

SCHOOL DISTRICT OF THE
CITY OF HAZEL PARK
COUNTY OF OAKLAND AND STATE OF MICHIGAN
SPECIAL MEETING

CALL TO ORDER

The Special Meeting of the Hazel Park Board of Education was held at the Ford School Administration Office on February 18, 2015, and was called to order by President Noth at 7:00 p.m. Laura Adkins, Trustee was present via “FaceTime.”

ROLL CALL

Members Present: Noth, Hinton, Hemple, Hammonds, Adkins (present via “FaceTime”),
Nagy, Polowski
Members Absent: None
Others Present: Berger, Hazekamp, Meisinger, Paterson

APPROVAL OF THE AGENDA

Moved by Mrs. Hinton, supported by Mrs. Hemple, that the Agenda be approved as written.

Discussion

None

Roll Call Vote

Yeas: Hinton, Hemple, Hammonds, Adkins, (present via “FaceTime,”) Nagy, Polowski, Noth
Nays: None

ORDER OF BUSINESS

1. Closed Session – Motion to recess into closed session (h) attorney client privilege to consider material exempt from discussion or disclosure by state or federal statute, and for (c) strategy and negotiation session connected with the negotiation of a collective bargaining agreements if either negotiating party requests a closed hearing, which is exempt from disclosure pursuant to Section 8(h)(c) of the Open Meeting Act

Moved by Mrs. Polowski, supported by Mrs. Hinton, that the Board of Education adjourn to a Closed Session.

Discussion

None

Roll Call Vote

Yeas: Polowski, Hinton, Hemple, Hammonds, Adkins, present via “FaceTime,” Nagy, Noth
Nays: None

The Board of Education adjourned to a Closed Session at 7:02 p.m. The meeting resumed as an open meeting at 9:37 p.m.

2. Intergovernmental Agreement Recommendations

- a) Director of Business
- b) Controller

Mr. James Meisinger, Superintendent, recommended that the Board of Education approve the Director of Business and Controller Intergovernmental Agreements through the Oakland Intermediate School District.

DISTRICT SERVICE AGREEMENT FOR
DIRECTOR OF BUSINESS

THIS DISTRICT SERVICE AGREEMENT FOR DIRECTOR OF BUSINESS (the “Agreement”) is made as of the Effective Date by and between **Oakland Schools**, a Michigan Intermediate School District, (hereinafter “Oakland Schools”) and the **School District of the City of Hazel Park**, a Michigan general powers school district (hereinafter the “District”).

RECITALS

WHEREAS, the District is a constituent school district of Oakland Schools; and

WHEREAS, the District desires Oakland Schools to furnish Director of Business to oversee the daily financial operations of the District as set forth herein; and

WHEREAS, Oakland Schools is authorized to furnish Services on a management, consultant and/or supervisory basis contemplated by this Agreement to its constituent school districts, and may charge a fee therefore, pursuant to Section 627 of the Revised School Code (MCL 380.627); and

WHEREAS, the District hereby requests Oakland Schools to furnish the Services to the District as set forth herein.

NOW, THEREFORE, IT IS AGREED BY THE PARTIES THAT:

I. TERM OF AGREEMENT

This Agreement will commence on a date mutually agreed upon in writing by the Parties (the “Effective Date”). This Agreement will continue from the Effective Date until June 30, 2017 (the “Term”), unless otherwise terminated by either party in the manner described in Section IX of this Agreement. This Agreement may be renewed or extended upon the mutual written agreement of both the District and Oakland Schools.

II. OBLIGATIONS OF OAKLAND SCHOOLS

A. Oakland Schools will, within a reasonable period of time from the Effective Date of this Agreement as mutually agreed to by the parties, perform those services described in **Exhibit A** (the “Services”) for the District as an independent contractor, and not as a District employee.

B. Oakland Schools shall perform the Services on a full time basis pursuant to the Districts work calendar.

C. The relationship between the District and Oakland Schools shall be that of independent contracting parties. Oakland Schools shall be self-directed in the performance of the Services. Neither Oakland Schools nor any of its employees, agents or representatives shall represent themselves to be an employee, servant, or agent of the District, except through the relationship established by this Agreement.

D. Oakland Schools shall render the Services with the same degree of care normally exercised by public school districts under similar circumstances.

E. Oakland Schools shall be responsible for compliance with all applicable federal, state, and local laws and regulations with respect to the Services.

F. Oakland Schools may secure a third party consultant or independent contractor to perform the Services on behalf of the District. Oakland Schools’ selection of the employee, third party consultant or independent contractor performing the Services shall be subject to the approval of the Superintendent of the District and such approval shall not be unreasonably withheld.

III. OBLIGATIONS OF THE DISTRICT

A. The District will provide Oakland Schools’ employees, agents or any third party consultant or independent contractor secured by Oakland Schools who perform the Services with the tangible and intangible items and support that are reasonable and necessary to perform the Services, including, but not limited to:

1. Suitable office space, office equipment including but not limited to landline, internet services, printer, fax and copy machines, supplies and secretarial and other staff support, as deemed reasonable and necessary by Oakland Schools;
2. Access to all records and other information, equipment, software, documentation including but not limited to all financial, accounting, budget and expenditure reports, staffing reports, payroll records, audits, transportation records, food service records, facility records, grant records, insurance records, bond records, collective bargaining agreements and any and all other documents related to the financial and business operations of the District as deemed reasonable and necessary by Oakland Schools;
3. Access to up-to-date policies, procedures, regulations, and/or administrative rules of the District.
4. Access to the District’s Board of Education and District personnel and contractors, as deemed reasonable and necessary by Oakland Schools.

