

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement is dated the 4 day of June, 2014, and is intended to set forth the terms and conditions of the employment of Dr. George P. Arlotto, ("Superintendent" hereinafter) as Superintendent of the Anne Arundel County Public Schools ("AACPS" hereinafter).

1. TERM OF EMPLOYMENT

The Board of Education of Anne Arundel County ("Board" hereinafter) hereby employs the Superintendent and the Superintendent hereby accepts employment as the Superintendent of Schools for Anne Arundel County, for a term of four years as consistent with the provisions of Section 4-201 of the Education Article of the *Annotated Code of Maryland*, which term is commencing July 1, 2014, and, subject to the provisions for termination as hereinafter provided in this Agreement, ending June 30, 2018. The Board has not adopted any policy, rule, regulation or practice providing for tenure of the Superintendent. No right of tenure is created by this Agreement.

2. PROFESSIONAL CERTIFICATION AND RESPONSIBILITIES OF SUPERINTENDENT

A. This Agreement shall be contingent upon written approval of the appointment of the Superintendent by the State Superintendent of Schools, pursuant to Section 4-201 of the Education Article. The Superintendent shall maintain throughout the term of his employment as Superintendent a valid and current certificate to act as Superintendent as prescribed by Section 4-201 of the Education Article and by the regulations of the Maryland State Board of Education. The Superintendent shall meet all other qualifications imposed by Maryland law and shall perform the duties of a County Superintendent as prescribed by the laws of the State of Maryland, the rules

and regulations of the Maryland State Board of Education, and the policies and regulations of the Board.

B. The Superintendent shall complete and submit all records required by AACPS for employment and/or payroll purposes. Failure to provide and maintain necessary certification, waiver, permit, or authorization shall render this Agreement void. Any misrepresentation of a material fact in the records or other information provided by the Superintendent shall be grounds for termination of this Agreement.

C. The Superintendent shall have charge of the administration of the schools under the direction of the Board. He shall: serve as executive officer, secretary and treasurer of the Board; direct, assign, and transfer teachers and other employees of the schools under his supervision; in consultation with the Board, organize, reorganize and arrange the administrative and supervisory staff, including instruction and business affairs; hire all personnel, subject to the approval of the Board; from time to time recommend policies and implement regulations deemed necessary for the effective operation of the school system; serve as an ex-officio member of all Board committees except for a Superintendent Search Committee, and, in general, perform all duties incident to the office of the Superintendent and such other duties as may be prescribed by law or by the Board from time to time. The Superintendent shall provide administrative support and recommendations on each item of business considered by the Board's committees. The Superintendent shall administer the school system in accordance with the Board's policies and with state and federal laws as they exist or may hereafter be amended. The Superintendent shall perform those duties which are required by state and federal laws or prescribed by the Board as necessary for the efficient and effective management of the school system. The Superintendent shall perform these duties and others as may be assigned by the Board, or as he deems necessary to

carry out the effective management of the school system, with reasonable care, skill and expertise, and in a good and professional manner. Individual Board members shall refrain from interference with the administration of school operations except through Board action. In order to facilitate a cooperative working relationship between the Superintendent and the Board, the Board members and the Superintendent agree to notify each other, as appropriate, of criticisms, complaints, and suggestions concerning the school system and its operations.

3. COMPENSATION, RETIREMENT AND DEFERRED COMPENSATION

A. The annual salary of the Superintendent shall be Two Hundred Forty- Five Thousand Dollars (\$245,000.00) for the first year of the term, payable bi-weekly and subject to applicable withholdings, effective July 1, 2014. The annual salary for each subsequent year may be increased by an amount described herein, but in no event may the annual salary of the Superintendent be reduced during the term except as described herein or mutually agreed by the parties. The Superintendent shall be entitled to receive no more than the increase granted to 12 month executive staff (Unit VI) employees.

B. If salary reductions are necessary, the Superintendent's salary shall be reduced by the largest percentage decrease that is applied to any employee group. If furloughs are necessary, the Superintendent shall be furloughed to the extent of the maximum furloughs imposed on any employee group.

C. The Superintendent shall participate in the appropriate state and local pension/retirement systems as provided by law.

D. The Superintendent understands and agrees that the Board makes no representation as to the tax consequences of any compensation or benefits provided hereunder (including, without limitation, under Sections 403(b) or 457 of the Internal Revenue Code) and that the Superintendent

is solely responsible for any and all income, excise, or other taxes imposed on the Superintendent with respect to any and all compensation or other benefits provided to the Superintendent.

