions in regard to Superintendent evaluations stated hereinafter, the District shall pay the Superintendent annual salaries as follows:

- (1) July 1 2011 to June 30, 2012, the sum of \$102,766; and,
- (2) July 1 2012 to June 30, 2013, the sum of \$105,849; and,
- (3) July 1 2013 to June 30, 2014, the sum of \$109,024; and,
- (4) July 1 2014 to June 30, 2015, the sum of \$112,295; and,
- (5) July 1 2015 to June 30, 2016, the sum of \$115,664

Said salaries shall be paid to Superintendent in equal installments in accordance with the schedule of salary payment in effect for other regularly employed professional employees of the District or as otherwise mutually agreed to by the parties hereto. Such compensation shall be based upon an average of 261 work days each year.

District and Superintendent may mutually agree to adjust the salary of Superintendent during term of this contract, but in no event shall he be paid less than the salary he is presently receiving unless otherwise specifically stated herein. Any adjustment in salary made during the life of this contract shall be in the form of an amendment and become a part of this contract but it shall not be deemed that District and Superintendent have entered into a new contract nor that the termination date of the existing contract has been extended.

5. Benefits

A. The Superintendent shall be entitled to twenty-four (24) days of vacation annually, with two (2) of said days earned each month and with the year of calculation beginning on the date hereof. Vacation days may be accumulated up to no more than a total of forty-five (45) days.

B. Superintendent shall be entitled to fourteen (14) days of sick leave annually, five (5) of which may be used for emergency purposes which is defined as illness or injury of a member of the immediate family of the Superintendent, including father, mother, brother, sister, son, daughter, wife, parent-in-law, or other near relative residing in the same household as the Superintendent. Unused sick leave days may be accumulated without limit and may be supplemented at the discretion of the District. Superintendent may carry over unused sick days from his previous employment with the District to his position as Superintendent.

The Superintendent shall be entitled to the following days as holidays with pay: New Year's Day, Good Friday, Easter Monday, Memorial Day, Independence Day, President's Day, Labor Day, Columbus Day, Thanksgiving Day, day after Thanksgiving, Christmas Eve Day, and Christmas Day (if any of the foregoing holidays falls on a school day, the paid holiday shall be a floating holiday arranged between the Superintendent and the District).

The Superintendent shall be entitled to three (3) days of personal leave each year. Days of personal leave not used in any particular year may be accumulated without limit. Personal leave days accumulated by the Superintendent during his previous employment with the District shall be carried over to his position as Superintendent. The Superintendent shall receive the same bereavement leave benefit (not in excess of three (3) days) as the other professional and administrative personnel of the District during his term of employment with the District.

C. Severance Pay. Upon the severance of employment with the District, except for discharge for cause and unilateral termination, the Superintendent shall be entitled to a severance payment for remaining unused and accumulated sick leave and personal leave days to be determined by multiplying the total number of unused and accumulated sick leave and personal leave days by one-half (1/2) the current daily substitute rate and a severance payment for each unused entitled vacation day to be determined by multiplying the total number of entitled unused vacation days, not to exceed forty-five (45) days, by the per diem rate for the current year's salary. This Section C Severance Pay shall be null and void if the Superintendent elects to use in whole or part Section E Early Retirement Incentive.

D. The Superintendent shall receive the same medical, hospital, dental and vision health insurance coverage provided to the other professional and administrative personnel of the District during his term of employment with the District. The Superintendent shall pay five percent (5%) of the premium rate for the 2011-2012 and 2012-2013 school years. Thereafter, the Superintendent shall contribute 10% of the health benefits premium rate for the 2013-2014, 2014-2015 and 2015-2016 school years.

E. Early Retirement Incentive

(1) Eligibility for the early retirement incentive offered by the District for the purposes of this Agreement shall be defined as one of the following:

(a) Thirty-five (35) years or more of service of which at least fifteen (15) years must be within the Lackawanna Trail School District regardless of the professional employee's age; or

(b) At least age fifty-five (55) with twenty-five (25) years or more of service of which at least fifteen (15) years shall be within the Lackawanna Trail School District.

It shall be understood by all parties that eligibility requires satisfaction of each criterion (i.e., requisite age, requisite years of service and requisite years of service in the Lackawanna Trail School District).

(2) Payment shall not be made until after the Superintendent has submitted the PSERS retirement application and has submitted to the District proof of retirement by vesting or receipt of retirement benefits from PSERS.

(a) The Superintendent can elect to receive the incentive in three (3), four (4) or five (5) equal annual installments, commencing on the 10th day of July or on the 10th day of January for the number of successive years commencing on the date of payment next following the Superintendent's retirement and submission to the District of proof of retirement by vesting or receipt of retirement benefits from PSERS.

