To: Members of the School Board
From: Amy O'Hern, Executive Director of Human Resources
Date: August 3, 2026
Re: 2025-2027 Tentative Agreement - Principals

RECOMMENDATION:

The District Administration is recommending the approval of a two-year principal contract with the effective dates being July 1, 2025 through June 30, 2027.

Financial Package

- The salary increase for 2025-2026 will be 2.5%
- The salary increase for 2026-2027 will be .85%
- Salary increase will be retroactive back to July 1, 2025.

8-3 Longevity

- Longevity will be paid starting five years after the completion of step eight. The eligible principal shall receive an annual longevity stipend of five hundred dollars ($500). The stipend shall be paid annually for each year the principal remains eligible. (Longevity stipend will begin 2026-2027)

Non-Economics

5-6 Conference Attendance

Upon supervisor approval, a head principals ~~can~~ may request to attend a national conference or comparable conference ~~at reasonable cost~~ every other year. On the alternate year, they can request to attend a state conference or comparable conference. Assistant principals can request to attend a national conference or comparable conference ~~at reasonable cost~~ every third year. On the alternate years, they can request to attend a state conference or comparable conference.

6-1 Personal Leave

If a principal does not use all of their personal leave days, one (1) personal leave day may be carried over to the next contract year, for a maximum accumulation of six (6) personal leave days in any contract year.

6-1 Leaves of Absence with Pay-Sabbatical Leaves

~~The School Board may grant at least one (l) sabbatical leave of absence per year to a principal in the principals' bargaining unit provided the program submitted meets the criteria set forth in the guidelines established by School Board policy. Leaves for less than one (l) year may be granted, but the total, during a principal's career, may not exceed one (l) year.~~

~~*6-1-1 Qualifications*~~

~~Principals shall be eligible for a sabbatical leave after each seven (7) consecutive years of service in District 281. Time spent on authorized leave of absence neither contributes to nor interrupts the accumulation of consecutive years of service.~~

~~*6-1-2 Time to Apply*~~

~~Applications for sabbatical leave must be made on forms available in the office of Superintendent on or before March I. Successful applicants will be notified on or before May I.~~

~~*6-1-3 Salary*~~

~~The sabbatical salary for a full-time principal with seven (7) to ten (10) years of experience in District 281 shall be 50 percent and a full-time principal with ten (10) years or more, 60 percent of the salary to which the principal would be entitled for full-time work during the sabbatical year payable on the regular payroll schedule.~~

6-1-4 Requirements

~~The principal will undertake a program which is designed to help him/her perform his/her professional duties upon return.~~

6-1-5 Supplemental Compensation

~~Principals on sabbatical leave may augment their sabbatical salary with aids, fellowships, scholarships, or other stipends up to an amount which when added to the sabbatical salary will not exceed the amount of their basic salary.~~

6-1-6 Return Requirement

~~The principal must agree to work as assigned in District 28 l schools for two (2) years after the sabbatical leave or repay to the School Board the sabbatical salary received.~~

6-1-7 Benefits

~~Principals on sabbatical leave shall continue to be eligible for hospitalization, life, dental insurance and long-term disability. The School Board will contribute the same amount as if the principal was on staff as a full-time employee.~~

6-13 Longterm Disability

The School Board will participate in the long-term disability insurance program. The Board will pay one-half of the annual premium for all full-time principals who participate in the program and are on the noncafeteria benefit plan. Principals on the cafeteria plan are responsible to pay for 100% of the premium. The income of the participant, who is forced from work for a long period of time due to reasons of health or accident, will be insured after 90 calendar days out of 130 consecutive work days, or sixty-six point six percent of the principal's regular salary up to the policy limit, as long as the LTD claim is approved by the insurance carrier. If the principal requests it, the School Board will pay thirty-three point three percent of the day salary to those participants who have accumulated more than 65 days of paid time off. Thirty-three point three percent of the days will be subtracted from the total number of remaining paid time off days until all paid time off has been used in full, or the teacher requests such payment be discontinued.

6-14 Minnesota Paid Family Leave
Starting January 1, 2025 the district will apply the provisions of the Minnesota Paid Family Leave, established under Minnesota Statutes, Chapter 268B.

7-1 Seniority Determination
In the event a Principal or Assistant Principal position becomes available within the District, the Superintendent or Superintendent's designee retains the exclusive right to assign, transfer, or reassign employees across the Principal and Assistant Principal categories based on the operational and educational needs of the District. Such assignments may occur without posting or external hiring requirements, consistent with applicable law and Board policy.

Any employee involuntarily reassigned by the Superintendent or Superintendent's designee between administrative categories, grade-level configurations, or assignment groups shall retain previously accrued district administrative seniority. Such reassignment shall not negatively affect the employee's seniority status for purposes of layoff, reduction in force, recall, or retention.

In the event a Principal or Assistant Principal is involuntarily reassigned by the Superintendent or Superintendent's designee to an administrative position with fewer contract days or a lower salary schedule placement, the employee shall retain their current salary and contract length. Such reassignment shall not result in a reduction in compensation or work year unless mutually agreed upon by the employee.

8-1-1 Elementary Principal Flex Days

With advanced notification, Elementary Head Principals may schedule up to five (5) non-work days at their daily rate of pay during the calendar year for days worked outside of their contracted days. Timecards must be submitted within one week of the date of work.

8-4 Salary Schedule
The salaries for the 20253-20264 and 20264-20275 contract years appear on page 2119. Annual salary will be prorated over twenty four (24) pay periods. A principal who has an abbreviated work year and does not complete their annual contract will be required to either have their remaining pay adjusted, personally reimburse the district or both. The repayment amount shall be prorated based on the unworked portion of the contact year.

9-1-1 For full time principals not enrolled in a co-pay plan will receive a district VEBA or HSA contribution. The minimum deductible to be considered eligible for HSA contribution is determined by the IRS each calendar year.

~~For full time principals who enroll in a Comprehensive Major Medical Insurance Plan with a single plan annual deductible of at least $1750 or a family plan annual deductible of at least $3500, the district shall contribute a monthly VEBA or HAS (Health Savings account) amount as follows:~~

10-1-1 Payment for Unused Sick Leave-For Principals Hired after July 1, 2005
On an annual basis, principals hired after July 1, 2005, who have accumulated more than 65 days of a combination of unused annual sick leave and personal leave may surrender up to 15 days of combined sick and personal leave following their ~~sixth~~ fifth year as a principal in the district. In return for those days, the individuals participating during that contract term (contract class), will receive their daily rate of pay times the number of surrendered days to be paid into the employees' paycheck between July I and July 15 of the following fiscal year.

11-1 The duration of this hospitalization/medical insurance contribution shall be eight (8) years (96 months) after the principal's retirement from the district. After the eight (8)-year period, the retired principal may continue in the group at no cost to the school district unless prohibited by the insurance carrier. When either the retired employee or the spouse of the retired employee accepts ~~become eligible for~~ Medicare or another similar insurance coverage, he/she must participate in that supplemental insurance plan and the insurance benefits must be coordinated with Medicare of the other similar insurance plan and reimbursement with approved proof of premium payment will be paid on a quarterly, calendar-year basis (Jan-Mar, Apr-Jun, Jul-Sep, Oct-Dec). The district's contribution will not exceed the cost of the supplemental plan. After the eight (8)-year period, the retired principal may continue in the group at no cost to the school district unless prohibited by the insurance carrier.