E. The Board will contribute Twenty Thousand Dollars (\$20,000.00) annually to a Section 403(b) or Section 457 Plan. On June 30, at the end of each year of service, the Board will make a lump sum payment of Twenty Thousand Dollars (\$20,000.00) into the Superintendent's eligible plan. If the Superintendent fails for any reason to complete the year of service, other than for termination by the Board without cause, the Board will be relieved of its responsibility to make the June 30 payment. The structure of this plan as set forth herein is intended to serve as an incentive to the Superintendent to remain in his position with AACPS through the entire four years of his term.

The Board's contribution shall be in addition to any contribution to the Maryland State Teachers Retirement and Pension System that the Board is legally required to fund. If the Superintendent is terminated by the Board without cause, for any period less than one full year that he serves as Superintendent under this Agreement, the Board shall contribute only a pro-rata share of the contribution to the account. The Superintendent shall be responsible for any and all applicable federal and state taxes on contributions to or distributions from the account. The Superintendent shall have no right to receive contributions in cash.

4. BOARD/SUPERINTENDENT RELATIONS AND ANNUAL EVALUATION

A. By October 1 of each year, the Board and the Superintendent shall meet to discuss the form to be used to evaluate the Superintendent and to discuss and agree upon the goals to evaluate the Superintendent's performance for the upcoming school year. The Board

and the Superintendent shall agree on a timeline for the evaluation process. The Board shall evaluate and assess in writing the performance of the Superintendent annually.

B. The Board shall assess and evaluate the Superintendent's performance based upon factors including, but not limited to, demonstrated improvement in the academic performance of students in the school system, successful management of Anne Arundel County Public Schools, progress in implementing mutually approved goals and objectives of the Strategic Plan, implementation of any budget and promotion of community involvement, satisfaction with school system programs, creating and maintaining a satisfactory working relationship with the Board, and improving and expanding programs and services of the school system.

C. No later than June 1 of each year of this Agreement, the Superintendent, prior to his evaluation, shall provide the Board with a written self-appraisal of his accomplishments and progress toward meeting the agreed-upon goals. The Board and the Superintendent shall meet at least annually, by July 1 of each year of the Agreement, to discuss improvements in the school system and to evaluate the performance of the Superintendent. This meeting shall be in closed session and the confidentiality of the session shall be maintained. The Board's evaluation of the Superintendent shall include a collective discussion of the evaluation forms submitted and the Board's final evaluation of the Superintendent, who shall have the right to provide a written response to the Board. The final evaluation will speak to how successfully the Superintendent met the pre-established goals and performance criteria for the evaluation year. The final evaluation will come from the Board as a whole rather than consisting of only comments from individual Board members. The written evaluation documents and all related documents used in the evaluation process shall remain confidential. In addition to this formal process, either the Board

or the Superintendent may initiate additional discussions about Board-Superintendent relationships at any time.

D. Board members will refer criticism, complaints and suggestions (other than those related to individual Board members or the Board as a whole) to the Superintendent, who shall either (a) review and take appropriate action, including informing the Board of the results within a reasonable time; or, (b) direct complaints, where appropriate, to the relevant complaint resolution procedure as established by Board policy or AACPS regulation. Individual Board members agree that they will not give direction to the Superintendent or any staff member regarding the management of the Anne Arundel County Public Schools or the solution of specific problems and that they will refer all appeals, complaints and other communications regarding the administration of AACPS to the Superintendent, through the Superintendent's log, for an investigation and a report to the Board.

**5. BUSINESS EXPENSES/ AUTOMOBILE/ TECHNOLOGY/
PROFESSIONAL DEVELOPMENT**

A. The Board shall pay or reimburse the Superintendent for reasonable and necessary expenses incurred by the Superintendent in the continuing performance of his duties under this Agreement. For business expense reimbursements, the Superintendent shall submit itemized expense statements to the President of the Board, who will review them. Upon approval by the Board President, which approval will not be unreasonably withheld, AACPS will reimburse the Superintendent for reasonable and necessary business expenses.

B. The Board will pay the Superintendent Seven Hundred Dollars (\$700.00) per month during his employment with AACPS to pay for an automobile (which may be used for personal and

business purposes), and the automobile-related expenses (insurance, repairs, maintenance, fuel, etc.). The Superintendent will be responsible for paying all expenses associated with the vehicle.

