

SUPERINTENDENT'S CONTRACT

Contract with Independent School District #256, Red Wing, MN

ARTICLE 1: PURPOSE

This Contract is entered into between Independent School District No. 256, Red Wing, Minnesota, hereinafter referred to as the School District, and Karsten Anderson, hereinafter referred to as the Superintendent, a legally qualified and licensed superintendent who agrees to perform the duties of the Superintendent of the School District.

ARTICLE 2: APPLICABLE STATUTE

This agreement is entered into between the School District and the Superintendent in conformance with M.S. 123B.143, Subd. 1.

ARTICLE 3: LICENSURE

The Superintendent shall furnish throughout the life of this contract a valid and appropriate license to act as Superintendent in the State of Minnesota as provided by applicable state laws, rules and regulations.

ARTICLE 4: DURATION, EXPIRATION, TERMINATION DURING THE TERM, MUTUAL CONSENT, AND CONTINGENCY

Section 4.1. Duration. This contract is for a term of two years commencing on July 1, 2021, and ending June 30, 2024. It shall remain in full force and effect unless modified by mutual consent of the School Board and the Superintendent, or unless terminated as provided herein.

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Section 4.2. Definition. "Contract year" as referred to in this contract shall be defined as the period July 1st to June 30th.

Section 4.3. Expiration. This Contract shall expire at the end of the term specified in Section A above. At the conclusion of its term, neither party shall have any further claim against the other, and the School District's employment of the Superintendent shall cease, unless a subsequent Contract is entered into in accordance with M.S. 123B.143, Subd. 1. Three (3) to six (6) months prior to the expiration of this Contract, at the Superintendent's written request, the School board shall conduct a performance evaluation of the Superintendent pursuant to M.S. 13D.05, Subd. 3.

Section 4.4. Termination During the Term. The Superintendent's employment may be terminated during the term of this Contract only for cause as defined in M.S. 122A.40, Subd. 9. and Subd. 13., but, except for purposes of describing grounds for discharge, the provisions of M.S. 122A.40 shall not be applicable. If the School Board proposes to terminate the Superintendent during the term of this Contract for cause as described in M.S. 122A.40, Subd. 9. or Subd. 13., it shall notify the Superintendent in writing of the proposed grounds for termination. The Superintendent shall be entitled to a hearing before an arbitrator provided the Superintendent makes such a request in writing to the School Board Chair within fifteen (15) calendar days after receipt of the written notice of the proposed termination. In such event, the parties shall jointly petition the Minnesota Bureau of Mediation Services (BMS) for a list of five (5) arbitrators. The arbitrator shall be selected by the parties through the striking process as provided by BMS rules. The arbitrator shall conduct a hearing under arbitration procedure rules and issue a written decision. The decision of the arbitrator shall be final and binding on the parties, subject to judicial review of arbitration decisions as provided by law. The Superintendent may be suspended with pay pending final determination by the arbitrator. If the Superintendent fails to request a hearing as provided in this section within the fifteen (15)-day calendar period, he/she shall be deemed to have acquiesced 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 Superintendent shall have no further claim or recourse.

Section 4.5 Mutual Consent. This Contract may be terminated at any time by mutual consent of the School Board and the Superintendent.

Section 4.6. Contingency. If this Contract is a subsequent Contract entered into prior to the completion of an existing Contract, this subsequent Contract is contingent upon the Superintendent completing the terms of the existing Contract.

ARTICLE 5: DUTIES

The Superintendent shall have charge of the administration of the schools under the direction of the Board. The Superintendent shall be the chief executive officer of the School Board; shall direct and assign teachers and other employees of the schools under the Superintendent's supervision; shall organize, reorganize and arrange the administrative and supervisory staff, including instruction and business affairs, as best serves the School District, subject to the approval of the School Board; shall select all personnel subject to the approval of the School Board; shall from time to time suggest policies, regulations, rules, and procedures deemed necessary for the well ordering of the School District, and in general, perform all duties incident to the office of the Superintendent and such other duties as may be prescribed by the School Board from time to time. The Superintendent shall abide by the policies, regulations, rules and procedures established by the School Board and the State Board of Education. The Superintendent shall have the right to attend all School Board meetings and all School Board and citizen committee meetings, serve as an ex-officio member of all School Board and all School Board committees and provide administrative recommendations on each item of business considered by each of these groups.