B. The District shall pay Oakland Schools for the Services as set forth in Section VIII of this Agreement.

C. The District shall be solely responsible for all services required for the ownership and operation of the District beyond the scope of the Services to be provided through Oakland Schools. The District shall be responsible for compliance with all applicable federal, state, and local laws and regulations with respect to the District.

IV. RELIANCE UPON DISTRICT OPERATION AND FINANCIAL INFORMATION

The Services that Oakland Schools has agreed to provide under this Agreement and the corresponding Fee were developed based on operational and financial information provided by District. The District represents and warrants that such information is current, complete, and accurate, and acknowledges that Oakland Schools has reasonably relied on it. The District shall continue to provide similar information to Oakland Schools from time to time, which will also be current, complete, and accurate, so that Oakland Schools may reasonably rely on it in providing the Services contemplated hereunder. If such operational and/or financial information of the District changes or is inaccurate, then the financial terms and obligations of Oakland Schools shall be renegotiated and restated to correct such change or inaccuracy on mutually agreeable terms and Oakland Schools shall not be liable for any Services performed in reliance upon such inaccurate information. Furthermore, the Services shall not constitute an audit of any of the District's financial statements or the District's internal controls. Furthermore, the District acknowledges and agrees that Oakland Schools will rely upon all information and data provided by the District to perform the Services and Oakland Schools shall not be liable for any damages if such information and/or data provided by the District is incorrect, incomplete or inaccurate.

Oakland Schools shall have no responsibility for any management decisions or management functions in connection with the Services, as these are the District's responsibilities following recommendations made by Oakland Schools to the District.

V. COOPERATION

The District acknowledges that Oakland Schools will need the active support of the District's professional, administrative, operations, and other personnel and contractors to provide the Services under this Agreement, and District agrees to use its best efforts to fully cooperate with Oakland Schools in that regard.

VI. COMMUNICATION

Reports and recommendations shall be made to the Superintendent of District unless otherwise designated in writing. All communications to Oakland Schools shall be provided to the Superintendent of Oakland Schools or his/her designee.

VII. WARRANTIES

In the event Oakland Schools provides the Services with its employees, the District and Oakland Schools agree that Oakland Schools will rely upon any operational and/or financial information of the District which it receives to perform the Services. Except as otherwise set forth in this Agreement, the District and Oakland Schools also agree that Oakland Schools has not provided any warranty, express or implied, concerning the performance of the Services and Oakland Schools

SHALL NOT BE LIABLE FOR ANY INDIRECT, SPECIAL OR GENERAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, WHETHER ARISING FROM THIS AGREEMENT OR THE SERVICES.

In the event Oakland Schools secures an outside contractor to provide the Services, the District and Oakland Schools agree that, by entering into this Agreement, Oakland Schools has not assumed any duty or obligation the District is required to perform by any federal state or local law, rule or regulation. Oakland Schools has only assumed the obligation to verify that the duties of any third party consultant or independent contractor secured by Oakland Schools to perform the Services were performed in accordance with the agreement between Oakland Schools and the respective third party consultant or independent contractor secured by Oakland Schools to perform the Services. The District and Oakland Schools also agree that Oakland Schools has not provided any warranty, express or implied, concerning the performance of the Services by any third party consultant or independent contractor secured by Oakland Schools to perform the Services and Oakland Schools SHALL NOT BE LIABLE FOR ANY INDIRECT, SPECIAL OR GENERAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, WHETHER ARISING FROM THIS AGREEMENT OR THE SERVICES OF ANY THIRD PARTY CONSULTANT OR INDEPENDENT CONTRACTOR SECURED BY OAKLAND SCHOOLS TO PERFORM THE SERVICES FOR THE DISTRICT.

VIII. PAYMENT

The District shall pay Oakland Schools the following amounts for the Services:

- A. The Fee shall support a wage of no greater than \$114,000 plus benefits to include, cell phone, computer, mileage, in-state conference attendance, and indirect costs. The Fee shall be in an amount not to exceed One Hundred Eighty Thousand Dollars (\$180,000.00) per fiscal year (July 1 through June 30) for the Services on a cost recovery basis, except the Fee shall be increased commensurate with inflation commencing July 1, 2016 by an amount not to exceed one (1) percent.
- B. In the event this Agreement commences prior to July 1, 2015, the Fee shall be prorated and District shall only be responsible to pay Oakland Schools an amount equal to the actual number of days Services are provided.
- C. The Fee is inclusive of all indirect costs, expenses, mileage, and equipment (except as provided in Paragraph III.A.I.).
- D. District shall reimburse Oakland Schools for the payment of any unemployment benefits as determined or redetermined by the Michigan Unemployment Insurance Agency for any individual assigned to perform the Services set forth in this Agreement.
- E. Payment for the Services is conditioned upon submission of properly documented proof of performance (i.e. a signed, original invoice) by Oakland Schools, to District. Payment will be made not later than thirty (30) days after an original invoice is received by District containing a calendar of days worked. If the District fails to timely pay for the Services as set forth above, Oakland Schools may suspend the Services until such payments are made.

IX. TERMINATION

- A. Oakland Schools may terminate and/or cancel this Agreement (or any part thereof) at any time during the term or any extension of this Agreement, upon one hundred eighty (180) days written notice to District, for any reason, including convenience without incurring any obligation or penalty of any kind. The effective date for termination or cancellation shall be clearly stated in the written notice. In the event of such termination, District's sole obligation shall be payment for actual services rendered by Oakland Schools before the effective date of termination.
- B. District may terminate and/or cancel this Agreement (or any part thereof) at any time during the term or any extension of this Agreement, upon one hundred eighty (180) days written notice to Oakland Schools, for any reason, including convenience without incurring any obligation or penalty of any kind. The effective date for termination or cancellation shall be clearly stated in the written notice. In the event of such termination, District shall submit payment and costs in accordance with Paragraph VIII of this Agreement for actual services rendered by Oakland Schools before the effective date of termination.
- C. District and Oakland Schools may terminate the agreement at any time by mutual agreement of the respective Superintendents in writing.

