

BUSINESS SERVICES CONTRACT

This Business Services Contract ("Contract") is by and between Bridgman Public Schools ("BPS") and Brandywine Community Schools ("BCS"), each a party and collectively the "Parties."

PREAMBLES

- A. The Parties, after careful consideration, have concluded that BPS can furnish BCS certain business services on a more cost-effective basis.
- B. BPS is willing to furnish, and BCS desires to receive, such services for the consideration and on the terms and conditions stated in this Contract.
- C. The objective of the parties is to improve the efficiency and effectiveness of business services and reduce costs while maintaining or improving the quality of services. Achieving this goal may require changes in BCS policies, procedures, and operating practices. Cooperation and openness to innovative new ways of doing business will be essential for BPS to achieve this objective.

NOW THEREFORE, in consideration of the mutual promises and benefits contained herein, the Parties agree as follows:

ARTICLE I

DESCRIPTION OF BPS SERVICES

1.1 Description of Services. BPS shall provide to BCS the business services set forth in Appendix A, including but not limited to the employment and supervision of a payroll clerk, equipment, supplies and other items necessary to render such services (collectively the "Services"). BPS will, as appropriate, add permanent, temporary or consulting services to meet special or critical needs of BCS. Appendix A may, from time to time, be amended by mutual agreement of the Parties.

1.2 Place and Hours of Service. BPS personnel shall perform services at the BPS offices and at the BCS offices. BPS staff assigned to BCS will be available to respond to questions or issues. Regular office hours shall be scheduled at BCS offices whenever necessary. All parties will develop a schedule that will optimize the use of staff time to meet the varying needs of BCS superintendent, staff, and board.

1.3 Services Personnel. BPS shall furnish to BCS the names of all primary personnel to be utilized by BPS in connection with the performance of the Services. Personnel assigned by BPS to perform Services shall be experienced, fully qualified and certified or licensed as or when legally necessary to perform the Services pursuant to and in conformance with the provisions of the Michigan Revised School Code. BPS represents that it has secured any necessary licenses, approvals and regulatory authorizations to provide the Services.

1.4 Standard of Services. BPS shall be responsible that the individuals which BPS assigns to perform Services for BCS adhere to professional standards and perform all Services in a manner consistent with generally accepted proficiency and competency for the type and nature of Services rendered.

1.5 Background Checks. BPS shall not assign any employee or agent to perform Services without first conducting employment reference checks and any legally required criminal background checks, and reviewing the results of the same with BCS. BCS reserves the right to refuse the assignment of any employee of BPS to render Services where the employment or any criminal record history or employment references for that individual (including any pending criminal charges) indicate, in BCS's judgment, unfitness to perform Services.

1.6 Compliance with Policies. The individuals which BPS assigns for Services to BCS under this Contract shall abide by those policies of BCS which are applicable to performance of Services under this Contract including, but not limited to, policies pertinent to:

- A. Child abuse and neglect reporting;
- B. Sexual harassment;
- C. Confidentiality of student records and student record information;
- D. Communicable diseases;
- E. Alcohol/controlled substance possession and use;
- F. Copyright; and
- G. Non-discrimination

At the inception of this Contract, a copy of the above policies will be provided to BPS by BCS.

ARTICLE II

RELATIONSHIP OF PARTIES

2.1 Independent Contractor. In the provision of Services, BPS shall be regarded at all times as performing Services as an independent contractor of BCS. Consistent with that status, BPS reserves itself the right to designate the means and methods of accomplishing the objectives and purposes of this Contract and BCS shall not exercise (or have the right to exercise) control or direction over the means and methods utilized by BPS in providing Services.

2.2 Not BCS Employees. The Parties intend that an independent contractor relationship exists between BPS and BCS, and that nothing in this Contract shall be construed as being inconsistent with that status and relationship. All individuals which BPS assigns for Services to BCS shall be employees of BPS, and shall never be considered as employees or individual agents or contractors of BCS for any purpose. No such BPS employees or agents are entitled to any of the rights, compensation or other benefits which BCS may provide to its own employees.

2.3 BPS as Employer. BPS shall be designated as the employer of record for all individuals assigned to provide Services under this agreement. However, both BPS and BCS shall have meaningful input in the selection, assignment, and evaluation of personnel providing Services. BPS shall retain responsibility for the compensation, hiring, retention, evaluation, discipline, dismissal, and other employment-related matters of such individuals. BPS agrees to consult with BCS regarding any significant employment decisions that directly impact the delivery of Services to BCS, and both parties shall work collaboratively to ensure that personnel decisions support the goals and needs of the shared services arrangement.

2.4 Employment Claims to BPS. BPS shall be responsible for answering, defending and/or resolving any and all claims arising from the assignment and performance of BPS employees designated by BPS to perform the Services.

- (a) These claims include, but shall not be limited to: proceedings before the Michigan Employment Relations Commission; the National Labor Relations Board; proceedings for unemployment compensation benefits; claims for workers' compensation disability benefits; claims of unlawful discrimination brought before any state or federal agency or court; claims of grievances for breach of contract; and any other claims of whatsoever kind or character arising from or which are attributable to the performance of Services by BPS employees in connection with this Contract.

(b) All costs (including legal fees) incurred in connection with the defense of the foregoing matters and any judgments resulting therefrom shall be the sole and exclusive responsibility of BPS.

2.5 Non-Exclusive Services. BCS does not agree to use BPS exclusively for the provision of Services or otherwise. It is understood and acknowledged that BCS is free to contract similar services to be performed by other persons or entities so long as such services do not interfere with the performance of the obligations of the Parties under this Contract.

2.6 BPS Taxation Responsibilities. BPS shall be responsible for any taxation consequences to it or its employees as a result of BPS engagement under this Contract. BPS shall be responsible, as legally required, to report as income its compensation received from BCS. BPS shall make, on behalf of itself and its employees, including its employees performing Services, all requisite tax filings and payments to the appropriate federal, state, and local tax authorities. No part of compensation to BPS under this Contract shall be subject to withholding by BCS for the payment of social security, unemployment, or disability insurance or any other similar state or federal tax obligation. BPS agrees to indemnify and hold BCS harmless from any and all such claims.

ARTICLE III

TERM OF CONTRACT AND EARLY TERMINATION

3.1 Term. This Contract shall be in effect beginning July 1, 2025 through June 30, 2026 and shall continue in full force and effect after the expiration date above until either Party provides the other Party with written notice of termination. Such written notice shall be provided at least ninety (90) days prior to the termination date as identified in the written notice of termination.

3.2 Early Termination. This Contract may be terminated for any reason during its initial term (set forth in Appendix A) by either Party upon ninety (90) days written notice to the other Party. In the event that this Contract is terminated during its term pursuant to this provision or after its initial term pursuant to Section 3.1, BCS will pay BPS for services provided up to and including the date set for termination. Any funds remitted by BCS to BPS in excess of the pro-rata charges for Services provided by BPS up to and including the date set for termination will be returned to BCS by BPS. Any such amounts owed by either party to the other shall be paid within thirty (30) days of the date set for termination of this Contract.

3.3 Survival of Certain Terms. Sections 2.4, 2.6, 5.1 and 6.1 of this Contract survive the expiration or termination of this Contract for any reason.

ARTICLE IV

INVOICE AND PAYMENT

4.1 Compensation and Payment. In consideration of the Services provided to BCS by BPS under this Contract, BCS will pay BPS for Services on the basis and at the rate of Compensation ("Compensation") as specified in Appendix B. Should the estimated expenditures used to calculate these fees change, an amended appendix B will be forwarded to BCS for signature of the new fee schedule. Appendix B will be updated and provided to BCS annually.

4.2 Invoice Procedure. BPS shall submit to BCS on the periodic basis, as set forth in Appendix B, an invoice setting forth all applicable charges for the billing interval, itemized generally for Services performed during such period.

- (a) BCS will remit payment on undisputed invoices within thirty (30) days of the date of invoice.
- (b) If BCS disputes the accuracy of any invoice delivered by BPS, BCS shall, within thirty (30) days of the date of invoice, deliver a written notice and explanation of such dispute to BPS. BPS shall meet with BCS to review the invoice and account within ten (10) business days.

4.3 BPS Services Costs. BPS shall have the sole and exclusive responsibility for the following costs and charges attributable to the persons (i.e., who are BPS employees) BPS assigns to perform Services:

- (a) All wage and salary compensation.
- (b) All expenses whether out-of-pocket or overhead, in providing Services and upon mutual agreement between BPS and BCS.

ARTICLE V

INDEMNIFICATION AND INSURANCE

5.1 Indemnification. Except as hereafter provided in this Article, BPS shall be solely and entirely responsible for its acts and omissions and for the acts and omissions of BPS employees, agents, or subcontractors in connection with the performance of Services. BPS shall defend and indemnify BCS from any and all such claims and/or judgments

resulting from such acts or omissions, except for liability for damages which result from the sole negligence or willful misconduct of BCS or its employees or agents.

5.2 Minimum Insurance. BPS shall carry comprehensive general liability insurance with limits of not less than One Million Dollars (\$1,000,000) per occurrence, combined single limit for bodily injury and property damage in a form mutually acceptable to both Parties to protect BPS and BCS against liability or claims of liability which may arise out of BPS provision of Services under this Contract. In addition, BPS agrees that such policy shall provide an endorsement stating that such insurance shall be primary and that insurance carried by BCS shall be excess and non-contributory. BPS shall cause BCS, and its officers, agents and employees, to be named as additional insured under said policy.

5.3 Insurance Certificates. BPS shall provide, upon request by BCS, with certificates evidencing all coverage and endorsements required hereunder. Failure of BCS to make such a request shall not affect BCS rights under this Article.

ARTICLE VI

CONFIDENTIALITY/COPYRIGHT

6.1 Copyright Compliance. BPS shall advise BCS of any and all programs or materials used or recommended for use by BPS to achieve Services goals that are subject to any copyright restrictions or requirements. In the event BPS shall fail to so advise BCS and as a result of BPS use of any such programs or materials under this Contract, BCS is found to be in violation of any copyright restrictions or requirements, or if BCS shall be alleged to be in violation of any such copyright restrictions or requirements, BPS shall indemnify, defend and hold harmless BCS against any such actions or claims brought by the copyright claimant.

6.2 Confidentiality. BPS shall observe the policies and directives of BCS to preserve the confidentiality of BCS records and information, including student records and student record information, to the extent that BPS (its employees and agents) are permitted to access such records or information.

ARTICLE VII

NON-DISCRIMINATION

7.1 No Employment Discrimination. The Parties shall not discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions or privileges of employment, or a matter directly or indirectly related to employment, due to

race, color, religion, sex, national origin, age, height, weight, disability, marital status or veteran status.

7.2 No Service Discrimination. The Parties shall not discriminate against any student or other recipient of service under this Contract due to race, color, religion, sex, national origin, or disability in the delivery of Services under this Service Contract.

7.3 Discrimination as Material Breach. Breach of obligations recited in this Article shall be regarded as a material breach of this Contract.

ARTICLE VII

MISCELLANEOUS

8.1 Non-Assignment. Neither Party may assign this Contract, nor its rights and duties hereunder, nor any interest herein without prior written consent from the other.

8.2 Entire Agreement. This Contract, and any Appendices or exhibits attached hereto or incorporated by reference, constitute the entire Contract between the Parties regarding its subject matter and supersedes any prior or contemporaneous understandings or agreements with respect to the Services.

8.3 Amendments. None of the terms and provisions of the Contract or its Appendices A and B may be modified or amended in any way except by an instrument in writing executed by authorized representatives of BPS and BCS.

8.4 Non-Waiver. Failure by either Party at any time to require performance by the other Party or to claim breach of any provision of this Contract shall not be construed as a waiver of any subsequent breach nor affect the validity and operation of this contract, nor prejudice either Party with regard to any subsequent action to enforce the terms of this Contract.

8.5 Notices. Any notice or other communications required or permitted under this Contract shall be sufficiently given if in writing and delivered personally or sent by confirmed facsimile transmission, telex, telecopy or other wire transmission (with request for assurance in a manner typical with respect to communications of that type), overnight air courier (postage prepaid), registered or certified mail (postage prepaid with return receipt requested) addressed to the Party's principal place of business, marked to the attention of the office held by its signatory of this Contract, or such other address or officer of which the Parties may have given notice. Unless otherwise specified herein, notices shall be received (a) on the date delivered, if delivered personally, by wire

transmission or confirmed facsimile transmission; (b) on the next business day after deposit with an overnight air courier; or (c) three (3) business days after being signed for, if sent by registered or certified mail.

8.6 Severability. If any provisions of this Contract should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions of this Contract shall not be in any way affected, impaired or prejudiced thereby.

8.7 Force Majeure. Neither Party hereto shall be liable to the other for any loss of business or any other damages caused by an interruption of this Contract where such interruption is due to war, rebellion or insurrection; an act of God; fire; government statute, order or regulation prohibiting the performance of this Contract; riots; strikes; labor stoppages, lockouts or labor disputes to the extent such occurrences are not caused by the actions of the Party seeking relief under this Section; or other causes beyond the reasonable and respective control of BPS or BCS.

8.8 Headings and Titles. Any Article or Section headings in this Contract are for the convenience of the Parties only and in no way alter, modify, amend, limit or restrict contractual obligations of the Parties.

8.9 Counterparts. This Contract may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which constitute one and the same agreement.

8.10 No Third Party Beneficiary. Nothing in this Contract shall be intended to confer third party beneficiary status or rights, pursuant to MCL 600.1405 or under the common law, to any person or entity that is not a party to this Contract.

8.11 Term. Annual renewals shall be completed and approved 90 days prior to the end of the contract term.

ARTICLE IX **AUTHORIZATION**

9.1 Signer's Representation. This Contract has been duly authorized, executed and delivered by the Parties and constitutes a legal, valid and binding obligation upon each of them, enforceable in accordance with its terms. Each person placing his/her signature below represents and warrants that she/he is the signatory duly authorized to execute this Contract on behalf of BCS or BPS, as is respectively applicable.

9.2 Signatures

BRIDGMAN PUBLIC SCHOOLS (“BPS”)

Dated: _____

By: _____

Its: Superintendent

BRANDYWINE COMMUNITY SCHOOLS (“BCS”)

Dated: _____

By: _____

Its: Superintendent

APPENDIX A – SERVICES

BRIDGMAN PUBLIC SCHOOLS

Description of Payroll Services for

Brandywine Community Schools

- Process payroll for all employees, make direct deposits through ACH and prepare related reports
- Process payroll for all Edu-Staff employees minus athletic coaches
- Input new contracts and pay rates
- Input flexible spending deductions for employees
- Input changes to State and Federal W4's
- Make any insurance deduction changes
- Prepare payroll checks for deductions such as garnishments, United Way, union dues, taxes, annuities
- Make federal and state tax deposits
- Make any necessary payroll adjustments per instructions from local district
- Responsible for payments and reports to ORS (payroll reports, as well as Final Salary Affidavits)
- Prepare monthly, quarterly and annual reports (941, Unemployment, etc.)
- Prepare accruals for payroll including FICA, retirement and insurance
- Prepare W2-s at year end and send to local district for distribution
- Work with outside individuals as authorized by local district, including auditors

APPENDIX B – COMPENSATION

BRIDGMAN PUBLIC SCHOOLS

Description of Payroll Services for

Brandywine Community Schools

Fees for Fiscal Year 2025/2026:

In consideration of the Services specified in this agreement, Brandywine Community Schools will pay Bridgman Public Schools \$37,970.00 per year in 12 equal payments of \$3,164.17 per month starting July 1, 2025 through June 30, 2026. This Agreement shall remain in effect for a minimum term of one (1) contract year (12 months) from the effective date. Thereafter, either district may terminate this Agreement without cause by providing no less than ninety (90) days' written notice to the other party. Notice shall be delivered by certified mail or other verifiable means. In the event of termination, both parties agree to work collaboratively to ensure an orderly transition of responsibilities and services.

The fees established in this agreement do not include the following costs which shall be the responsibility of Brandywine Community Schools:

1. Errors and Omissions insurance premiums for Brandywine Community Schools activities outside the scope of this agreement
2. Skyward financial software maintenance
3. Mileage reimbursement of Bridgman Public Schools employee at IRS rate, if necessary
4. Any continuing contracts or obligations of Brandywine Community Schools

Initials

Date

(Brandywine CS)

Initials

Date

(Bridgman PS)