ARTICLE 6: DUTY YEAR AND LEAVES

Section 6.1. Basic Work Year. The Superintendent's duty year shall be for the entire 12-month contract year as provided herein and the Superintendent shall perform services on those legal holidays on which the School District is authorized to conduct school if the School Board so determines. The Superintendent shall be on duty during emergency, natural or unnatural, unless otherwise excused in accordance with School Board administrative policy.

Section 6.2. Vacation.

Subd. 1. The Superintendent shall earn twenty-four (24) working days of annual paid vacation each contract year.

Subd. 2. Unused vacation must be taken within twelve (12) months after the end of the fiscal year in which it is earned.

Subd. 3. At the end of each fiscal year, the Superintendent shall be entitled to payment for up to six (6) unused vacation days at his or her daily rate of pay. Requests for reimbursement of unused vacation must be made to the Payroll Coordinator by July 1st.

Subd. 4. Upon termination of employment, the Superintendent shall be entitled to payment for any unused vacation days earned during final year of employment in the district.

Section 6.3. Holidays. The Superintendent shall be entitled to ten (10) paid holidays each contract year. These paid holidays are: New Year's Eve Day, New Year's Day, Good Friday, Memorial Day, 4th of July, Labor Day, Thanksgiving Day, Friday following Thanksgiving Day, Christmas Eve Day, and Christmas Day.

Section 6.4. Disability/Illness Leave. The Superintendent shall earn paid disability/illness leave for absences from work necessitated by illness or injury.

Subd. 1. If the Superintendent has accumulated at least fifty (50) disability/illness leave days, he/she will earn fifteen (15) days per year. Otherwise, the Superintendent will earn twelve (12) disability/illness leave days per year. Disability/illness leave days may be accumulated without limitation.

Subd. 2. Disability/illness leave may be used for serious illness in the Superintendent's immediate family, which is defined as the Superintendent, his or her spouse, and the following related to either: child, parent, brother, sister, grandparents, grandchildren, or domestic partner.

Subd. 3. Except as provided in Articles 10 and 11, an Employee shall not be entitled to payment for any unused disability/illness leave days earned and accrued pursuant to the provisions of this section.

Section 6.5. Workers' Compensation. Pursuant to M.S. Chapter 176, an Employee injured on the job in the service of the School District and collecting workers' compensation insurance may draw disability/illness leave and receive full salary from the School District, the salary to be reduced by an amount equal to the insurance payments, and only that fraction of the days not covered by insurance will be deducted from accrued disability/illness leave.

Section 6.6. Bereavement Leave.

Subd. 1. A maximum of four (4) days of bereavement leave will be granted to the Superintendent at the time of death of a member of the Superintendent's immediate family, which is defined as the Superintendent, his or her spouse, and the following related to either: child, parent, brother, sister, grandparents, grandchildren, or domestic partner.

Subd. 2. In those cases when more than four (4) days are necessary because of distance, arrangements, legal involvements, or extraordinary circumstances, up to an additional six (6) days of bereavement leave may be granted. These days will be deducted from the Superintendent's accumulated disability/illness leave and/or vacation. Approval/denial of such leave requests shall be at the sole discretion of the School Board Chairperson.

Subd. 3. Bereavement leave may be granted to attend a funeral of other close relatives or friends as determined in special situations. These days will be deducted from the Superintendent's accumulated disability/illness leave and/or vacation. Approval/denial of such leave requests shall be at the sole discretion of the School Board Chairperson.

Section 6.7. Medical Leave

Subd. 1. The Superintendent and School District agree to incorporate by reference and be bound by the provisions of M.S. 122A.40, Subd. 12 relating to suspension and leave of absence for health reasons.

Subd. 2. If the Superintendent 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 pursuant to M.S. 122A.40, Subd. 12, the Superintendent, shall, upon request, be granted a medical leave of absence, without pay, up to one year in duration. The School Board may, in its discretion, extend such leave upon written request. A request for medical leave of absence or extension thereof pursuant to this paragraph shall be accompanied by a written statement from a physician outlining the condition of health and estimated time at which the Superintendent is expected to be able to resume normal responsibilities. The Superintendent 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 Superintendent shall pay the entire premium for such programs as the Superintendent wishes to retain commencing with the beginning of the leave. If medical leave of at least one full year is granted pursuant to this paragraph, the Superintendent voluntarily waives any right to a leave of absence to which the Superintendent might otherwise be entitled pursuant to M.S. 122A.40, Subd. 12.