X. NOTICES

Any notice under this Agreement must be in writing, and will be effective when delivered personally, delivered by a national overnight delivery service, or three (3) business days after being deposited in the United States mail (postage prepaid, registered or certified). In the case of a notice from the District to Oakland Schools, notice must be provided to Oakland Schools' Superintendent. In the case of a notice from Oakland Schools to the District, notice must be provided to the District's Superintendent. Notices shall be delivered at the following addresses:

Dr. Markavitch
Oakland Schools
2111 Pontiac Lake Rd.
Waterford, MI 48328

Mr. James Meisinger
School District of the City of Hazel Park
1620 E. Elza
Hazel Park, MI 48030

XI. COPYRIGHT AND INTELLECTUAL PROPERTY

If Oakland Schools and/or any consultant or independent contractor secured by Oakland Schools performing Services under this Agreement develop any work product, information material, document, writing, publication, software, recording or procedure, whether in written, video, audio or other media format, ("the Work") Oakland Schools and/or any consultant or independent contractor secured by Oakland Schools agree that the Work is a "work-for-hire" and the District shall be deemed the copyright author and holder of all intellectual property rights. In the event, for any reason, the Work is found to be other than a "work-for-hire," Oakland Schools and/or any consultant or independent contractor secured by Oakland Schools agree to assign its/their rights in any copyrights and other intellectual property to the District.

XII. CONFIDENTIAL INFORMATION

A. Except as required to perform the Services, Oakland Schools and/or any consultant or independent contractor secured by Oakland Schools agree that they will never, during the Term of this Agreement or at any time subsequent to termination of this Agreement, directly or indirectly use or disclose any confidential information of the District without the written consent of the District.

B. All records, forms and supplies or any reproduced copies provided and furnished by the District to Oakland Schools and/or any consultant or independent contractor secured by Oakland Schools or obtained by Oakland Schools and/or any consultant or independent contractor secured by Oakland Schools during the course of rendering the Services to the District shall always remain the property of the District and shall be returned to the District on demand, or upon termination of this Agreement.

XIII. TENURE DISCLAIMER

Oakland Schools and the personnel or contractors performing the Services will not acquire tenure under the Teacher Tenure Act in connection with the performance of the Services.

XIV. FINGERPRINTING AND BACKGROUND CHECK

Oakland Schools acknowledges and agrees that unless District notifies Oakland Schools that it is not subject to the provisions of Michigan Public Act 680 of 2006, as amended, Oakland Schools shall have any of its agents, employees, contractors or representatives who will be on the District's premises regularly and continuously to perform the Services, fingerprinted and subjected to criminal history and background checks through the Michigan State Police and Federal Bureau of Investigation, as detailed in Public Act 680 of 2006, as amended, prior to commencing any Services under this Agreement by presenting themselves, or any of its agents, employees or representatives, for proper fingerprinting and criminal backgrounds checks, as directed by the District, or provide written notification to District that the Oakland Schools personnel or contractors have previously completed fingerprinting and a criminal history and background check in connection with contracting or working for another school district, intermediate school district, public school academy or nonpublic school (each an "Agency"), and consent to the sharing or transferring of the appropriate fingerprinting and criminal history background report from the other Agency. Additionally, unless notified it is not subject to Michigan Public Act 680 of 2006, as amended, Oakland Schools represents and warrants to District that it will at all times during the Initial Term, or any Renewal Term(s) of this Agreement be in compliance with the provisions of Michigan Public Act 680 of 2006, as amended, including, but not limited to, reporting to Oakland Schools within 3 business days of when any of its agents, employees or representatives who will regularly and continuously be on the District premises to perform the Services, is/are charged with a crime listed in Section 1535a(1) or 1539b(1) of the Revised School Code, being MCL 380.1535a(1) and 380.1539b(1), or a substantially similar law, and to immediately report to the District if that person is subsequently convicted, plead guilty or plead no contest to that crime. Oakland Schools, or its personnel or contractors shall be responsible for all costs and expenses associated with the above-required fingerprinting and background checks. Oakland Schools shall supply all necessary data and information, as requested by District, to enable District to properly submit any Oakland Schools employees, contractors and agents for inclusion in the State of Michigan Department of Education's list of "registered educational personnel" as may be required.

XV. SEVERABILITY

If a court of competent jurisdiction holds any Section, subsection or provision of this Agreement is not enforceable, the remaining Sections, subsections and provisions will remain in full force and effect.

XVI. GOVERNING LAW

This Agreement shall be governed by the laws of the State of Michigan, with venue being Oakland County, Michigan.

XVII. LIMITATION OF LIABILITY

Oakland Schools' liability under this Agreement shall not under any circumstances exceed the Fee paid by the District to Oakland Schools for the Services. In no event will Oakland Schools be liable to the District for any loss of business, business interruption, consequential, special, and indirect or punitive damages.

XVIII. RESERVATION OF RIGHTS

This Agreement does not, and is not intended to impair, divest, delegate, or contravene any constitutional, statutory, and/or other legal right, privilege, power, obligation, duty or immunity of each Party and shall not be construed to waive the defense of governmental immunity held by any Party to this Agreement.

