

## **EMPLOYMENT AGREEMENT**

The School Board of Independent School District No. 709, Duluth, Minnesota "School District" enters into this Contract with Theresa Severance, herein referred to as "Employee".

In consideration of the mutual promises and agreements set forth below, Employee and the School District agree as follows:

- I. **Employment:** The School District hereby employs, engages and hires Employee as Executive Director of Human Resources and Operations and Employee hereby accepts and agrees to such hiring, engagement and employment subject to the general supervision and pursuant to the orders, advice and direction of the Superintendent and School District.
- II. **Duties:** Employee agrees that she will at all times faithfully, industriously, and to the best of her ability, experience and talents, perform all of the duties that may be required of and from her pursuant to the express and implicit terms of this Contract, responsibilities outlined in the Job Description and to the reasonable satisfaction of the School District. Such duties and responsibilities shall be rendered at the School District or at such other places as the School District shall in good faith require or as the interest, needs, business or opportunity of the School District shall require.

The school district recognizes the unique demands of the position which may require non-traditional work days and the employee may work remotely, including outside traditional business hours, at her discretion and with communication with the Superintendent.

- III. **Duration, Subsequent Contract, Expiration, Termination During the Term, Mutual Consent & Contingency:**

- A. **Duration.** This Contract is for a term of one (1) year, commencing on August 1, 2022 and ending on July 1, 2023. It is an interim change from the previously negotiated contract. It shall remain in full force and effect unless modified by mutual consent of the School Board and the Employee or by employee resignation or termination as provided herein.
- B. **Expiration.** This Contract shall expire at the end of the term specified in III, A hereof. At the conclusion of its term, the employee may revert back to their original contract. Neither party shall have any further claim against the other, and the School District's employment of the Employee shall cease, unless the employee reverts back to their previous contract or a subsequent Contract is entered. However, in the event the School Board is contemplating not offering the Employee a subsequent Agreement, the School Board shall give written notice of such intent six (6) months before the expiration of this Employment Agreement. If there is not six (6) months remaining in the Employment Agreement, the Employment Agreement will be extended so that there is a full six (6) month notice period.
- C. **Termination During the Term With Cause.** The Employee's employment may be terminated during the term of this Contract for cause. Such cause shall consist, by way of illustration and not limitation, of one or more of the following: Theft, neglect of duty, conviction of a felony, fraud, insubordination or embezzlement. If the School Board proposes to terminate the Employee during the Contract term for cause, it shall notify the Employee in writing of the proposed grounds for termination. The Employee shall be entitled to a hearing before an arbitrator, provided the Employee makes such a request in writing within fifteen (15) calendar days after receipt of the written notice of the proposed termination. In such event, the parties shall jointly petition the Bureau of Mediation Services "BMS" for a list of five (5) arbitrators. The arbitrator shall be selected by the parties through the normal striking process as provided by BMS rules. The arbitrator shall conduct a hearing under normal arbitration procedure rules and

issue a written decision. The decision of the arbitrator shall be final and binding upon the parties, subject to normal judicial review of arbitration decisions as provided by law. The arbitrator may suspend the Employee with pay pending final determination. If the Employee fails to request a hearing as provided herein within the fifteen (15) calendar day period, it shall be deemed acquiescence by the Employee to the School Board's proposed action and the proposed action shall become final on such date as determined by the School Board, and the Employee shall have no further claim or recourse.

- D. Mutual Consent. The parties may terminate this Contract at any time by mutual consent.
- E. Termination During the Term Without Cause. During the term of this Contract or any extensions thereof, this Contract may be terminated by the School District without cause upon thirty (30) days notice and payment of twelve (12) months' pay.
- F. Resignation. The Employee may terminate this agreement without cause or penalty with twenty-one (21) days notice in writing to the Superintendent.

#### IV. Duty Year and Leaves:

- A. Basic Work Year. The Employee's duty year shall be for the entire twelve (12) month Contract year as provided herein, and the Employee shall perform services on those legal holidays on which the School District is authorized to conduct school if the School Board so determines. The Employee shall be on duty during any emergency, natural or unnatural, unless otherwise excused in accordance with School Board administrative policy.
- B. Vacation. The Employee shall earn twenty-five (25) working days of annual paid vacation each Contract year. Unused vacation may carry over into future duty years with a limit of one-hundred (100) days available vacation at any point during the contract period. Upon retirement, resignation or termination of employment, the Employee shall be entitled to payment for any unused vacation days pursuant to the provisions of this paragraph. The daily rate of pay will be based on 260 days per year.