Section 6.8. Jury Service. The Superintendent who serves on jury duty shall be granted the day or days necessary as stipulated by the court to discharge this responsibility without any salary deduction or loss of basic leave allowance. The compensation received for jury duty service shall be remitted to the School District.

Section 6.9. Military Leave. Military leave shall be granted pursuant to applicable law.

Section 6.10. Insurance Application. An Employee on unpaid leave is eligible to continue to participate in group insurance programs if permitted under the insurance policy provisions. The Employee shall pay the entire premium for such insurance commencing with the beginning of the leave and shall pay to the School District the monthly premium in advance. In the event the Employee is on paid leave from the School District or supplemented by disability/illness leave pursuant to Section 6.4 above, the School District will continue insurance contributions as provided in this document until disability/illness leave is exhausted. Thereafter, the Employee must pay the entire premium for any insurance retained.

ARTICLE 7: INSURANCE AND SCHOOL-SPONSORED HEALTH SERVICES

Section 7.1. Eligibility:

Subd. 1. The Superintendent must be scheduled to work at least 30 hours per week in order to be eligible for full benefits outlined in this article. The number of hours includes hours assigned in all regular positions within the School District. If the Superintendent does not work at least 30 hours per week, he or she is not eligible for the benefits outlined in this article.

Subd. 2. The eligibility of the Superintendent and the Superintendent's dependent(s) and beneficiary(ies) for insurance benefits shall be governed by the terms of the insurance policies purchased by the School District pursuant to this article.

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Section 7.2. Health and Hospitalization Insurance—Single Coverage: The School District shall contribute a monthly sum not to exceed 90% of the \$3000 deductible premium cost toward the premium for individual coverage for a full-time Superintendent employed by the School District who qualifies for and is enrolled in single coverage in the School District's group health and hospitalization insurance plan. The School District contribution will be reduced by an employee/policyholder initial contribution of \$10 each month. The School District contribution can be made toward either the \$3000 or \$5000 single plan. If the School District contribution(s) exceed premium costs, no reimbursement will be made to the Superintendent. Any additional cost of the premium shall be borne by the Superintendent and paid by payroll deduction.

Section 7.3. Health and Hospitalization Insurance—Family Coverage: The School District shall contribute a monthly sum not to exceed 85% of the \$6000 deductible premium cost toward the premium for family coverage for a full-time Superintendent employed by the School District who qualifies for and is enrolled in family coverage in the School District's group health and hospitalization insurance plan. The School District contribution will be reduced by an employee/policyholder initial contribution of \$10 each month. The School District contribution can be made toward either the \$6000 or \$10,000 family plan. If the School District contribution(s) exceed premium costs, no reimbursement will be made to the Superintendent. Any additional cost of the premium shall be borne by the Superintendent and paid by payroll deduction.

Section 7.4. Health Reimbursement Account (HRA) / Voluntary Employee Beneficiary Association (VEBA) Contributions:

Subd. 1. A full-time Superintendent covered by a single or family School District high-deductible health and hospitalization insurance plan will receive a \$425/month School District contribution toward the Superintendent’s HRA/VEBA plan.

Subd. 2. Additional contributions of wellness incentives not to exceed \$900/year (in \$300 increments) to the HRA/VEBA will be granted if the Superintendent meets requirements outlined in plan specifications. These wellness incentives will be paid to the HRA/VEBA plan as earned.

Subd. 3. No HRA/VEBA contribution shall exceed IRS eligibility limits in a year; if the limit is reached, the remaining potential School District contribution shall be waived for the remainder of the year.

Subd. 4. The Superintendent becomes vested in the HRA/VEBA plan upon the School District’s first payment into the Superintendent’s HRA/VEBA plan.

