TUCSON UNIFIED SCHOOL DISTRICT NO. 1

CONTRACT OF EMPLOYMENT OF THE INTERIM SUPERINTENDENT

This Contract of Employment of the Interim Superintendent ("Contract") is entered into this 17thth day of March, 2017, between Tucson Unified School District No. 1 of Pima County, Arizona (the "District"), through its Governing Board (the "Board"), and Margaret Rosaria Shafer (the "Superintendent").

The Board and the Superintendent believe that the educational program and mission of the District will benefit directly from a Board-Superintendent relationship in which the respective roles of the parties are clearly defined and in which the Superintendent is provided with the resources necessary for the effective administration and implementation of Board policies. In mutual consideration of the promises and covenants included in this Contract, the parties agree as follows:

1. DUTIES AND RESPONSIBILITIES:

The Superintendent agrees, during the term of this Contract, to faithfully perform the duties and obligations as Superintendent of the District and as executive head of the administration of the District, including, but not limited to, those duties and obligations imposed by the laws of the State of Arizona, the policies of the Board, and the administrative regulations of the District. The Superintendent shall have, under the direction of the Board, general supervision and management of all the District schools and facilities. The Superintendent shall act as an advisor to the Board on matters pertaining to the school administration or the School District, and she will inform the Board as to administrative action taken on the Board's behalf. The Superintendent shall recommend, effect, or cause to be effected, the policies and programs of the Board as they may be adopted and revised.

Provided that such action occurs in compliance with applicable law, Board policies, and is not contrary to any specific action or directive of the Board, the Superintendent shall have the authority and responsibility to organize, reorganize, and arrange administrative, supervisory and other staff positions within the District, and the authority and responsibility to place and transfer personnel within the District. The Superintendent shall make recommendations of the hiring and termination of District employees, but all final hiring and termination decisions shall be made by the Board.

The Superintendent shall at all times during the term of this Contract, or any renewal thereof, hold and maintain (a) a valid superintendent's certificate issued by the Arizona State Department of Education, and (2) a valid fingerprint card.

2. TERM AND EXTENSIONS THEREOF:

The Board agrees to employ Margaret Rosaria Shafer as Superintendent for the term commencing on March 30, 2017, and continuing to and including June 30, 2017. On or after May 1 of the 2016-2017 fiscal year, the parties may mutually agree to extend the term of this Contract. Any Contract extension may also contain such other Contract modifications as mutually agreed upon by the parties.

3. BASE SALARY:

In consideration of the efforts, expertise and leadership required of the Superintendent by this Contract, the Board agrees to pay to the Superintendent, by installment payments made in the same time and manner as salary payments paid to other twelve-month District administrators, an annualized base salary ("Base Salary") in the amount of Two Hundred Thirty-Nine Thousand Two Hundred Dollars (\$239,200.00), prorated for the remainder of the 2016-2017 fiscal year.

4. PERFORMANCE STIPEND:

In addition to the Superintendent's Base Salary, the Board shall allocate Three Thousand Seven Hundred Fifty Dollars (\$3,750.00) of this Contract as additional but contingent and performance-based salary ("the performance stipend"). None, some, or all of the performance stipend shall be paid to the Superintendent based on the Superintendent's partial or complete achievement performance goals to be set by the Governing Board as soon as possible following execution of this Contract, in consultation with the Superintendent.

The Board and the Superintendent shall meet to discuss the evaluation of the Superintendent's performance with specific reference to these performance goals and shall determine the amount of the performance stipend to be paid the Superintendent.

5. EVALUATION:

The Board shall evaluate the Superintendent no later than June 15, 2017, using the criteria and an evaluation process developed by the Board in consultation with the Superintendent.

6. PROFESSIONAL LIABILITY:

In light of the unique nature of the professional duties and obligations of the Superintendent, and in consideration of the services to be performed by the Superintendent pursuant to the terms of this Contract, the District shall, to the extent permitted by law, defend, hold harmless and indemnify the Superintendent from any and all demands, claims, suits, actions and legal proceedings brought against the Superintendent in her individual capacity, or in her official capacity as agent and employee of the District, arising while the Superintendent was acting within the scope of

her employment (hereafter referred to as "covered claims"). Covered claims do not include criminal charges. In addition, covered claims do not include any situation, including, but not limited to, situations involving administrative, civil or other action, in which the Superintendent's legal interests are in whole or in part adverse to those of the District or Board.