XIX. MISCELLANEOUS

- A. Entire Agreement. This Agreement sets forth all the covenants, agreements, stipulations, promises, conditions and understandings of the Parties concerning the activities and Services contemplated herein. No Party, or its respective Board members, employees, attorneys, consultants, advisors, agents, representatives or students, have made any covenant, agreement, stipulation, promise, condition or understanding, warranty or representation, either oral or written, other than set forth herein.
- B. Amendment. This Agreement shall not be modified, altered or amended except by written agreement duly executed by all Parties to this Agreement in accordance with the terms hereof.
- C. Invalidity of Particular Provision. The invalidity of any article, section, subsection, clause or provision of this Agreement shall not affect the validity of the remaining sections, subsections, clauses or provisions hereof which remain valid and be enforced to the fullest extent permitted by law.
- D. Captions. The captions in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit, enlarge or describe the scope or intent of this Agreement nor in any way shall affect this Agreement or the construction of any provision hereof.

- E. Waivers. A Party may not waive any default, condition, promise, obligation or requirement applicable to the other party hereunder, unless such waiver is in writing signed by an authorized representative of such Party and expressly stated to constitute such waiver. Such waiver shall only apply to the extent given and shall not be deemed or construed to waive any such or other default, condition, promise, obligation or requirement in any past or future instance. No failure by a Party to insist upon strict performance of any covenant, agreement, term, or condition of this Agreement, or to the exercise any right or remedy in the event of default, shall constitute a waiver of any such default of such covenant, agreement, term or condition.
- F. Governing Law. This Agreement shall be governed by, construed and enforced in accordance with, the laws of the State of Michigan, and Parties consent to the jurisdiction and venue of the appropriate Oakland County Court.
- G. Successors and Assigns. The covenants, conditions and agreements in this Agreement shall be binding upon and inure to the benefit of each Party, their respective legal representatives, successors and assigns.
- H. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all such counterparts shall together constitute one and the same instrument.
- I. Authorized Signatory. All Parties represent that the individual executing this Agreement is duly authorized by, and has the authority to execute this Agreement and bind, the respective Party.

OAKLAND SCHOOLS

**SCHOOL DISTRICT OF THE CITY OF
HAZEL PARK**

By: _____

By: (Signed) James D. Meisinger

Its: _____

Its: Superintendent

Date: _____

Date: March 5, 2015

EXHIBIT A

SERVICES

Pursuant to Section II of this District Service Agreement for Director of Business, Oakland Schools shall provide to District the Services as set forth below:

Responsibilities: Direct and oversee administration of the District's business services including, but not limited to, general accounting, grant accounting, accounts payable and receivable, payroll, budget, treasury, cash management, debt service management, risk management, audit, procurement

and financial reporting functions assuring proper management of the District's financial resources, but excluding grant management, grant compliance, and grant monitoring. Administer any contracts with third parties to provide Food Services, Student Transportation and Facility Operations and Maintenance. Provide Business and Grant accounting related services. These responsibilities are performed as needed and as appropriate to the situation. Maintain communications with respect to financial matters with the Superintendent.

Business Service Management and Administration

- Provide the management of all accounting functions including accounts payable, accounts receivable, payroll, grant accounting, and general accounting operations.
- Provide management of all organizational treasury management functions including the maintenance of a long term cash flow forecast. Provide Financial Services including but not limited to collection of revenues, financial administration for bond issue proceeds and debt service, sinking fund administration.
- Provide management of the District's budget development and management processes except the District shall be responsible for Grant Management, Grant Compliance, Grant Monitoring and for entering grant budgets onto the financial system.
- Provide management of the District's annual audits.
- Develop and implement board policy and procedure relevant to the operations of the Business Office.
- Ensure compliance with relevant state and federal laws, except for Grant programs.
- Prepare all applicable non-Grant local, state, and federal reports in accordance with applicable requirements, including financial reports required.
- Provide staff with support, resources, information, and training as needed to carry out the priorities of the District and department.
- Collaborate with the legal counsel on the negotiation of Payment Plans with vendors and others who are owed payments by the District.
- Prepare, analyze, and provide financial information for administrative decision-making.
- Ensure the establishment and maintenance of appropriate internal controls and system processes.
- Provide for the administration of the District's risk management insurance program.
- Serve as the District's representative and/or liaison to constituent groups, professional organizations and community organizations regarding business services.
- Maintain up to date knowledge of current research, methodology, applicable best practices and relevant professional pronouncements.
- Lead the development and direct the implementation of strategic and/or financial and or operational plans, projects, programs and systems that align with those of the District.
- Lead multiple projects and support/motivate effective teamwork to produce quality services.
- Analyze and solve strategic and operational issues related to all business service functions and activities.
- Plan and/or oversee the development, implementation and maintenance of standard operating procedures (SOP's) and technologies to comply with the District's requirements and improve operating quality and efficiency of the department.
- Promote and support the District's culture by reinforcing Board of Education goals, policies and procedures and the District's vision, mission and continuous improvement plan.
- Attend and when requested make presentations at Regular or Special Board Meetings, Executive Sessions, and Board Work sessions.

- Provide assistance with other District financial operation matters and support as requested and mutually agreed upon in writing between Oakland Schools and the District during the Term of this Agreement.

DISTRICT SERVICE AGREEMENT FOR
CONTROLLER

THIS DISTRICT SERVICE AGREEMENT FOR DIRECTOR OF BUSINESS (the "Agreement") is made as of the Effective Date by and between **Oakland Schools**, a Michigan Intermediate School District, (hereinafter "Oakland Schools") and the **School District of the City of Hazel Park**, a Michigan general powers school district (hereinafter the "District").