Section 7.5. Dental Insurance. The School District will pay the following premium depending on the dental insurance plan selected by the Superintendent:

Plan Selected	Amount Paid
Single base dental plan or Single “high” dental plan	The School District pays the same amount as the premium for the single base dental plan. The Employee pays the remaining portion of the premium.
Employee + 1 base dental plan or Employee + 1 “high” dental plan	The School District pays the same amount as the premium for the employee + 1 base dental plan. The Employee pays the remaining portion of the premium.
Family base dental plan or Family “high” dental plan	The School District pays the same amount as the premium for the family base dental plan. The Employee pays the remaining portion of the premium.

Section 7.6. Life Insurance. The School District shall provide a group term, life insurance plan providing \$200,000 of coverage for the Superintendent, payable to the Superintendent's named beneficiary, at the expense of the School District, and the ability to purchase twice the annual salary of additional insurance.

Section 7.7. Long Term Disability Insurance. The School District shall provide, at its own expense, long-term disability insurance for the Superintendent under the School District’s group long-term disability insurance plan.

Section 7.8. Liability Insurance. The School District shall provide, at School District expense, liability insurance naming the Superintendent as an insured, along with the School District, in an amount not less than that which is required by law for the School District.

Section 7.9. Eligibility. The eligibility of the Superintendent and the Superintendent’s dependent(s) and beneficiary(ies) for insurance benefits shall be governed by the terms of the insurance policies purchased by the School District pursuant to this article.

Section 7.10. Claims Against the School District. The School District’s only obligation is to purchase the insurance policies described in this article, and no claim shall be made against the School District as a result of denial of insurance benefits by an insurer if the School District has purchased the policies and paid the premiums described in this article.

Section 7.11. School-Sponsored Health Services: At its sole discretion, the School District may provide health services for the Superintendent and his or her dependents who are insured through the School District. The School District will determine the types and specifications for services, if any, in consultation with the service provider and the School District’s Labor/Management Committee.

ARTICLE 8: OTHER BENEFITS

Section 8.1. Tax Sheltered Annuities. The Superintendent is 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, M.S. 123B.02, Subd. 15., School District policy, and as otherwise provided by law. The School District shall match up to \$5500/year for the Superintendent.

Section 8.2. Health Care Savings Plan: The School District shall contribute \$1200 annually to a Health Care Savings Plan (HCSP) administered by the Minnesota State Retirement System (MSRS). Contributions will be made on a monthly basis.

Section 8.3. Automobile. The School District shall provide the Superintendent with a monthly allowance of \$350 for business use of the Superintendent's private automobile, pursuant to M.S. 471.665, Subd. 3.

Section 8.4. Conferences and Meetings. The School District shall pay all legally valid expenses and fees for the Superintendent’s attendance at professional conferences and meetings with other educational agencies when such attendance is required, directed, or permitted by the School Board. Subject to approval by the School Board Chair, the Superintendent shall be able to attend his or her professional organization’s state or regional conference annually and attend a national conference one time every two years. The Superintendent shall periodically report to the School Board relative to all meetings and conferences attended. The Superintendent shall file itemized expense statements to be processed and approved as provided by School Board policy and law.

ARTICLE 9: SALARY

Section 9.1. Amounts. The Superintendent shall be paid an annual salary of ~~\$155,429~~ for the ~~2021-22~~ contract year (July 1, ~~2021~~, through June 30, ~~2022~~), ~~an amount not less than \$155,429 for the 2022-23~~ contract year (July 1, ~~2022~~, June 30, ~~2023~~), ~~and an amount not less than \$155,429 for the 2023-24 contract year (July 1, 2023-June 30, 2024)~~. For any contract year, the District will grant the Superintendent an additional salary increase of \$4,500 if he attains his doctorate prior to June 30th of the prior year.

Section 9.2. Payment. The salary shall be paid in 24 equal installments during the fiscal year.

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ARTICLE 10: SEVERANCE PAY

Section 10.1. Eligibility. A Superintendent who has completed a minimum of eight (8) years of continuous service with the Independent School District No. 256 is eligible for severance pay at the end of his employment as a Superintendent in the School District. Severance shall not be granted any Superintendent who has been discharged or terminated pursuant to M.S. 122A.40.

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Section 10.2. Amount of Severance Pay.

Subd. 1. Severance pay shall be based on the Superintendent's accumulated unused disability/illness leave up to a maximum of forty (40) days.

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Subd. 2. The maximum severance amount is determined using the following formula: Number of accumulated unused disability/illness days up to 40 * (annual salary at time of resignation or retirement / 260).