Vacation time is to be coordinated with the Superintendent in order to maintain a protocol for leadership within the School District.
- C. Holidays. The Employee shall be entitled to ten (10) paid holidays each Contract year as designated by the School District.
  - New Year's Day
  - President's Day
  - Memorial Day
  - Independence Day
  - Labor Day
  - Convention Day
  - Thanksgiving Day
  - The day after Thanksgiving
  - Christmas Eve Day
  - Christmas Day
- D. Sick, Family and Personal Leave.
  1. Sick Leave. The Employee shall earn 13 paid sick leave days per year, allocated on the first day of each contract year, and such earned

unused sick leave may accumulate to a maximum of 90 days. The value of unused sick leave that accumulates in excess ninety (90) days shall be contributed annually to the employee's 403B Plan or other tax-sheltered annuity plan. However, at any time, the employee may choose to contribute the value of unused sick leave that accumulates in excess forty-five (45) days to the their 403B Plan or other tax-sheltered annuity plan. The daily rate of pay will be based on 260 days per year. Upon retirement, resignation or termination of employment, any remaining amount will be contributed to the employee's 403B Plan or other tax-sheltered annuity plan. Contributions beyond the maximum allowable amounts will be contributed to the Health Care Savings Plan.

2. Family Leave. Employee shall be allowed a maximum of thirty (30) sick leave days per year for absences due to an illness or injury in the immediate family requiring care or attendance of the employee, such allowance is to be charged against the current or accumulated sick leave. Such leave shall require the approval of the Superintendent. "Family" shall constitute members of the immediate family of employee or spouse and for purposes of this regulation shall include, parent, stepparent, father-in-law, mother-in law, sibling, spouse, adult child, grandparent and grandchild. This shall also apply to foster relationships of the above listed categories. In addition, to the above, employee may use more than (30) days sick leave for absences due to an illness of the employee's dependent child in accordance with Minnesota Statute §181.9413 (2013).

E. Emergency Leave. The Employee may be granted paid emergency leave during the Contract year at the discretion of the School Board.

F. Bereavement Leave. Employee shall be granted paid bereavement leave not to exceed five (5) days to attend a funeral of a family member. An additional three (3) days may be granted due to a death in the family if necessary for travel in connection with legal or business matters involving the funeral or estate. Days utilized will not be deducted from sick leave.

Definition of "family" under "Bereavement Leave" shall constitute members of the immediate family of Employee or spouse and shall include father, mother, brother, sister, husband, wife, child, grandparent, grandchild, mother-in-law, father-in-law, brother-in-law, sister-in-law, aunt, uncle, niece and nephew. This shall also apply to foster relationships of the above listed categories.

G. Disability. If the Employee is unable to perform regular duties because of personal illness or disability and has exhausted all accumulated sick leave, the School District shall provide additional paid sick leave at a salary equal to one-hundred percent (100%) of the Employee's regular salary until the expiration of the waiting period for long term disability insurance.

H. Medical Leave. If the Employee is unable to perform regular duties because of personal illness or disability and has exhausted all sick leave credit available or has become eligible for long term disability compensation and has not been suspended or placed on leave of absence shall, upon request, be granted a medical leave of absence, without pay, up to one (1) year in duration. The School Board may, in its discretion, extend such a leave upon written request. A written statement shall accompany a request for medical leave of absence or extension thereof pursuant to this section from a physician outlining the condition of health and estimated time at which the Employee

is expected to be able to resume normal responsibilities. The Employee, when on medical leave of absence, is eligible to continue to participate in group insurance programs as permitted under the insurance policy provisions, but the Employee shall pay to the School District the entire premium for such programs as the Employee wishes to retain commencing with the beginning of the leave.

Jury Duty.

1. When Employee is selected for jury duty, the Superintendent will be notified and Employee will make a personal request of the court for release from such duty. If that request is denied, the Superintendent will be notified.
2. The Employee will receive his regular contractual salary while on jury duty, with jury pay, less expenses incurred in travel outside the School District, surrendered to the School District.

I. Personal Leave. The Employee shall be entitled to three (3) personal leave days per year, the second and third of which will be charged against accumulated sick leave.

V. Insurance:

- A. Health & Hospitalization. The School District shall provide the Employee and Employee's dependents with health and hospitalization coverage, under the School District's group plan of the Employee's choice, at the expense of the School District. If the Employee chooses single health and hospitalization coverage, the School District shall make an employer contribution in the sum of \$5,000 for the 2022-2023 Contract year, to the Employee's 403B Plan or other tax-sheltered annuity plan.
- B. Dental. The School District shall provide the Employee and Employee's dependents with dental coverage under the best School District's group plan at the expense of the School District.
- C. Life Insurance. The School District shall provide, at the expense of the School District, term life insurance for the Employee under the School District's group life insurance plan in the amount of \$100,000, payable to the Employee's named beneficiary. Employer will provide an additional \$100,000 coverage to employee if requested and approved by the carrier based on insurability. The acceptance of coverage over \$50,000 triggers additional coverage amounts to be taxable.
- D. Long Term Disability Insurance. The School District shall provide, at the expense of the School District, long term disability insurance coverage for the Employee under the School District's group plan.
- E. Liability Insurance. The School District shall provide, at the expense of the School District, liability insurance naming the Employee as an insured, along with the School District, in an amount not less than that, which is required by law for the School District.
- F. Claims Against the School District. The eligibility of the Employee or the Employee's dependents or beneficiary for insurance benefits shall be governed by the terms of the insurance policies purchased by the School District pursuant to this section. It is understood that the School District's only obligation is to purchase the insurance policies described herein, and no claim shall be made against the School District as a result of denial by an insurer of insurance benefits if the School District has purchased the policies and paid the premiums described herein.