C. In order to ensure the Superintendent's accessibility to the Board and staff members, and to enhance his ability to maintain the school system, the Board will provide the Superintendent with appropriate technology as required in the performance of his duties. No set-up or technical support of this equipment may be performed by AACPS employees outside of Anne Arundel County. The equipment and services provided for herein shall include items such as a smart phone, an electronic tablet, a computer, a printer, cable and/or Internet connection, and a dedicated home telephone/fax connection for communication with the Board, school system employees and the public.

D. The Board expects the Superintendent to continue his professional development and expects him to participate in relevant learning experiences. Upon notification to, and with the prior approval of the Board President, the Superintendent may participate in professional development programs and activities that do not interfere with the discharge of his responsibilities to the Board and/or the school system, and he will be reimbursed for the cost of those programs and all expenses related to his participation.

E. Upon notification to, and with the prior approval of the Board President, the Superintendent shall attend appropriate business and professional meetings at local, state, and national levels. Expenses of travel and related attendance costs may, as appropriate, be paid in advance by the Board or reimbursed upon the submission of proper receipts by the Superintendent.

6. LEAVE AND INSURANCE

A. The Superintendent shall accrue as annual leave 27 days per year during the term of this Agreement. The Superintendent shall be compensated at the per diem rate at the end of each fiscal year for unused annual leave time in excess of 10 days, which will be carried over into the

subsequent year. The Superintendent may carry over no more than 50 days of annual leave from his prior AACPS employment, effective as of August 31, 2014. At the termination of employment, the Superintendent shall be paid full compensation at his full daily rate of pay for any unused annual leave. All requests for annual leave days require approval of the Board President.

B. The Superintendent shall have the same duty days and shall observe the same AACPS holidays as those observed by 12-month executive employees.

C. The Superintendent shall have the same personal and sick leave benefits as authorized by Board policies for 12-month executive employees. The Superintendent shall not be entitled to cash out or convert any such sick leave, but upon retirement, may use such leave as creditable service with the Maryland State Retirement and Pension System as permitted by law. No external sick leave will be credited, with the exception of that which is permitted by the Maryland State Retirement and Pension System and COMAR. The Superintendent may not receive monetary compensation for sick leave benefits earned while he was employed by any other Board of Education or school system, but may use any such sick leave in the same manner as sick leave accrued while employed by the county. All requests for sick leave require approval of the Board President.

D. The Board will, at its cost, provide term life insurance for the Superintendent in the amount of Five Hundred Thousand Dollars (\$500,000.00). The term life insurance policy described herein shall be owned by the Superintendent, who shall have the right to select the insurer and the beneficiary of his choosing. Upon termination of his employment, the Superintendent shall be responsible for any continuation of such policy at his expense, should he desire to do so.

E. The Board will also pay the premiums for group health, dental, prescription, vision, and catastrophic illness coverage for the Superintendent and his dependents, subject to the applicable payroll deductions that apply to other 12-month executive employees.

F. The Superintendent shall have the right to participate in any benefit or program to which other 12-month executive employees are currently entitled, unless otherwise expressly set forth herein, or to which they become entitled. The Superintendent shall be entitled to the same holidays as 12-month executive employees.

7. PROFESSIONAL LIABILITY

The Board shall defend, hold harmless, and indemnify the Superintendent from any and all demands, claims, suits, actions and legal proceedings brought against the Superintendent in his individual capacity, or in his official capacity as agent and employee of the Board, provided: (1) the incident giving rise to any such demand, claim, suit, action or legal proceeding arose while the Superintendent was acting within the scope of his employment; (2) such defense and indemnity is within the authority of the Board to provide under state law; and (3) the Superintendent was acting without malice and gross negligence. In no case will individual Board members be considered personally liable to defend, hold harmless, or indemnify the Superintendent against such demands, claims, suits, actions, and legal proceedings.