7. FRINGE BENEFITS AND ADDITIONAL COMPENSATION:

Except to the extent supplemented and/or modified in this section or elsewhere in this Contract, the Superintendent shall be provided the same fringe benefits that are provided to other twelve-month District administrators. In addition, due to the unique nature and additional demands of the Superintendent's job duties, the Superintendent shall receive additional compensation in the form of an automobile allowance, a technology allowance, and a business activity allowance. Exceptions where the Superintendent's fringe benefits are supplemented and/or modified as compared to those provided to other twelve-month District administrators, and the automobile allowance and business activity allowance, are set forth below:

a. VACATION LEAVE:

In lieu of the District's vacation leave policy for twelve-month administrative employees, the Superintendent shall be awarded eleven (11) days of vacation leave for her use during the term of this Contract; the Superintendent shall not be paid for her unused and accumulated vacation at the time of her separation from the District.

b. PERSONAL LEAVE:

In lieu of, and not in addition to, the personal leave days provided by policy to twelve-month administrative employees, the Superintendent shall receive two (2) days of personal leave for the term of this Contract to be used in the Superintendent's discretion for personal purposes, including the purpose of consulting with parties outside of the District. The Superintendent shall not be paid for her unused and accumulated personal leave at the time of her separation from the District.

c. SICK LEAVE:

In lieu of, and not in addition to, the sick leave days provided by policy to twelvemonth administrative employees, the Superintendent shall be entitled to six (6) days of sick leave for use during the term of this Contract. The Superintendent shall not be paid for her unused sick leave upon her separation from the District.

d. ALLOWANCE FOR TRAVEL AND WAIVER OF INSURANCE COVERAGES:

The parties agree that, due to the District's relatively large geographical size and the nature of the Superintendent's duties, the Superintendent will travel extensively within the District (as well as elsewhere within Pima County) for business purposes. For all business use within Pima County, the Superintendent will use her personal automobile.

The Superintendent advises the Board that, due to the short term of this Contract, she will maintain her existing insurance coverages in lieu of those to which she would be entitled as the Superintendent of the District.

In consideration of the above, the District agrees to pay to the Superintendent, as additional compensation, an allowance for her personal automobile use and her insurance costs in the amount of Eight Hundred Dollars (\$800.00) for each full month of this Contract, for a total of Two Thousand Four Hundred Dollars (\$2,400.00). In consideration of the additional compensation set forth in this paragraph, the Superintendent agrees not to make any request to the District for mileage reimbursement for use of her own automobile for business travel within Pima County.

e. REIMBURSEMENT OF EXPENSES FOR PROFESSIONAL ACTIVITIES

The Board encourages the Superintendent to engage in District-related business and professional activities both inside and outside of Pima County. The Board recognizes that these activities will require the Superintendent to incur significant expenses. The Superintendent shall be reimbursed for such expenses as permitted by law.

8. TERMINATION FOR CAUSE:

Throughout the term of this Contract, or any extension thereof, the Superintendent shall be subject to discharge for good cause; provided, however, that the Board shall not arbitrarily and capriciously call for such termination. In any situation involving termination for cause, the Superintendent shall be given (a) a written statement of charges specifying the basis for the termination and (b) a full and fair due process hearing prior to any final dismissal decision, all in accordance with the provisions of A.R.S. §§15-539, et seq.

9. TERMINATION WITHOUT CAUSE:

Throughout the term of this Contract, or any extension thereof, the Superintendent shall be subject to discharge independent of whether this cause for dismissal does or does not exist provided, however, that in any situation where the Board desires to terminate the employment of the Superintendent without specifying the cause therefore, the Board shall

pay to the Superintendent, not less than ten (10) days prior to such termination, the total remaining amounts that would have been paid to the Superintendent for the remainder of full term of this Contract (or, if applicable, any extension thereof), pursuant to the following paragraphs and subparagraphs: Paragraph 3 (Base Salary); Subparagraph 9(d) (Automobile Allowance), and Subparagraph 9(e) (Business Activity Allowance).

10. DISPUTE RESOLUTION & ATTORNEYS FEES:

In the event of a dispute between the parties relating to any provision of this Contract, or a dispute concerning any of the parties' rights or obligations as defined pursuant to this Contract, the parties may mutually agree to submit the dispute to mediation or arbitration. The mediator or arbitrator's fee, as well as the expenses of any such arbitration, shall be shared equally by the parties. The parties are entitled to have legal representation of their own designation; provided, however, that each party shall be responsible for the costs of such respective representation.

In the event of court litigation relating to any provision of this Contract, or a dispute concerning any of the parties' rights or obligations as defined pursuant to this Contract, the prevailing party in such litigation shall be entitled to recover reasonable attorney's fees and costs.

11. COMPLETE AGREEMENT; REQUIREMENT THAT AMENDMENTS BE IN WRITING; AND SEVERANCE OF TERMS:

This Contract contains the entire agreement between the parties, and any prior or contemporaneous agreements, whether oral or written, are voided by execution of this Contract. Any subsequent amendment(s) or addendum(s) to this Contract must be in writing and be signed by both parties. If a court of competent jurisdiction finds any provision of this Contract to be unenforceable, it is the intention of the parties that the remainder of the Contract shall remain in full force and effect.

This Contract of Employment of Superintendent was approved by the Tucson Unified School District Governing Board at a meeting held on the 17th day of March, 2017.

SUPERINTENDENT:	GOVERNING BOARD OF TUCSON UNIFIED SCHOOL DISTRICT NO. 1 OF PIMA COUNTY, ARIZONA
Margaret Rosario Shafer Date:	By: Michael Hicks Its: President Date: