

Faribault Public Schools, ISD 656

Non Union Administrators Cabinet 17-19

EMPLOYMENT AGREEMENT

ISD 656

School Board Approved January 22nd, 2018



2017-2019

ARTICLE I EMPLOYMENT

Section 1.01 – Introduction

This Employment Agreement contains information pertaining to your employment with Independent School District No. 655, Faribault ("District"). Please note that the information contained in this document may be changed from time to time. When changes occur to the information contained in this document, the revisions will be issued to you. The statements contained in this Section 1.01 are subject to the requirements of any applicable law, such as the Veterans' Preference Act, granting the administrator employment rights.

Section 1.02 – Basic Services

Administrators shall faithfully perform the services prescribed by the School Board or designated representative whether or not such services are specifically described in this manual or in a general job description, abide by the rules, regulations and policies as established by the School Board and the State Board of Education, and any additions or amendments thereto, for the annual salary indicated in this contract.

Section 1.03 -Duty Year

The duty year shall be as listed in Appendices A and B. The administrator shall perform services on those legal holidays on which the School Board so determines. He/she shall be on duty during any emergency, natural or unnatural, unless he/she is otherwise excused in accordance with School Board-administrative policy.

ARTICLE II SALARIES

Section 2.01 -Compensation

The annual salary of positions covered by these policies shall be based upon the salary schedule set forth in Appendices A and B. While the District reserves the right to set salaries, it will seek and receive input from administrators and their supervisor regarding the salary structure. The input may be in the form of written or oral communication.

Section 2.02 Doctoral Degree

Administrators that have received advance educational degrees in the form of a doctoral degree will receive an additional Five Thousand Dollars (\$5,000) in compensation each year that they are employed by the School District.

Section 2.03 -Holidays

Administrators shall be entitled to the following paid holidays: Independence Day, Labor Day, Thanksgiving Day, Friday after Thanksgiving, Christmas Eve, Christmas Day, New Year's Eve Day, New Year's Day, Spring Break Day, Memorial Day, and one floating holiday. If the approved school calendar precludes the use of any of these days as holidays, an alternate day(s) shall be determined by the Superintendent.

ARTICLE III LEAVES

Section 3.01 -Vacation

Vacations for administrators working 260 days per year shall be twenty-three (23) days per year. Part-time administrators will receive pro rata vacation. Vacation shall be available to the administrator at the beginning of the year (July 1st). Individuals hired after July 1st will receive pro rata vacation provided the administrator has been assigned to a position which normally consists of 260 or more days per year. No more than one hundred eighty-four (184) hours of unused vacation can be rolled over into the following year. Vacation use will be as scheduled with and approved by the Superintendent of Schools. Employees covered by this agreement may elect to take up to ten (10) days of accrued and unused vacation, as additional salary, within each contract year.

Payment for unused, earned vacation balances will be made by the School District upon termination or separation of employment.

Section 3.02 -Sick Leave

An administrator must work a regular schedule of 20 or more hours per week in order to be eligible for sick leave.

Administrators shall receive sick leave at the rate of twelve (12) days for each year worked, which may be accumulated to a maximum of 260 days. Sick leave shall be available to the administrator at the beginning of the year (July 1st), however, sick leave is considered earned on a monthly basis.

Section 3.03 – Bereavement Leave

The School District will grant up to five (5) days of Bereavement Leave for a death in the immediate family. Immediate family shall include spouse, domestic partner, children, siblings, parents, grandparents, grandchildren, mother-in-law, father-in-law, nieces, nephews, aunts, uncles and any relative living in the same home. The Superintendent may grant Bereavement Leave for individuals not listed above or extend the leave when deemed necessary.

Section 3.04 -Personal Business

The administrator shall be allowed three (3) personal days per year for business that ordinarily cannot be conducted outside the duty day with prior approval of the Superintendent.

Section 3.05 -Leave of Absence Without Pay

The administrator may apply for a leave of absence without pay in the event of personal extenuating circumstances. The administrator, when on medical leave of absence, is eligible to continue to participate in group insurance programs as permitted under the Family and Medical Leave Act.

The Administrator who is unable to work due to personal illness or disability, and who has exhausted all paid leave, shall be granted an additional leave of absence without pay for the duration of such illness or disability, up to one (1) year upon furnishing a medical certificate

Section 3.06 – Judicial Leave

An administrator who is called for jury duty shall be compensated for the difference between regular pay and pay received for the performance of such obligation upon proof of service.

Section 3.7 – Superintendent’s Discretionary Leave

Any circumstance that arises necessitating the absence of an administrator not specifically included in any of the sections above may be granted as discretionary leave. Such leave must be approved in advance by the superintendent or his/her authorized representative.

ARTICLE IV INSURANCE

Section 4.01– Insurance Eligibility

An administrator must work a regular schedule of 20 or more hours per week in order to be eligible for group insurance coverage.

Section 4.02 – District Obligation

The District’s only obligation is to purchase the group insurance policies addressed below and pay such amounts as stated herein. No claim shall be made against the District as a result of a denial of insurance benefits by an insurance carrier.

Section 4.03 – Health and Hospitalization

For the 2017-18 year the School District will pay up to fifteen thousand eight hundred seventy six dollars (\$15,876) per year at the rate of one thousand three hundred twenty three dollars (\$1,323) per month for each month, or major portion thereof, employed, toward the purchase of dependent or single coverage or the actual cost, whichever is less, for the group Hospitalization and Medical-Surgical Insurance selected by the School District The balance of the cost will be deducted monthly from salary payments.

For the 2018-19 year the School District will pay up to sixteen thousand two hundred ninety six dollars (\$16,296) per year at the rate of one thousand three hundred fifty eight dollars (\$1,358) per month for each month, or major portion thereof, employed, toward the purchase of dependent or single coverage or the actual cost, whichever is less, for the group Hospitalization and Medical-Surgical Insurance selected by the School District The balance of the cost will be deducted monthly from salary payments.

Subd 1. Consumer Directed Health Plan and Voluntary Employee Beneficiary Association (VEBA): The District shall offer Consumer Directed Health Plan coupled with a VEBA. Each employee who chooses to enroll in the Consumer Directed Health Plan will receive a District contribution for premiums and a contribution into a Health Deductible/VEBA Plan offered by the District as follows:

- a. **Single Coverage with a VEBA:** The School District shall make available the group health plan described as CDHP 1200 with a VEBA. For the 2017-18 contract year the School District will pay up to fourteen thousand six hundred seventy six dollars (\$14,676) per year at the rate of one thousand two hundred twenty three dollars (\$1,223) per month for each month, or major portion thereof employed, toward the annual premium for single group health coverage under this plan. The District will also contribute \$1,200 towards the deductible into each qualified employee’s VEBA account in equal payments with each pay period.

For the 2018-19 contract year the School District will pay up to fourteen thousand one hundred ninety six dollars (\$15,096) per year at the rate of one thousand one hundred eighty three dollars (\$1,258) per month for each month, or major portion thereof employed, toward the annual premium for single group health coverage under this plan. The District will also contribute \$1,200 towards the deductible into each qualified employee’s VEBA account in equal payments with each pay period.

- b. **Family Coverage with a VEBA:** For the 2017-18 year the School District shall make available the group health plan described as a Family High Deductible VEBA plan. The School District will pay up to thirteen thousand four hundred seventy-six dollars (\$13,476) per year at the rate of one thousand one hundred twenty three dollars (\$1,123) per month for each month, or major portion thereof employed, toward the annual

premium for family group health coverage under this plan. The District will also contribute two thousand four hundred dollars (\$2,400) towards the deductible into each qualified employee's VEBA account in equal payments with each pay period.

For the 2018-19 year the School District shall make available the group health plan described as a Family High Deductible VEBA plan. The School District will pay up to thirteen thousand eight hundred ninety-six dollars (\$13,896) per year at the rate of one thousand one hundred fifty eight dollars (\$1,158) per month for each month, or major portion thereof employed, toward the annual premium for family group health coverage under this plan. The District will also contribute two thousand four hundred dollars (\$2,400) towards the deductible into each qualified employee's VEBA account in equal payments with each pay period.

- c. If a qualified bargaining unit member enters the VEBA plan as a participant on a date after the first day of the VEBA plan year, the District shall prorate the amount of the District contribution to reflect the late entry. This prorated amount will be determined by the number of days the employee is contracted compared to the total days of a full time employee (260 days).
- d. All contributions on behalf of the VEBA plan participant shall cease on the date the participant is no longer covered under the High Deductible Health Care Plan or employed by Faribault Public Schools.

Subd 2. Consumer Directed Health Plan (CHDP) and Health Savings Account (HSA): The District shall offer Consumer Directed Health Plan coupled with an HSA. Each employee who chooses to enroll in the Consumer Directed Health Plan will receive a District Contribution for premiums and a contribution in to an HSA offered by the District as follows:

- a. **Single Coverage with an HSA:** The School District shall make available the group health plan described as CDHP with HSA. For the 2017-18 contract year the School District will pay up to twelve thousand seven hundred fifty one dollars (\$12,751) per year at the rate of one thousand sixty three dollars (\$1,063) per month for each month, or major portion thereof employed, toward the annual premium for single group health coverage under this plan. The District will also contribute three thousand one hundred twenty-five dollars (\$3,125) towards the deductible into each qualified employee's HSA account in equal payments with each pay period.

For the 2018-19 contract year the School District will pay up to thirteen thousand one hundred seventy one dollars (\$13,171) per year at the rate of one thousand ninety eight dollars (\$1,098) per month for each month, or major portion thereof employed, toward the annual premium for single group health coverage under this plan. The District will also contribute three thousand one hundred twenty five dollars (\$3,125) towards the deductible into each qualified employee's HSA account in equal payments with each pay period.

- b. **Single Coverage without an HSA:** The School District shall make available the group health plan described as CDHP without an HSA. For the 2017-18 contract year the School District will pay up to fifteen thousand eight hundred seventy six dollars (\$15,876) per year at the rate of one thousand three hundred twenty three dollars (\$1,323) per month for each month, or major portion thereof employed, toward the premium. No contribution will be made toward the deductible or into an HSA account.

For the 2018-19 contract year the School District will pay up to sixteen thousand two hundred ninety six dollars (\$16,296) per year at the rate of one thousand three hundred fifty eight dollars (\$1,358) per month for each month, or major portion thereof employed, toward the premium. No contribution will be made toward the deductible or into an HSA account.

- c. **Family Coverage with an HSA** The School District shall make available the group health plan described as CDHP with HSA. For the 2017-18 contract year the School District will pay up to twelve thousand seven hundred fifty one dollars (\$12,751) per year at the rate of one thousand sixty three dollars (\$1,063) per month for each month, or major portion thereof employed, toward the annual premium for family group health coverage under this plan. The District will also contribute three thousand one hundred twenty five dollars (\$3,125) towards the deductible into each qualified employee's HSA account in equal payments with each pay period.

For the 2018-19 contract year the School District will pay up to thirteen thousand one hundred seventy one dollars (\$13,171) per year at the rate of one thousand ninety eight dollars (\$1,098) per month for each month, or major portion thereof employed, toward the annual premium for family group health coverage under this plan. The District will also contribute three thousand one hundred twenty five dollars (\$3,125) towards the deductible into each qualified employee's HSA account in equal payments with each pay period.

- d. **Family Coverage without an HSA:** The School District shall make available the group health plan described as CDHP without an HSA. For the 2017-18 contract year the School District will pay up to fifteen thousand eight hundred seventy six dollars (\$15,876) per year at the rate of one thousand three hundred twenty three dollars (\$1,323) per month for each month, or major portion thereof employed, toward the annual premium. No contribution will be made towards the deductible or into an HSA account.

For the 2018-19 contract year the School District will pay up to fifteen thousand three hundred ninety six dollars (\$16,296) per year at the rate of one thousand three hundred fifty eight dollars (\$1,358) per month for each month, or major portion thereof employed, toward the annual premium. No contribution will be made towards the deductible or into an HSA account.

- e. The employee will be responsible for the tax consequences of the contributions should they exceed the applicable contribution limit.
- f. If an employee enters the HSA plan as a participant on a date after the first day of the HSA plan year, the District shall prorate the amount of the District contribution to reflect the late entry. This prorated amount will be determined by the number of days the employee is contracted compared to the total employed days of a full time employee (260).
- g. All contributions on behalf of the HSA plan participant shall cease on the date the participant is no longer covered under the CDHP or employed by Faribault Public Schools.

Subd. 3 : Where the School District has available other group health plans, with respect to employees:

- a. the School District shall contribute an annual amount not to exceed \$15,876 for the 2017-18 years and \$16,296 for the 18-19 year towards the premium for single or family group health coverage and
- b. the employees shall not be entitled to participate in the HSA or VEBA for active employees. Thus, they will not become members of the voluntary employees beneficiary association and they will not receive contributions to individual accounts in the HSA/VEBA Plans.

Section 4.04 –Dental Insurance

The school district will provide dental insurance at a monthly contribution amount of forty dollars (\$40.00) towards single or family insurance.

Section 4.05 -Life Insurance

The School District shall provide, at District expense, a group term life insurance plan providing two and one-half (2 ½) times the Administrators annual salary of coverage for each eligible administrator. Administrators covered by this agreement can, at their own expense, purchase up to an additional \$250,000 of life insurance in increments of \$50,000.

Section 4.06 -Long-Term Disability Insurance

The School District shall pay the full premium for long-term disability insurance for eligible administrators. Benefits shall be payable after 90 consecutive days of total disability at 75% of the basic monthly earnings.

Section 4.07 -Liability Insurance

The School District agrees to insure the administrator for loss because of claims brought against him/her caused by any negligent act, error, omission, or breach of duty while acting within the scope of his/her employment or any claim against him/her solely by reason of the holding of his/her position. The amount and extent of coverage shall be subject to limitations imposed by the insurance carrier and applicable law.

Section 4.08 – Duration of Insurance Contribution

Upon separation of employment, all district participation and contribution toward group insurance benefits shall cease effective at the end of the month of the last working day except as provided under other provisions of this document. However, the administrator may be continued in the group insurance plans at his or her own expense for a period following separation determined by the insurance carrier and applicable laws.

ARTICLE V OTHER BENEFITS

Section 5.01 -Travel

Necessary and approved transportation that is required of the administrator in the performance of school duty shall be at the expense of the School District and set forth in District Policy Number 412.

Section 5.02 -Professional Improvement/ Professional Membership Dues

The administrator will participate in professional development activities which are directly related to his or her areas of responsibility and other areas approved by the superintendent. The School District shall pay for all legally valid travel, lodging, and meal expenses and fees for attendance at professional conferences and meetings with other educational

agencies when attendance thereof is required, directed, or permitted by the superintendent. This amount can also be used towards the annual membership dues for the administrator for relevant professional organizations approved by the District and also the annual membership dues for other community organizations as are required, directed or permitted, by the superintendent of schools.

ARTICLE VI SEVERANCE/RETIREMENT

Section 6.01 – Severance

When an administrator has completed five years of continuous service under this employment agreement, or combined with other administrative positions within the district as identified in the Principals Association Master Agreement and/or Non-union Directors and Coordinators Agreement, they shall be eligible for payment upon separation of employment based on the following:

- a. Payment shall be equivalent to their daily rate of pay times a number of days determined by multiplying five (5) days times the number of year's employment with the Faribault Public School District at the time of separation of employment. The daily rate shall be based on the gross salary rate, including steps and pay differentials.
- b. The amounts shall be pro-rated for years during which the administrator served part-time or on an unpaid leave.
- c. The maximum severance payment will be no more than \$20,000.
- d. Severance pay under this section shall not be payable in the event the administrator is terminated for cause.

Section 6.02 -Tax Deferred Contribution

For the 2017-18 year the School District shall match administrator payments up to \$3,000 per school year to a tax-deferred plan for the full-time administrator. Effective with the 2018-19 year the School District shall match administrator payments up to \$3,600 per school year to a tax-deferred plan for the full-time administrator.

- a. The administrator shall be eligible for a prorated school district contribution for any years that are less than full time.
- b. Such plan shall be approved and subject to applicable provisions of Minnesota Statutes and IRS Code Section 403(b) or IRS Code Section 457 and any amendments thereto.
- c. The administrator shall choose a service provider from a district approved vendor list. It shall be the responsibility of the administrator to make all arrangements required by the vendor and district to insure that proper payment is made by the school district. The district shall make payment to the administrator's selected company semi-monthly.

Section 6.03 – Health Care Savings Account

The School District shall contribute on behalf of the administrator, an amount equal to 1.00% of his/her gross salary to a health care savings account administered by the State of Minnesota Retirement System.

Section 6.04 – Retirement Insurance

The Administrator shall be eligible for early retirement health insurance contributions towards single coverage in the group health and hospitalization until the end of the month employee qualifies for Medicare. Administrator must have completed at least five (5) years of continuous service with the School District and be at least fifty-five (55) years, or completed at least ten (10) years of continuous service with the School District and be at least fifty (50) years of age to be eligible for this benefit upon submission of written resignation accepted by the School Board. The School District will make the same contribution towards the cost of single coverage for a retired full-time employee as is provided under this agreement for an active full-time employee.

This document shall be effective only upon the signature of the officers of the School Board.

INDEPENDENT SCHOOL DISTRICT NO. 656

John D. Currie

Board Chair

[Signature]

Board Clerk

Dated: 1-22-18

[Signature]

Director, Finance and Operations

[Signature]

Director, Teaching and Learning

[Signature]

Director, Special Services

[Signature]

Director, Community Education

[Signature]

Director, Buildings and Grounds

[Signature]

Director, Human Resources

Dated: 1-22-18

**APPENDIX A
SALARIES AND DUTY YEAR
2017-18**

Position	Duty Year	Annual Salary
Director, Finance and Operations	260 Days	\$122,655
Director, Special Services	260 Days	\$115,660
Director, Teaching and Learning	260 Days	\$117,277
Director, Community Education	260 Days	\$113,735
Director, Human Resources	260 Days	\$108,770
Director, Buildings and Grounds	260 Days	\$102,307

**APPENDIX B
SALARIES AND DUTY YEAR
2018-19**

Position	Duty Year	Annual Salary
Director, Finance and Operations	260 Days	\$127,071
Director, Special Services	260 Days	\$119,819
Director, Teaching and Learning	260 Days	\$121,495
Director, Community Education	260 Days	\$117,823
Director, Human Resources	260 Days	\$112,676
Director, Buildings and Grounds	260 Days	\$105,974