

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 11th day of August, 2014, 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, 250 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 August 11, 2014 and ending August 10, 2019.

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, 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) August 11, 2014 to August 10, 2015, the sum of \$112,295; and,
- (2) August 11, 2015 to August 10, 2016, the sum of \$115,663; and,
- (3) August 11, 2016 to August 10, 2017, the sum of \$119,132; and,
- (4) August 11, 2017 to August 10, 2018, the sum of \$122,705 and,
- (5) August 11, 2018 to August 10, 2019, the sum of \$126,387

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 teaching staff of the District during his term of employment with the District.

MEDICAL AND HOSPITAL INSURANCE

1. The Employer shall provide, and pay the full cost of medical and hospital insurance presently offered by Blue Cross PPO plan, a product of First Priority Life Insurance Company which presently includes a \$15.00 copay physician office visit, \$30 copay specialist office visit, and a \$10/\$20/\$35 copay prescription program for each full-time employee and his or her dependents (family coverage with students to age 23 and all others if mandated by Federal and/or State law) electing to be covered. Such plan shall include chemotherapy treatment for cancer as well as emergency medical care. An emergency room visit without admissions to the hospital or defined as an emergency by the insurance carrier shall have a \$50.00 copay.

For each year of the contract, the District shall not be allowed to make changes to the plan unless those changes are required by Blue Care PPO no longer offering the terms and conditions stated in this agreement.

The levels of coverage covered by this agreement include a \$2,000.00 annual deductible per EMPLOYEE (or family if Husband and Wife work for the District). Each EMPLOYEE/FAMILY shall be responsible for the first \$300.00 of this deductible, with the EMPLOYER responsible from \$301.00 to \$2,000.00 of the deductible. In no event shall any EMPLOYEE/FAMILY be required to pay more than \$300.00 per year toward any deductible. For the purposes of this deductible, a year shall commence on July 1 and conclude on June 30 of each year.

For each year of the contract, each member of the Association will be provided a copy of a yearly outline of coverage by July 31 from Blue Care PPO and be notified of any unilateral changes when they occur.

2. The Employer shall have the option of terminating insurance programs of medical and hospital insurance and of instituting a program of funded self-insurance, alone or in conjunction with other Employers similarly situated, provided that the Employer shall establish to satisfaction of the LTEA, that such a program of funded self-insurance shall provide benefits and protection the members of the LTEA equal to or greater than those provided by the insured program then in force.

DENTAL INSURANCE

1. The Employer shall secure, from an appropriate insurance carrier authorized to do business in the Commonwealth of Pennsylvania, and administer, a program for prepaid dental care protection, for each full-time professional employee and his or her dependents (family coverage), including orthodontics; with a 50%-50% coinsurance of the UCR with a \$750 lifetime maximum; provided however, that the benefits shall be the same as or better than the 2001-06 Contract.
2. The Employer shall have the option of terminating insured programs of dental insurance and of instituting a program of funded self-insurance, alone or in conjunction with other Employers similarly situated; provided, that the Employer shall establish, to the satisfaction of the LTEA, that such programs of funded, self-insurance shall provide benefits and protections to the members of the LTEA equal to or greater than those provided by the insured program then in force.

VISION INSURANCE

1. The Employer shall secure, from an appropriate insurance carrier authorized to do business in the Commonwealth of Pennsylvania, and administer, a program of prepaid vision insurance for each full-time professional employee and his or her dependents (family coverage). Vision care benefits shall be more specifically described in an insurance pamphlet provided to each employee.

2. The Employer shall have the option of terminating insured programs of vision insurance and of instituting a program of funded, self-insurance, alone or in conjunction with other Employers similarly situated; provided, that the Employer shall establish to the satisfaction of the LTEA that such programs of funded, self-insurance shall provide benefits and protections to the member of the LTEA equal to or greater than those provided by the insured program then in force.

E. **HEALTH INSURANCE WAIVER POLICY**

1. Mandatory Health Insurance Waiver: Dual coverage shall be eliminated for spouses where both are employed full-time by the District. In exchange for elimination of dual coverage, the District shall annually reimburse one of the spouses/employees \$2500 for each year of the Contract. The procedure for receiving this incentive shall be identical to the procedure provided for receiving Voluntary Waiver as described in Paragraph 2 of this provision..
2. Voluntary Health Insurance Waiver: All eligible employees of the District whose spouse does not receive District paid insurance and who can show proof of non-district health insurance coverage may waive District health insurance benefits and receive a monetary incentive equal to one-half the cost of health insurance coverage for each such employee. To exercise waiver of benefits, an employee must submit a completed Request for Employees Benefits Waiver to the Business Office for review and approval. The waiver must be submitted no later than September 15th for implementation in the coming school year.

The benefit waiver period begins October 1st of each school year and terminates September 30th of the following year. Payment to the employee for waiver of health benefits will be made on the last payday in March and on the last payday in September; payment will be separate from the employee's base pay. Employees hired after October 1st of the school year, and who elect to waive health benefits, will receive a pro-rated reimbursement for the period.

The request to waive health benefits will be ongoing unless discontinued by the employee. Such discontinuance must be done at the end of each benefit period (September 30th) unless discontinued earlier for emergency situations as listed below.

An emergency is defined as an unforeseen change in an individual's circumstances.

In the event that this provision causes the health insurance coverage for other employees to become taxable under the doctrine of constructive receipt, this provision shall become null and void and all eligible employees shall be granted the health insurance benefits as provided in Exhibit "B", Section 11A.

In no event will the waiver policy be used to circumvent any rights an employee or their dependents may have under any state and/or federal rules, regulations, or law.

F. **OPTIONAL INSURANCE CONTINUATION**

At any time that any professional employee shall be absent from his/her employment with the Employer under such conditions as the professional employee is not entitled to the payment of salary and benefits, and continuing for so long as such professional employee holds the status of professional employee with the Employer, such professional employee shall be afforded the opportunity of remaining in the insured group for each insurance program herein provided, conditioned upon payment by the professional employee to the Employer, for forwarding, of the requisite premiums monthly in advance; provided however, that the Employer shall have no obligation or duty with regard thereto except to act as a forwarding agent for such professional employee.

G. **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

ANNUAL PERFORMANCE REVIEW AND EVALUATION.

(a) The performance of the District Superintendent shall be assessed against the objective performance standards listed below. The Board and Superintendent hereby mutually agree to the following performance standards:

Student Growth and Achievement: Superintendent uses multiple data sources to assess student success and growth as appropriate, specific to needs within the District and as determined annually in collaboration with the Board of School Directors. Annual or other District performance objectives are articulated and clearly achieved under the direction of the Superintendent relative to PSSA, PVAAS, and other locally determined measures.

Organizational Leadership: Superintendent has worked collaboratively with the Board to develop a vision for the District, displays an ability to identify and rectify problems affecting the District, works collaboratively with District administration to ensure best practices for instruction, supervision, curriculum development, and management are being utilized, and works to influence the climate and culture of the District.

District Operations and Financial Management: Superintendent manages effectively, ensuring completion of activities associated with the annual budget; overseeing distribution of resources in support of District priorities; and directing overall operational activities within the District.

Communication and Community Relations: Superintendent communicates with and effectively engages the staff, the Board, and members of the community, clearly articulating District goals and priorities, addressing local and broader issues affecting the District, and building support for District initiatives, programs and short/long-range plans.

Human Resource Management: Superintendent incorporates best practices for human resource management and oversight, coordinating staffing, recruitment, and other human resource functions.

Professionalism: Superintendent models professional decision-making processes and ethical standards consistent with the values of Pennsylvania's public education system as well as that of the local community. Superintendent additionally works to individually reflect upon her effectiveness within the role, and works to improve

effectiveness through the use of professional development literature and activities.

(b) The key performance indicators under each objective performance standard will undergo an annual review by the Superintendent and the Board of School Directors. Modifications may be made by the Board of School Directors to address the current nature of challenges, issues and needs facing the District. The Board shall provide the Superintendent with periodic opportunities to discuss Superintendent/Board relationships.

(c) The Board shall evaluate the Superintendent annually in accordance with statutes, regulations and Board policy relating to the Superintendent evaluation. Each annual evaluation shall be in writing and shall represent a consensus of the Board. The written performance assessment will be conducted no later than June 30th. Whether the Superintendent's performance has met the objective performance standards will be posted on the District's website.

(d) In the event that the Board determines that the performance of the Superintendent is unsatisfactory in any respect, it shall describe in writing, in reasonable detail, specific instances of unsatisfactory performance. The evaluation shall include recommendations as to areas of improvements in all instances where the Board 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. The Board's evaluation and Superintendent's response shall be private and in no manner become public knowledge or record except as required by law. Within thirty (30) days of the delivery of the written evaluation to the Superintendent or as soon thereafter as is reasonably practicable, the Board shall meet with the Superintendent to discuss the evaluation. Additional follow-up meetings may be held as deemed advisable.

(e) If for any reason the Board should fail to evaluate the Superintendent by August 31st of any year in accordance with this section, his performance shall be deemed to be satisfactory.

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 thereunder. ***By signing and agreeing to this Contract, the Superintendent understands that he knowingly waives his due process rights to challenge the Unilateral Termination of the Board through a hearing process. The waiver is in exchange for the benefits contained herein, not otherwise guaranteed or provided by the District.***

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.

Board of School Directors of the
Lackawanna Trail School District

BY: _____
President

Board of School Directors of the
Lackawanna Trail School District

Attest: _____
Secretary

Lackawanna Trail School District

Superintendent

] This Employment Contract was approved by vote of the School Board at a regular meeting duly held on August 11, 2014 and has been made part of the minutes for that meeting.