VI. Other Benefits:

- A. Tax-Sheltered Annuities. The Employee will be eligible to participate in a tax-sheltered annuity plan through payroll deduction established pursuant to Section 403(b) of the

Internal Revenue Code of 1986, Minnesota Statutes, Section 123B.02, Subd. 15, and School District policy, and as otherwise provided by law.

- B. Cellular Phone. The School District shall provide the Employee with a monthly allowance of \$75.00 for use of the Employee's cellular phone or follow the district's cell phone policy should one be implemented, whichever is greater. Alternatively, at the Employee's option, the Employee may be provided with a School District paid cellular phone if the Employee reimburses the School District \$10.00 for personal use.
- C. Conferences and Meetings. The School District shall pay all legally valid expenses and fees for the Employee's attendance at professional conferences and meetings with other educational agencies when attendance thereof is required, directed, or permitted by the Superintendent. The Employee shall periodically report to the Superintendent relative to all meetings and conferences attended. The Employee shall file itemized expense statements to be processed and approved as provided by law.
- D. Automobile. The School District shall reimburse the Employee for business use of the Employee's private automobile consistent with School District Policy #3135 and pursuant to Minnesota Statute 5471.665, Subd. 3.

#### VII. Compensation:

- A. Salary. The School District shall pay Employee, and Employee shall accept from the School District in full payment for Employee's services, an annual salary as determined according to the Annual Salary Schedule set forth below. Employee's salary shall be paid in equal installments during the Contract year, at least bi-monthly. The Contract year is defined as commencing on July 1 of any year and terminating on the next June 30.

Salary
2022-2023
\$143,232

#### VIII. Other Provisions:

- A. Outside Activities. While the Employee shall devote full time and due diligence to the affairs and the activities of the School District, the Employee may serve as a consultant to other school districts or educational agencies, lecture, engage in writing and speaking activities, and engage in other activities if such activities do not impede the Employee's ability to perform the duties of the Executive Director of Human Resources and Operations. The Employee shall not engage in other employment, consultant service or other activity for which a salary, fee, or honorarium is paid without the prior coordination of the Superintendent.
- B. Indemnification and Provision of Counsel. In the event that an action is brought or a claim is made against the Employee arising out of or in connection with the Employee's employment, and the Employee is acting within the scope of employment or official duties, the School District shall defend and indemnify to the extent permitted by law. Indemnification, as provided in this section, shall not apply in the case of malfeasance in office or willful or wanton neglect of duty, and the obligation of the School District herein shall be subject to the limitations as provided in Minnesota Statutes, Chapter 466.
- C. Dues. The Employee is encouraged to belong to and participate in appropriate professional and educational organizations when such membership will serve the best

interests of the School District. Accordingly, the School District will pay such membership dues as are required, directed, or permitted by the School Board. The Employee shall present appropriate statements for approval as provided by law.

D. Severance. Upon retirement or voluntary resignation the Employee shall receive severance credit for 2.5 days multiplied by the number of full or partial years of continuous service to the District (not to exceed six months pay). Partial years will be rounded up to the closest quarter year. The daily rate of pay will be the current annual base salary in the year of retirement/voluntary resignation divided by two-hundred sixty (260). This amount is in addition to any amount paid from remaining unused sick leave or unused vacation pay. Any amount payable shall be contributed to the Employee's 403B Plan or other tax-sheltered annuity plan. Contributions beyond the maximum allowable amounts will be contributed to the Health Care Savings Plan Health Care Savings Plan. Severance will not be paid for a termination for cause as outlined in Article III paragraph C.

E. Technology. The school district shall provide the Employee with appropriate technology to work remotely, including, but not limited to, a laptop with applicable installed software and hardware. The employee will be responsible for internet requirements.

IX. Severability: If any provision of this Contract is held to be invalid by operation of law, the remainder of the Contract shall not be affected thereby and shall remain in full force and effect.

This Contract shall be effective only upon signatures of the Employee and of the officers of the School Board after authorization for such signatures by the officers is given by the School Board in appropriate action in its minutes.

***IN WITNESS WHEREOF***, I have subscribed my  
signature this 16<sup>th</sup> day of August, 2022.

  
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Theresa Severance

  
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Jim Lofdell  
Chair of the Board  
  
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Alanna Oswald  
Clerk of the Board