8. MEDICAL EXAMINATION AND DISABILITY

A. In the event of a significant illness or other health condition, the Superintendent, upon request by the Board, shall furnish additional documentation from a licensed physician or psychiatrist who is mutually acceptable to the Board and to the Superintendent as may be required to determine that the Superintendent has the ability to perform the essential functions of his position, with or without reasonable accommodations, or as otherwise allowed by law, and such information

shall be treated as confidential. During the term of this Agreement, if the Board, upon a majority vote of the membership of the Board, determines that it is in the best interests of the school system to have the Superintendent's medical condition examined, it may require that the Superintendent be examined by a state licensed physician or psychiatrist who is mutually acceptable to the Board and the Superintendent. The physician/psychiatrist shall furnish to the Board a written medical report which shall indicate the status of the Superintendent's physical and/or mental condition and his ability to physically and/or mentally perform the duties and responsibilities of the Superintendent, with or without reasonable accommodations. The cost of all such examinations and reports shall be paid by the Board. In the event that it is determined that the Superintendent is unable to perform any or all of his duties by reason of illness, accident or other causes beyond his control and said incapacity is permanent, irreparable, or of such a nature that a reasonable accommodation cannot be made and the condition renders the Superintendent's continued performance of the terms and conditions of this Agreement unfeasible, the Board, upon a majority vote of the members, may elect to terminate this Agreement, at which time the respective duties, rights and obligations of each party shall terminate.

9. SECURITY

In the event the life or safety of the Superintendent and/or his family are threatened or otherwise appear endangered during his term as Superintendent or because of the performance of his official duties, the Board, in consultation with appropriate law enforcement officials, shall provide reasonable protection for him and/or his family as the Board determines proper, with all costs paid by the Board.

10. PROFESSIONAL AND CIVIC ACTIVITIES

A. The duties and responsibilities of the Superintendent require full-time employment and frequently require that the Superintendent attend to his duties during the evenings, weekends and

holidays. The Superintendent shall not accept any outside employment that in any manner interferes with the performance of his duties and responsibilities as Superintendent. The Board recognizes that certain outside activities will not interfere with the performance of the Superintendent's duties and may have a beneficial impact on the Superintendent's professional growth and with the school system he leads. Thus, the Board grants to the Superintendent the right to engage in certain professional and civic activities, including writing, teaching, consulting and lecturing, with or without honorarium. The Superintendent may not serve in a teaching capacity without giving prior notice to the Board; nor may the Superintendent serve as a consultant without the prior approval of the Board President. For purposes of this Agreement, the word "consultant" means one who provides professional or expert advice for compensation. The Superintendent shall report to the Board, no later than July 1 of each year of this Agreement, all such outside activities in which he has engaged during the preceding year. Wherever an activity by the Superintendent may require prior approval, such approval will not be unreasonably withheld.

B. The Superintendent shall submit to the Board for approval on an annual basis a list of proposed professional organizations that he intends to join, along with the costs associated with the membership. The Board shall pay or reimburse the Superintendent for annual professional association dues of up to five professional organizations as specifically approved by the Board.

C. The Superintendent shall provide the Board on an annual basis a list, along with the costs associated with membership, of proposed other civic groups (such as the Chamber of Commerce) that he intends to join. The Board shall pay or reimburse the Superintendent for the dues and/or membership fees required by these civic groups, as approved by the Board.

D. The Superintendent may hold office or accept responsibilities in these professional organizations provided that the organizations' meetings, offices and/or responsibilities do not interfere with the performance of his duties as Superintendent.

E. Should the Superintendent author and/or publish for any compensation, profit or royalty, any research or scholarly work using any data or referencing the activities of the school system during his tenure as Superintendent, the compensation for that work shall become the sole property of the Board to disburse as it deems appropriate.

F. The Superintendent shall have no interest, financial or otherwise, directly or indirectly, or engage in any public transactions or professional activities, which are in conflict with the proper discharge of his duties as Superintendent.

12. TERMINATION

A. This Agreement may be terminated prior to the expiration of the four-year term by (1) mutual agreement of the parties; (2) retirement of the Superintendent; (3) death or permanent disability of the Superintendent; (4) resignation of the Superintendent; (5) termination without cause of the Superintendent, or (6) termination for immorality, misconduct in office, insubordination, incompetency, or willful neglect of duty, in accordance with the provisions of Section 4-201 of the Education Article of the *Annotated Code of Maryland*. Upon removal of the Superintendent by the State Superintendent of Schools for cause, the Superintendent's compensation and all other benefits will cease.

B. The Superintendent shall give at least 90 days written notice to the Board if he intends to resign prior to the end of the term of this Agreement. In the event that he fails to give the required notice, the Superintendent agrees to pay the Board a penalty of One Thousand Dollars (\$1,000.00) for each day that is less than 90 days. Unless the parties otherwise agree,

except as specified elsewhere in this Agreement, no other damages may be sought solely as a result of the early resignation.