(3) The amount of the retirement incentive payment is to be determined by:

(a) The accumulated amount of unused sick/personal leave calculated as of the date on which the Superintendent has retired, (but no earlier than June 30, 2011) as follows:

Accumulated Sick/Personal Days	% of Final Year's Salary
310+	70
250-309	60
185-249	50
125-184	40
60-124	30
30-59	20
0-30	10

(b) By multiplying the total number of entitled unused vacation days, not to exceed forty-five (45) days, by the per diem rate for the current year's salary.

(4) The Superintendent shall notify the District no later than one hundred twenty (120) days prior to the expiration of this contract whether or not he intends to take the early retirement incentive. This paragraph shall not apply in the event of unilateral termination.

(5) Should the Superintendent die before all payments are made, the entire balance due shall be paid to the Superintendent's designated beneficiary. In the event of no designated beneficiary, then said balance should be paid to the Superintendent's estate.

F. In the event that the Superintendent is eligible for retirement benefits under the Public School Employees Retirement System (PSERS) and he retires from his position with the District after obtaining the age of fifty-five (55) years, he shall be eligible to be retained as a participant in the District's programs of medical and hospital insurance including major medical insurance provided by the District for its professional employees until age 65.

The Superintendent shall pay the first \$100 per month (\$1200 per year) of the premium with the District required to pay the remainder of the premiums for such insurance coverage for Superintendent in an amount not to exceed one hundred thirty percent (130%) of the cost of such premiums which the District was paying for the same at the time of Superintendent's retirement. Continuing participation in this program of post retirement insurance benefits shall be conditional upon Superintendent's payment of the balance of the premium cost in excess of the foregoing one hundred thirty percent (130%) limitation. Such coverage shall be family coverage, husband and wife, or individual coverage as the retiring Superintendent's family and marital status reflect except that a spouse of the retired Superintendent, upon reaching normal retirement age, shall be excluded from coverage. However, the spouse could be retained in the group plan provided the carrier allows, and at the expense of the retired Superintendent. Participation by spouse and dependents of retired Superintendent in the District's health plan under this section ceases upon the attainment of the normal retirement age by the retired Superintendent or his death.

G. The District shall provide and pay the full cost of a term life insurance policy in the face amount of twice the Superintendent's annual salary for the Superintendent during the term of his employment with the District.

H. Tuition: The Superintendent shall receive the same amount of tuition reimbursement provided in the LTSD/LTEA collective bargaining agreement, but not more than the actual tuition costs incurred at the institution chosen by the Superintendent on the following terms and conditions.

(1) Payment is to be made only after course registration is complete and an invoice is presented; (2) Prior Board approval of all graduate courses proposed to be taken by the Superintendent shall be obtained. Approval shall be granted for all graduate courses in the Superintendent's major field or degree program proposed to be taken at an accredited institution. Approval of all other, or related courses, shall be granted in the sole discretion of the District; and (3) The Superintendent must maintain a "B" average in such graduate or additional credit program.

I. This Employment Contract does not include any other benefits not specifically stated herein.

6. Professional Liability

A. District agrees that it shall defend, hold harmless and indemnify Superintendent from any and all demands, claims, suits, actions and legal proceedings brought against Superintendent in his individual capacity, or in his official capacity as agent and employee of the District, provided the incident arose while Superintendent was acting within the scope of his employment. Except that, in no case, will individual Board members be considered personally liable for indemnifying Superintendent against such demands, claims, suits, actions and legal proceedings.

B. If, in good faith opinion of the Superintendent, conflict exists as regards the defense to such claim between the legal position of Superintendent and the legal position of the District, the Superintendent may engage counsel in which event the District shall indemnify the Superintendent for the costs of legal defense as permitted by state law.

C. District shall not, however, be required to pay any costs of any legal proceedings in the event District and Superintendent have adverse interests in such litigation, except as stated above.

7. Medical Examination

At the District's discretion, the Superintendent agrees to have a comprehensive medical examination by a physician who is subject to approval by the District; however, said exam shall not be more often than annually during his employment with the District. The Superintendent agrees to authorize the medical examiner to file with the District a statement certifying to his physical competency, which statement shall be held in confidence by the Board of School Directors. Cost of said medical examination shall be borne by the District.

8. Evaluation

A. The Board of School Directors shall evaluate and assess in writing the performance of Superintendent at least once a year during the term of this contract. This evaluation and assessment shall be reasonably related to the position description of the Superintendent and the goals and objectives of the District for the year in question.

B. At least once each fiscal year, District and Superintendent shall meet for the purpose of mutual evaluation of the performance of Lackawanna Trail School District and Superintendent. In the event that the District determines that the performance of the Superintendent is unsatisfactory, the District shall describe in writing, in reasonable detail, specific instances of unsatisfactory performance. The evaluation shall include recommendations as to areas of improvement in all instances where the District deems performance to be unsatisfactory. A copy of the written evaluation shall be delivered to the Superintendent. The Superintendent shall have the right to make a written reaction or response to the evaluation. This response shall become a permanent attachment to the Superintendent's personnel file. Within thirty (30) days of the delivery of the written evaluation to the Superintendent, the District shall meet with the Superintendent to discuss the evaluation.

C. In the event that the District determines that the performance of the Superintendent shall be rated unsatisfactory then the Superintendent shall not receive the next scheduled annual salary increase immediately following said unsatisfactory rating, but shall continue receiving his current salary for the following contract year. Any subsequent annual increases shall be adjusted accordingly, shall be deemed mutually agreeable, and shall be subject to the conditions set forth in Paragraph 2 of Section 4.

D. Should the Superintendent fail to fulfill all obligations set forth in this Agreement, except as mutually agreed between the District and the Superintendent, such failure will be viewed as not less than a violation of the Administrator's Code of Ethics and will be reported by the District to the Pennsylvania Association of School Administrators and to the Pennsylvania Department of Education as applicable.

9. Termination of Employment Contract

This Employment contract may be terminated by:

A. Mutual agreement of the parties.

B. Retirement of Superintendent.

C. Disability of Superintendent. Should Superintendent be unable to perform his duties by reason of illness, accident or other cause beyond his control, and said disability continues for a period of more than thirty (30) days beyond all sick leave to which Superintendent is entitled under this Agreement, including sabbatical leave of absence, the District may, at its discretion, terminate this Agreement, whereupon the respective duties, rights and obligations contained here in shall terminate. The Superintendent shall receive the same disability insurance coverage as contained in the Plan for Administrative Compensation covering the District's professional administrators.

D. Discharge for Cause. Superintendent shall throughout the term of this Agreement, be subject to discharge in accordance with the provisions of the Pennsylvania School Code and other applicable laws, provided however, that the District shall not arbitrarily and capriciously call for his dismissal and that Superintendent shall, in any event, have the right to service of written charges, adequate notice of hearing, a fair hearing and all elements of due process. Superintendent shall have the right to be represented by counsel at his sole cost and expense.

E. Unilateral Termination by Board of Education. The District may, at its option, and by a minimum of ninety (90) days notice to Superintendent, unilaterally terminate his contract. In the event of such termination, the District shall pay to Superintendent, as severance pay, all of the aggregate salary allowances under this employment contract from the actual date of termination to the termination date set forth in this employment contract, which shall serve as satisfaction in full of all obligations of the parties hereto. In lieu of unilateral termination, the Superintendent shall have the option of normal retirement, if he qualifies, with severance pay or taking the early retirement incentive. In the event of unilateral termination or retirement under this paragraph, the Superintendent shall be entitled to health benefits under Section F hereof provided he meets the conditions stated there under.

F. Death of Superintendent. In the event of death of the Superintendent during the term of this contract, all the respective duties, rights and obligations contained herein shall terminate.

10. Notice of Termination

Should Superintendent not be notified in writing in a timely manner, and in accordance with the Pennsylvania School Code, of the District's intent to retain him for a further term or that the District intends to receive other applications for the Superintendency at the conclusion of the term for which appointed, the Superintendent shall be reappointed for a term of years not less than the length of the expiring term and the terms and conditions of this Agreement shall be incorporated in a successor agreement, unless mutually agreed otherwise by District and Superintendent.

11. Miscellaneous

If, during the term of this contract, it is found that a specific clause of the contract is illegal in federal and state law, the remainder of the contract not affected by such ruling shall remain in force.

All reference to the Public School Code of 1949 herein shall also refer to any amendments to such act or to any recodification of such Act.

Any notice required by this Agreement shall be effective if mailed to the other party at the address shown herein.

This Agreement shall be binding upon the parties, their heirs, executors, administrators, successors or assigns.

IN WITNESS WHEREOF, District has caused this Employment Contract to be approved in its behalf by a duly authorized officer and Superintendent has approved this Employment contract effective on the day and year specified in first paragraph.

Attest:

Ingrid M. Johnson

Secretary

Board of School Directors of the
Lackawanna Trail School District

Sam R. Taylor
President
Matthew R. M.
Superintendent

This Employment Contract was approved by vote of the School Board at a regular meeting duly held on March 14, 2011 and has been made part of the minutes for that meeting.