RECITALS

WHEREAS, the District is a constituent school district of Oakland Schools; and

WHEREAS, the District desires Oakland Schools to furnish Director of Business to oversee the daily financial operations of the District as set forth herein; and

WHEREAS, Oakland Schools is authorized to furnish Services on a management, consultant and/or supervisory basis contemplated by this Agreement to its constituent school districts, and may charge a fee therefore, pursuant to Section 627 of the Revised School Code (MCL 380.627); and

WHEREAS, the District hereby requests Oakland Schools to furnish the Services to the District as set forth herein.

NOW, THEREFORE, IT IS AGREED BY THE PARTIES THAT:

I. TERM OF AGREEMENT

This Agreement will commence on a date mutually agreed upon in writing by the Parties (the "Effective Date"). This Agreement will continue from the Effective Date until June 30, 2017 (the "Term"), unless otherwise terminated by either party in the manner described in Section IX of this Agreement. This Agreement may be renewed or extended upon the mutual written agreement of both the District and Oakland Schools.

II. OBLIGATIONS OF OAKLAND SCHOOLS

C. Oakland Schools will, within a reasonable period of time from the Effective Date of this Agreement as mutually agreed to by the parties, perform those services described in **Exhibit A** (the "Services") for the District as an independent contractor, and not as a District employee.

D. Oakland Schools shall perform the Services on a full-time basis pursuant to the Districts work calendar.

C. The relationship between the District and Oakland Schools shall be that of independent contracting parties. Oakland Schools shall be self-directed in the performance of the Services. Neither Oakland Schools nor any of its employees, agents or representatives shall

D. Oakland Schools shall render the Services with the same degree of care normally exercised by public school districts under similar circumstances.

E. Oakland Schools shall be responsible for compliance with all applicable federal, state, and local laws and regulations with respect to the Services.

F. Oakland Schools may secure a third party consultant or independent contractor to perform the Services on behalf of the District. Oakland Schools' selection of the employee, third party consultant or independent contractor performing the Services shall be subject to the approval of the Superintendent of the District and such approval shall not be unreasonably withheld.

III. OBLIGATIONS OF THE DISTRICT

A. The District will provide Oakland Schools' employees, agents or any third party consultant or independent contractor secured by Oakland Schools who perform the Services with the tangible and intangible items and support that are reasonable and necessary to perform the Services, including, but not limited to:

1. Suitable office space, office equipment including but not limited to landline, internet services, printer, fax and copy machines, supplies and secretarial and other staff support, as deemed reasonable and necessary by Oakland Schools;
3. Access to up-to-date policies, procedures, regulations, and/or administrative rules of the District.
4. Access to the District's Board of Education and District personnel, as deemed reasonable and necessary by Oakland Schools.

B. The District shall pay Oakland Schools for the Services as set forth in Section VIII of this Agreement.

C. The District shall be solely responsible for all services required for the ownership and operation of the District beyond the scope of the Services to be provided through Oakland Schools. The District shall be responsible for compliance with all applicable federal, state, and local laws and regulations with respect to the District.

IV. RELIANCE UPON DISTRICT OPERATION AND FINANCIAL INFORMATION

The Services that Oakland Schools has agreed to provide under this Agreement and the corresponding Fee were developed based on operational and financial information provided by District. The District represents and warrants that such information is current, complete, and accurate, and acknowledges that Oakland Schools has reasonably relied on it. The District shall continue to provide similar information to Oakland Schools from time to time, which will also be current, complete, and accurate, so that Oakland Schools may reasonably rely on it in providing the Services contemplated hereunder. If such operational and/or financial information of the District changes or is inaccurate, then the financial terms and obligations of Oakland Schools shall be renegotiated and restated to correct such change or inaccuracy on mutually agreeable terms and Oakland Schools shall not be liable for any Services performed in reliance upon such inaccurate information. Furthermore, the Services shall not constitute an audit of any of the District's financial statements or the District's internal controls. Furthermore, the District acknowledges and agrees that

Oakland Schools will rely upon all information and data provided by the District to perform the Services and Oakland Schools shall not be liable for any damages if such information and/or data provided by the District is incorrect, incomplete or inaccurate.

Oakland Schools shall have no responsibility for any management decisions or management functions in connection with the Services, as these are the District's responsibilities following recommendations made by Oakland Schools to the District.

V. COOPERATION

The District acknowledges that Oakland Schools will need the active support of the District's professional, administrative, operations, and other personnel and contractors to provide the Services under this Agreement, and District agrees to use its best efforts to fully cooperate with Oakland Schools in that regard.

VI. COMMUNICATION

Reports and recommendations shall be made to the Superintendent of District unless otherwise designated in writing. All communications to Oakland Schools shall be provided to the Superintendent of Oakland Schools or his/her designee.

VII. WARRANTIES

In the event Oakland Schools provides the Services with its employees, the District and Oakland Schools agree that Oakland Schools will rely upon any operational and/or financial information of the District which it receives to perform the Services. Except as otherwise set forth in this Agreement, the District and Oakland Schools also agree that Oakland Schools has not provided any warranty, express or implied, concerning the performance of the Services and Oakland Schools SHALL NOT BE LIABLE FOR ANY INDIRECT, SPECIAL OR GENERAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, WHETHER ARISING FROM THIS AGREEMENT OR THE SERVICES.

In the event Oakland Schools secures an outside contractor to provide the Services, the District and Oakland Schools agree that, by entering into this Agreement, Oakland Schools has not assumed any duty or obligation the District is required to perform by any federal state or local law, rule or regulation. Oakland Schools has only assumed the obligation to verify that the duties of any third party consultant or independent contractor secured by Oakland Schools to perform the Services were performed in accordance with the agreement between Oakland Schools and the respective third party consultant or independent contractor secured by Oakland Schools to perform the Services. The District and Oakland Schools also agree that Oakland Schools has not provided any warranty, express or implied, concerning the performance of the Services by any third party consultant or independent contractor secured by Oakland Schools to perform the Services and Oakland Schools SHALL NOT BE LIABLE FOR ANY INDIRECT, SPECIAL OR GENERAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, WHETHER ARISING FROM THIS AGREEMENT OR THE SERVICES OF ANY THIRD PARTY CONSULTANT OR INDEPENDENT CONTRACTOR SECURED BY OAKLAND SCHOOLS TO PERFORM THE SERVICES FOR THE DISTRICT.

VIII. PAYMENT

The District shall pay Oakland Schools the following amounts for the Services:

- F. The Fee shall support a wage of no greater than \$89,500.00 benefits to include, cell phone, computer, mileage, in-state conference attendance, and indirect costs. The Fee shall be in an amount not to exceed One Hundred Forty Four Thousand and Nine Hundred Dollars (\$144,900.00) per fiscal year (July 1 through June 30) for the Services on a cost recovery basis, except the Fee shall be increased commensurate with inflation commencing July 1, 2016 by an amount not to exceed one (1) percent.
- G. In the event this Agreement commences prior to July 1, 2015, the Fee shall be prorated and District shall only be responsible to pay Oakland Schools an amount equal to the actual number of days Services are provided.
- H. The Fee is inclusive of all indirect costs, expenses, mileage, and equipment (except as provided in Paragraph III.A.I.).
- I. District shall reimburse Oakland Schools for the payment of any unemployment benefits as determined or redetermined by the Michigan Unemployment Insurance Agency for any individual assigned to perform the Services set forth in this Agreement.
- J. Payment for the Services is conditioned upon submission of properly documented proof of performance (i.e. a signed, original invoice) by Oakland Schools, to District. Payment will be made not later than thirty (30) days after an original invoice is received by District containing a calendar of days worked. If the District fails to timely pay for the Services as set forth above, Oakland Schools may suspend the Services until such payments are made.

IX. TERMINATION

- D. Oakland Schools may terminate and/or cancel this Agreement (or any part thereof) at any time during the term or any extension of this Agreement, upon one hundred eighty (180) days written notice to District, for any reason, including convenience without incurring any obligation or penalty of any kind. The effective date for termination or cancellation shall be clearly stated in the written notice. In the event of such termination, District's sole obligation shall be payment for actual services rendered by Oakland Schools before the effective date of termination.
- E. District may terminate and/or cancel this Agreement (or any part thereof) at any time during the term or any extension of this Agreement, upon one hundred eighty (180) days written notice to Oakland Schools, for any reason, including convenience without incurring any obligation or penalty of any kind. The effective date for termination or cancellation shall be clearly stated in the written notice. In the event of such termination, District shall submit payment and costs in accordance with Paragraph VIII of this Agreement for actual services rendered by Oakland Schools before the effective date of termination.
- F. District and Oakland Schools may terminate the agreement at any time by mutual agreement of the respective Superintendents in writing.

X. NOTICES

Any notice under this Agreement must be in writing, and will be effective when delivered personally, delivered by a national overnight delivery service, or three (3) business days after being deposited in the United States mail (postage prepaid, registered or certified). In the case of a notice from the District to Oakland Schools, notice must be provided to Oakland Schools' Superintendent. In the case of a notice from Oakland Schools to the District, notice must be provided to the District's Superintendent. Notices shall be delivered at the following addresses:

Dr. Markavitch
Oakland Schools
2111 Pontiac Lake Rd.
Waterford, MI 48328

Mr. James Meisinger
School District of the City of Hazel Park
1620 E. Elza
Hazel Park, MI 48030

XI. COPYRIGHT AND INTELLECTUAL PROPERTY

If Oakland Schools and/or any consultant or independent contractor secured by Oakland Schools performing Services under this Agreement develop any work product, information material, document, writing, publication, software, recording or procedure, whether in written, video, audio or other media format, ("the Work") Oakland Schools and/or any consultant or independent contractor secured by Oakland Schools agree that the Work is a "work-for-hire" and the District shall be deemed the copyright author and holder of all intellectual property rights. In the event, for any reason, the Work is found to be other than a "work-for-hire," Oakland Schools and/or any consultant or independent contractor secured by Oakland Schools agree to assign its/their rights in any copyrights and other intellectual property to the District.

XII. CONFIDENTIAL INFORMATION

A. Except as required to perform the Services, Oakland Schools and/or any consultant or independent contractor secured by Oakland Schools agree that they will never, during the Term of this Agreement or at any time subsequent to termination of this Agreement, directly or indirectly use or disclose any confidential information of the District without the written consent of the District.

B. All records, forms and supplies or any reproduced copies provided and furnished by the District to Oakland Schools and/or any consultant or independent contractor secured by Oakland Schools or obtained by Oakland Schools and/or any consultant or independent contractor secured by Oakland Schools during the course of rendering the Services to the District shall always remain the property of the District and shall be returned to the District on demand, or upon termination of this Agreement.

XIII. TENURE DISCLAIMER

Oakland Schools and the personnel or contractors performing the Services will not acquire tenure under the Teacher Tenure Act in connection with the performance of the Services.

XIV. FINGERPRINTING AND BACKGROUND CHECK

Oakland Schools acknowledges and agrees that unless District notifies Oakland Schools that it is not subject to the provisions of Michigan Public Act 680 of 2006, as amended, Oakland Schools shall have any of its agents, employees, contractors or representatives who will be on the District's premises regularly and continuously to perform the Services, fingerprinted and subjected to criminal history and background checks through the Michigan State Police and Federal Bureau of Investigation, as detailed in Public Act 680 of 2006, as amended, prior to commencing any Services under this Agreement by presenting themselves, or any of its agents, employees or representatives, for proper fingerprinting and criminal backgrounds checks, as directed by the District, or provide written notification to District that the Oakland Schools personnel or contractors have previously completed fingerprinting and a criminal history and background check in connection with contracting or working for another school district, intermediate school district, public school academy or nonpublic school (each an "Agency"), and consent to the sharing or transferring of the appropriate fingerprinting and criminal history background report from the other Agency. Additionally, unless notified it is not subject to Michigan Public Act 680 of 2006, as amended, Oakland Schools represents and warrants to District that it will at all times during the Initial Term, or any Renewal Term(s) of this Agreement be in compliance with the provisions of Michigan Public Act 680 of 2006, as amended, including, but not limited to, reporting to Oakland Schools within 3 business days of when any of its agents, employees or representatives who will regularly and continuously be on the District premises to perform the Services, is/are charged with a crime listed in Section 1535a(1) or 1539b(1) of the Revised School Code, being MCL 380.1535a(1) and 380.1539b(1), or a substantially similar law, and to immediately report to the District if that person is subsequently convicted, plead guilty or plead no contest to that crime. Oakland Schools, or its personnel or contractors shall be responsible for all costs and expenses associated with the above-required fingerprinting and background checks. Oakland Schools shall supply all necessary data and information, as requested by District, to enable District to properly submit any Oakland Schools employees, contractors and agents for inclusion in the State of Michigan Department of Education's list of "registered educational personnel" as may be required.

XV. SEVERABILITY

If a court of competent jurisdiction holds any Section, subsection or provision of this Agreement is not enforceable, the remaining Sections, subsections and provisions will remain in full force and effect.

XVI. GOVERNING LAW

This Agreement shall be governed by the laws of the State of Michigan, with venue being Oakland County, Michigan.

XVII. LIMITATION OF LIABILITY

Oakland Schools' liability under this Agreement shall not under any circumstances exceed the Fee paid by the District to Oakland Schools for the Services. In no event will Oakland Schools be liable to the District for any loss of business, business interruption, consequential, special, and indirect or punitive damages.

XVIII. RESERVATION OF RIGHTS

This Agreement does not, and is not intended to impair, divest, delegate, or contravene any constitutional, statutory, and/or other legal right, privilege, power, obligation, duty or immunity of each Party and shall not be construed to waive the defense of governmental immunity held by any Party to this Agreement.

XIX. MISCELLANEOUS

- A. Entire Agreement. This Agreement sets forth all the covenants, agreements, stipulations, promises, conditions and understandings of the Parties concerning the activities and Services contemplated herein. No Party, or its respective Board members, employees, attorneys, consultants, advisors, agents, representatives or students, have made any covenant, agreement, stipulation, promise, condition or understanding, warranty or representation, either oral or written, other than set forth herein.
- B. Amendment. This Agreement shall not be modified, altered or amended except by written agreement duly executed by all Parties to this Agreement in accordance with the terms hereof.
- C. Invalidity of Particular Provision. The invalidity of any article, section, subsection, clause or provision of this Agreement shall not affect the validity of the remaining sections, subsections, clauses or provisions hereof which remain valid and be enforced to the fullest extent permitted by law.
- D. Captions. The captions in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit, enlarge or describe the scope or intent of this Agreement nor in any way shall affect this Agreement or the construction of any provision hereof.
- E. Waivers. A Party may not waive any default, condition, promise, obligation or requirement applicable to the other party hereunder, unless such waiver is in writing signed by an authorized representative of such Party and expressly stated to constitute such waiver. Such waiver shall only apply to the extent given and shall not be deemed or construed to waive any such or other default, condition, promise, obligation or requirement in any past or future instance. No failure by a Party to insist upon strict performance of any covenant, agreement, term, or condition of this Agreement, or to the exercise any right or remedy in the event of default, shall constitute a waiver of any such default of such covenant, agreement, term or condition.
- F. Governing Law. This Agreement shall be governed by, construed and enforced in accordance with, the laws of the State of Michigan, and Parties consent to the jurisdiction and venue of the appropriate Oakland County Court.
- G. Successors and Assigns. The covenants, conditions and agreements in this Agreement shall be binding upon and inure to the benefit of each Party, their respective legal representatives, successors and assigns.

- H. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all such counterparts shall together constitute one and the same instrument.
- I. Authorized Signatory. All Parties represent that the individual executing this Agreement is duly authorized by, and has the authority to execute this Agreement and bind, the respective Party.

OAKLAND SCHOOLS

**SCHOOL DISTRICT OF THE CITY OF
HAZEL PARK**

By: _____

By: (Signed) James D. Meisinger _____

Its: _____

Its: Superintendent _____

Date: _____

Date: March 5, 2015 _____

EXHIBIT A

SERVICES

Pursuant to Section II of this District Service Agreement for Controller, Oakland Schools shall provide to District the Services as set forth below:

Position Summary: Manage and supervise all business office staff as assigned by the Director of Business and, as needed, perform the activities of the accounting and treasury operations including the functions of general accounting, accounts payable, procurement, accounts receivable, payroll, grant & funded projects accounting, cash management, debt management, the annual audit and all applicable federal, state and local financial reporting. Ensure organizational accounting procedures conform to generally accepted accounting principles as well as all federal, state, and local laws, regulations, and policies.

Essential Functions and Tasks:

- Provide Leadership, Management and Supervision to the activities of general accounting, accounts receivable, accounts payable, payroll, grant & funded projects, cash management, and debt management operations.
- Assist the Director of Business Services in ensuring compliance with applicable Hazel Park School board policy and administrative rules, state and federal laws and regulations
- Manage the district's fiduciary responsibilities for any affiliated foundations and all Trust & Agency funds.
- Manage the development, implementation and maintenance of standard operating procedures (SOP's), internal controls and technologies.
- Direct the resolution of accounting problems and answer questions related to the same.
- Establish, review and maintain appropriate internal controls to insure integrity of accounting and financial processes and systems.
- Maintain up to date a two year Cash Flow Forecast.
- Assist when requested in the application for Tax Anticipation Notes, State Aid Notes and or Emergency Loans.

- Make recommendations to the Director of Business Services regarding staffing needs for the Department of Business Services
- Ensure the proper segregation of cash with respect to debt service requirements
- Supervise and monitor all internal and external audits and subsequent federal, state and local reporting.
- Ensure adherence to all applicable federal, state and local financial reporting requirements and responsibilities.
- Oversee and manage the timely preparation and submission of all required financial reports including the annual financial statement and development of corrective action plans to audit findings.
- Prepare and manage the Department budget as assigned by the Director of Business Services
- Review and verify calculations of all budget and formula submissions to the State, including budget documents, budget adjustment requests, and reports of actual expenditures.
- Monitor budgets and maintain security on the organization's financial systems.
- Perform systems analysis and trouble shooting in the budgeting, financial and human resources/payroll systems.
- Assist Technology Services with planning, analysis and testing in relation to systems operations, upgrades and conversions.
- Manage the development, implementation and maintenance of all record keeping procedures including the general ledger to ensure legal compliance with the State of Michigan Audit Manual, Bulletin 1022 Chart of Accounts and the Bulletin 52, record retention regulations.
- Authorize assignment of purchasing cards and monitor utilization.
- Maintain up-to-date knowledge of current research and methodology in field(s), as well as local, state and federal laws and regulations governing business operations and implement necessary changes to programs, services and operations to ensure compliance.

Moved by Mrs. Polowski, supported by Mr. Nagy that the Board of Education approve the Intergovernmental Agreements for the Director of Business and Controller through Oakland Intermediate School District, as presented.

Discussion

Mrs. Rachel Noth, Board President, stated that these two positions that are being added to the District's middle management are being recommended by Oakland Schools to avoid making further mistakes in the Business Department. The board will be following the recommendation of Oakland Schools in order to proceed with Deficit Elimination Plan.

Roll Call Vote

Yeas: Polowski, Nagy, Hinton, Hemple, Hammonds, Adkins, (present via "FaceTime,") Noth
Nays: None

3. Financial Advisory Services Agreement Recommendation

Mr. James Meisinger, Superintendent, recommended that the Board of Education approve the Financial Advisory Services that will be provided by Baird, through the Oakland Intermediate School District. Baird will assist the District in obtaining the necessary loans that will put the District in a better position.

Moved by Mrs. Polowski, supported by Mr. Nagy that the Board of Education approve the Financial Advisory Services that will be provided by Baird, through the Oakland Intermediate School District, as presented.

Discussion

Mrs. Rachel Noth, Board President, stated that Oakland Intermediate School District has advised the District to hire a Financial Advisory Service. Oakland ISD recommends Baird. This company deals with districts in financial hardship, such as our district, and are able to secure necessary loans.

Roll Call Vote

Yeas: Polowski, Nagy, Hinton, Hemple, Hammonds, Adkins, (present via "FaceTime,") Noth
Nays: None

4. Request Permission to Issue Layoff Notices to Certain School District Paraprofessional Employees and Post Certain Available Positions

Mr. James Meisinger, recommends the Board of Education table this item at this time.

Moved by Mrs. Polowski, supported by Mrs. Hemple, that the Board of Education table the request permission to issue Layoff Notices to certain School District Paraprofessional Employees and post certain available positions

Discussion

Mrs. Rachel Noth, Board President, stated that the board will be looking to obtain more information regarding paraprofessional layoffs. The Board of Education does not want to issue layoff notices; however, this is what Lansing wants the board to do.

Roll Call Vote

Yeas: Polowski, Hemple, Hinton, Hammonds, Adkins, (present via "FaceTime,") Nagy, Noth
Nays: None

PUBLIC DISCUSSION

No Participants

BOARD MEMBER AND ADMINISTRATION COMMENTS

1. Sue Hemple Secretary - Mrs. Sue Hemple, Board Secretary, stated that the Board board has been in closed session for two hours negotiating hiring three positions. While these new hires will add cost to the District, the Board of Education understands that these positions are necessary in order for the District not be turned over to an emergency manager. She asked the employees to do their part in working together with the board. Mrs. Hemple stated

that the board does not want to privatize or layoff positions.

2. Beverly Hinton
Vice President - Mrs. Beverly Hinton, Board Vice President, stated that the District is in a disastrous state, having the largest deficit in its history, and it is predicted to grow to 10 million by July 1. Mrs. Hinton read a personal note about Mrs. Rachel Noth, Board President. She spoke of Mrs. Noth's personal life, her life aspirations, her devotion to the Board of Education and the Hazel Park community. Mrs. Hinton said that the board needs the employees' input and help to get through this critical time; otherwise the District could be facing an emergency manager.
3. Rachel Noth
Board President - Mrs. Rachel Noth, Board President, commented on Mrs. Hinton's reading and expressed her concerns regarding the financial situation to the employees and community. Mrs. Noth stated that the board needs their support to get through this very difficult time in the District.

ADJOURNMENT

Moved and supported that the meeting be adjourned at 9:45 p.m.

Unanimous approval.

Respectfully submitted,

Sue Hemple, Secretary
Hazel Park Board of Education