Section 10.3. Payment of Severance Pay.

Subd. 1. Severance payments will be made into the Superintendent's tax-sheltered annuity plan sponsored by MidAmerica Administrative & Retirement Solutions, Inc.

Subd. 2. Severance pay shall be payable thirty (30) days after the Superintendent's last day of service.

Subd. 3. If the Superintendent dies after the effective date of his/her end of employment but before the severance payment has been made, the payment shall be made to the named beneficiary or, lacking same, to the estate of the deceased.

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ARTICLE 11: RETIREMENT BENEFITS

Section 11.1. Eligibility. A Superintendent who has served a minimum of eight (8) years is eligible for retirement benefits from Independent School District No. 256. Retirement pay shall not be granted to a Superintendent who has been discharged or terminated pursuant to M.S. 122A.40.

Section 11.2. Amount of Retirement Pay.

Subd. 1. In addition to payments outlined in Article 10, the Superintendent shall be eligible to receive retirement pay for unused accumulated sick leave. Eligible Superintendents shall receive up to 130 days of unused accumulated disability/illness leave.

Subd. 2. The maximum amount of retirement pay is determined using the following formula: Number of accumulated unused disability/illness days up to 130 * (annual salary at time of retirement / 260).

Section 11.3. Payment of Retirement Pay.

Subd. 1. Retirement payments will be made into the Employee's tax-sheltered annuity plan sponsored by MidAmerica Administrative & Retirement Solutions, Inc.

Subd. 2. Retirement pay shall be payable thirty (30) days after the Superintendent's last day of service.

Subd. 3. If a retired Superintendent dies before the total retirement payment has been made, the balance due shall be paid to the named beneficiary(ies) or, lacking same, to the estate of the deceased.

ARTICLE 12: OTHER PROVISIONS

Section 12.1. Other Work. While the Superintendent shall devote full time and due diligence to the affairs and the activities of the School District, the Superintendent 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 Superintendent's ability to perform the duties of the Superintendent. The Superintendent shall not engage in other employment consultant service or other activity for which a salary, fee, or honorarium is paid without the prior approval of the School Board Chairperson.

Section 12.2. Indemnification and Provision of Counsel. In the event that an action is brought or a claim is made against the Superintendent arising out of or in connection with the Superintendent's employment, and the Superintendent 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. Defense and indemnification shall not apply to any dispute arising out of or directly or indirectly related to the terms and conditions of employment set forth in this contract or otherwise shall also not apply to criminal proceedings.

Section 12.3. Dues. The Superintendent is encouraged to belong to and participate in appropriate professional, educational, economic development, community, and civic organizations when such membership will serve the best interests of the School District. Accordingly, the School District will pay such membership dues for organizations as are required, directed or permitted, by the School Board Chairperson. Dues for individual membership in civic organizations shall not exceed \$750 in a contract year. The Superintendent shall present appropriate statements for approval as provided by law.

Section 12.4. Severability: The provisions of these terms and conditions of employment shall be severable, and if any such provision or the application of any such provision under any circumstances is held invalid, it shall not affect any other provisions of the terms and conditions of employment or the application of any provision thereof.

Section 12.5. Impact of Laws on Terms and Conditions of Employment:

Subd. 1. If this contract will cause or does cause penalties, fees, or fines to be assessed against the School District, the parties agree to reopen negotiations that result in a revised contract between the parties that eliminates or reduces penalties, fees, or fines to be assessed against the School District. The amount of any reduction in the School District's contribution toward the Superintendent's healthcare/HRA/HSA benefits as a result of addressing the "highly compensated employee" component of the Affordable Care Act will be placed into other School District provided benefits (e.g., a retirement HRA, salary, etc.) as agreed upon between the parties.

Subd. 2. If this contract will cause or does cause additional tax liability for the Superintendent as a result of changes to vacation and/or disability/illness accrual and/or payout, the parties agree to reopen negotiations on contractual terms.

This contract shall be effective only upon signatures of the Superintendent 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 recorded in its minutes.

IN WITNESS WHEREOF, I have subscribed
my signature this _____ of
_____, 2020

IN WITNESS WHEREOF, I have subscribed
my signature this _____ of
_____, 2020

Superintendent

School Board Chair

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