C. The Superintendent may terminate this Agreement for any reason, including but not limited to retirement, upon giving not less than 90 days written notice to the Board prior to the effective date of the termination.

D. The Board may terminate this Agreement without cause upon giving 90 days written notice to the Superintendent.

E. In the event that the Board believes that it has grounds to remove the Superintendent for cause under Section 4-201 of the Education Article of the *Annotated Code of Maryland*, it shall notify the Superintendent in writing. Unless extended by written agreement of the parties, the Superintendent shall have three (3) business days to determine whether he wishes to resign, effective on the date the resignation is submitted, unless otherwise agreed in writing by the parties. As part of an acceptable resignation, the Superintendent shall state in writing that he waives and releases the Board, its individual members, its employees, and its agents from any and all liability, claims or causes of action he may have related to his employment with the Board, and that such waiver and release is the result of the Superintendent's considered judgment and not a result of any coercion or duress.

F. Any and all benefits to the Superintendent shall cease as of the termination date. The Board shall have no liability for any payments or benefits due under this Agreement after the termination date and shall be entitled to recoup payments made or benefits received by the Superintendent after the termination date by any available means, offset against payments or benefits due but not yet paid to the Superintendent, and he specifically agrees and authorizes such set-offs and recoupment.

13. AMENDMENT

This Agreement may be amended during its term by mutual written consent of the Board and the Superintendent. Any such amendment shall be in writing, approved by official action of the Board, and accepted in writing by the President of the Board and the Superintendent.

14. RENEWAL OF EMPLOYMENT AGREEMENT

Any renewal of this Agreement shall be in accordance with the provisions of Maryland statutory law.

15. NOTICE

Any notice required by this Agreement shall be in writing and shall be provided to either party by personal delivery or certified mail. Any mailed notice to the Superintendent shall be forwarded to his residence and any mailed notice to the Board shall be forwarded to the Central Office of the Board.

16. SAVINGS CLAUSE

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

17. SEVERABILITY, DISPUTE RESOLUTION AND GOVERNING LAW

A. If any cause or provision herein shall be judged invalid or unenforceable by a court of competent jurisdiction, or by the operation of any applicable law, it shall not affect the validity of any other cause or provision, which shall remain in full force and effect. This Agreement shall be governed by the laws of the State of Maryland.

B. In the event of any dispute between the Superintendent and the Board concerning this Agreement, in whole or in part, the parties shall use their best efforts in good faith attempts

to resolve the dispute amicably and informally, using Alternative Dispute Resolution methods. In the event any litigation arises in connection with any dispute, the prevailing party may be entitled to an award of costs and reasonable attorneys fees to the extent such an award is deemed proper by a court of competent jurisdiction.

C. This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Maryland. The Circuit Court for Anne Arundel County shall have jurisdiction over any dispute which may arise under this Agreement, unless federal jurisdiction is exclusive for the remedy sought, and each of the parties to this Agreement submits and hereby consents to the Circuit Court's exclusive jurisdiction.

D. This Agreement supersedes all prior oral and written proposals or communications between the parties. The Agreement embodies the entire agreement between the parties hereto and cannot be varied or amended except by written agreement of the undersigned parties.

E. No waiver of any provision of this Agreement shall be deemed to constitute a waiver of any other provision. Nor shall any waiver constitute a continuing waiver unless expressly stated.

F. The Board and Superintendent declare that each fully understands all of the terms and provisions of this Agreement and each signs this Agreement freely and voluntarily without duress or undue influence. This Agreement contains the final and entire understanding of the parties. There are no representations, terms, or conditions, oral or written, other than those expressly set forth in this Agreement. It is the intention and agreement of the parties that no changes to any provision of this Agreement shall be effected in any manner whatsoever, except by subsequent written agreement of the parties, executed with the same formality and in the same

manner as the execution of this Agreement. This Agreement shall be interpreted in accordance with and controlled by the laws of the State of Maryland.

IN WITNESS WHEREOF, the Board of Education of Anne Arundel County has approved this Agreement and caused it to be executed in its name by its President by formal action of the Board, and Dr. George P. Arlotto has accepted this Agreement and has hereunto set his hand and seal, the day and year first above written.

ATTEST:

BOARD OF EDUCATION
OF ANNE ARUNDEL COUNTY

By:

WITNESS:

SUPERINTENDENT

_____ (SEAL)

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:
