

AGREEMENT

on

TERMS AND CONDITIONS OF EMPLOYEMENT

between

OSSEO AREA SCHOOLS



**INDEPENDENT SCHOOL DISTRICT 279
OSSEO AREA SCHOOLS**

and

MANAGEMENT PERSONNEL I-M

Effective Date: July 1, 2015 – June 30, 2017

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ARTICLE I PURPOSE

Section 1. Parties: This Agreement is established by the School Board of Independent School District 279, hereinafter referred to as the School Board, and the Management Personnel Committee, hereinafter referred to as MPC, pursuant to and in compliance with the Public Employment Labor Relations Act of 1971, as amended, hereinafter referred to as the PELRA, to provide the terms and conditions of employment for management personnel during the term of this Agreement.

ARTICLE II RECOGNITION OF EXCLUSIVE REPRESENTATIVE

Section 1. Recognition: In accordance with the PELRA, the School Board recognizes the MPC as the exclusive representative of management personnel employed by the School Board of Independent School District 279. The MPC will have those rights and duties as prescribed by the PELRA and as described in this Agreement.

Section 2. Appropriate Unit: The MPC will represent all management personnel of the School District as defined in this Agreement and in the PELRA.

Section 3. Meet and Confer: The representatives of the School Board will meet with the MPC a minimum of once every four (4) months for the mutual exchange of ideas and to discuss matters that are not terms and conditions of employment.

ARTICLE III DEFINITIONS

Section 1. Terms and Conditions of Employment: "Terms and conditions of employment" means the hours of employment, the compensation therefore, including fringe benefits except retirement contributions or benefits other than employer payment of, or contributions to, premiums for group insurance coverage of retired employees or severance pay, and the School Board's personnel policies affecting working conditions of management personnel. In the case of management personnel, "terms and conditions of employment" does not mean educational policies of the School Board. "Terms and conditions of employment" is subject to the provisions of the PELRA.

Section 2. Management Personnel: Will mean any person employed by the School Board in a management position. The term "management personnel" as used herein will not include Superintendent, Assistant Superintendents, Principals, Assistant Principals, "supervisory employees", or "essential employees", part-time or temporary employees whose services do not exceed the lesser of thirty-five percent (35%) of the normal work week within the bargaining unit or fourteen (14) hours per week, or employees who hold a position that is basically temporary or seasonal in character and is not for more than sixty-seven (67) working days in any calendar year, and emergency employees.

Section 3. Other Terms: Terms not defined in this Agreement will have those meanings as defined by the PELRA.

ARTICLE IV SCHOOL DISTRICT RIGHTS

Section 1. Inherent Managerial Rights: The MPC recognizes that the School Board is not required to meet and negotiate on matters of inherent managerial policy, which include, but are not limited to, such areas of discretion or policy as the functions and programs of the School Board, its overall budget, utilization of technology, the organizational structure and selection, and direction and number of personnel.

Section 2. Management Responsibilities: The MPC recognizes the right and obligation of the School Board to efficiently manage and conduct the operation of the School District within its legal limitations and with its primary obligation to provide educational opportunity for the students of the School District.

Section 3. Effect of Laws, Rules and Regulations: The MPC recognizes that all employees covered by this Agreement will perform the services prescribed by the School District and will be governed by School Board policies, rules, regulations, directives and orders which are not inconsistent with the terms and conditions of employment set forth in this Agreement and which are issued by properly designated officials of the School District. Any provision of this Agreement found in violation of any law, rule or regulation thereunder, will be without force or effect.

Section 4. Reservation of Managerial Rights: The foregoing enumeration of School Board rights and duties will not be deemed to exclude other inherent management rights and management functions not expressly reserved herein, and all management rights and management functions not expressed in this Agreement are reserved to the School Board.

ARTICLE V MANAGEMENT PERSONNEL RIGHTS

Section 1. Right to Views: Nothing contained in this Agreement will be construed to limit, impair, or affect the right of any employee or his/her representative to the expression or communication of a view, grievance, complaint or opinion on any matter related to the conditions or compensation of public employment or their betterment, so long as the same is not designated to and does not interfere with the full faithful and proper performance of the duties of employment. Nor will it be construed to require any employee to perform labor or services against his/her will.

Section 2. Right to Join: Employees will have the right to form and join labor or employee organizations, and will have the right not to form and not join such organizations. Employees in the unit will have the right by secret ballot to designate an exclusive representative for the purpose of negotiating grievance procedures and the terms and conditions of employment for such employees with the School Board, as prescribed by the PELRA.

Section 3. Personnel Files:

Subd. 1. Right to Review/Frequency: Upon request by an employee, the School District will provide the employee with an opportunity to review his/her personnel file. The School District will not be required to provide an employee with an opportunity to review his/her personnel file if

he/she has reviewed the personnel file during the previous six months except that, upon separation from employment, an employee may review his/her personnel file only once at any time within one year after separation.

Subd. 2. Review: A request will be made to Human Resources. Human Resources will comply with a request pursuant to Subd. 1. of this Section no later than seven (7) working days after receipt of the request and will schedule an appointment for the employee to review his/her personnel file and will notify the employee of such appointment. All such reviews will take place in Human Resources during its normal hours of operation and a Human Resources employee shall be present when an employee reviews his/her personnel file.

Subd. 3. Right to Copy: After the review and upon the employee's request, the School District will provide the employee with a copy of the requested record. The School District may not charge a fee for the copy. With respect to employees who are separated from employment, upon the employee's request, the School District will provide a copy of the personnel file to the employee. Providing a copy of the separated employee's personnel file to the employee satisfies the School District's responsibility to allow review as stated in Subd. 1. of this Section.

Subd. 5. Right to Response: The employee may submit for inclusion in his/her personnel file a written response to any material contained in such file.

Subd. 6. Destruction/Expungement: The School District may destroy or expunge such files as provided by law.

ARTICLE VI COMPENSATION AND CONDITIONS

Section 1. Work Year: The length of the full work year is 225 workdays (200 days for Administrative Assistants), which includes sick leave.

Section 2. Compensation:

Subd. 1. Certification/License Incentive Pay: Certification/license incentive pay in the amount of \$500 will be paid to an employee who completes a certification or license that is granted by an independent governing board that is nationally recognized or recognized by the state of Minnesota in the field for professional certification or licensure. The certification/licensure incentive pay maximum is \$500, regardless of how many certifications/licenses an employee completes. The certification/license must be related to the employee's assignment and must be approved by Human Resources. The employee must maintain a current copy of the certification/license in their personnel file to receive the annual incentive pay. Effective July 1, 2015, certification pay will not be awarded to Management I-M employees. Those employees who have received the certification pay prior to July 1, 2015 shall continue to receive the certification pay as part of their base salary.

Subd. 2. Performance and Leadership Salary Plan:

- a. Goal: The goal of the Performance and Leadership Salary Plan is to create a salary structure that emphasizes effective performance and leadership.

Upon commencement of the Performance and Leadership Salary Plan, the salary guide, experience increment, training increment, certification pay, Management Factor I, and Management Factor II were incorporated into the salary ranges listed below.

Title	Class	Work Days	Minimum/Maximum Effective 7-1-15 thru 6-30-16	Minimum/Maximum Effective 7-1-16 thru 6-30-17	Minimum/Maximum Effective 7-1-17 thru 6-30-18
Accountant(s):					
Business Services	L-1a	225	\$72,501 / \$83,785	\$73,951 / \$85,461	\$75,430 / \$87,170
PK-12 Operations	L-1a	225	\$72,501 / \$83,785	\$73,951 / \$85,461	\$75,430 / \$87,170
Student Services	L-1a	225	\$72,501 / \$83,785	\$73,951 / \$85,461	\$75,430 / \$87,170
Assistant Coordinator(s):					
Custodial Services	L-1	225	\$73,830 / \$85,114	\$75,307 / \$86,816	\$76,813 / \$88,552
Custodial Services	K-1	225	\$83,578 / \$94,862	\$85,250 / \$96,759	\$86,955 / \$98,694
Maintenance Services	K-1	225	\$83,578 / \$94,862	\$85,250 / \$96,759	\$86,955 / \$98,694
Coordinator(s):					
Community Education	J-1	225	\$85,795 / \$97,079	\$87,511 / \$99,021	\$89,261 / \$101,001
Custodial Maintenance	G-1	225	\$97,155 / \$115,893	\$99,098 / \$118,211	\$101,080 / \$120,575
Enrollment Services	J-1	225	\$85,795 / \$97,079	\$87,511 / \$99,021	\$89,261 / \$101,001
Enterprise Technology	J-1	225	\$85,795 / \$97,079	\$87,511 / \$99,021	\$89,261 / \$101,001
Equity and Integration	J-1	225	\$85,795 / \$97,079	\$87,511 / \$99,021	\$89,261 / \$101,001
Food & Nutrition Serv	K-1	225	\$83,578 / \$94,862	\$85,250 / \$96,759	\$86,955 / \$98,694
Health and Safety	K-1	225	\$83,578 / \$94,862	\$85,250 / \$96,759	\$86,955 / \$98,694
Information Systems	J-1	225	\$85,795 / \$97,079	\$87,511 / \$99,021	\$89,261 / \$101,001
K-12 Operations	G-1	225	\$97,155 / \$115,893	\$99,098 / \$118,211	\$101,080 / \$120,575
Publications	L-1a	225	\$72,501 / \$83,785	\$73,951 / \$85,461	\$75,430 / \$87,170
Purchasing/Warehousing	I-1	225	\$88,011 / \$99,295	\$89,771 / \$101,281	\$91,566 / \$103,307
Research, Assessment & Accountability	L-1a	225	\$72,501 / \$83,785	\$73,951 / \$85,461	\$75,430 / \$87,170
Risk Management	K-1	225	\$83,578 / \$94,862	\$85,250 / \$96,759	\$86,955 / \$98,694
Technical Support Services	J-1	225	\$85,795 / \$97,079	\$87,511 / \$99,021	\$89,261 / \$101,001
Transportation	K-1a	225	\$79,826 / \$91,336	\$81,423 / \$93,163	\$83,051 / \$95,026
Transportation	K-1	225	\$83,578 / \$94,862	\$85,250 / \$96,759	\$86,955 / \$98,694
Manager(s):					
Community Education Program	L-2	225	\$69,845 / \$81,129	\$71,242 / \$82,752	\$72,667 / \$84,407
Secondary Business	L-1	225	\$73,830 / \$85,114	\$75,307 / \$86,816	\$76,813 / \$88,552
Supervisor(s):					
Food & Nutrition Services	L-1a	225	\$72,501 / \$83,785	\$73,951 / \$85,461	\$75,430 / \$87,170
Student Management Specialist*					
Secondary Schools	M-3	200	\$63,639 / \$74,923	\$64,912 / \$76,421	\$66,210 / \$77,950

*\$3,342 annual differential paid to comprehensive senior high Student Management Specialists

- b. Initial Placement In Salary Range: Upon commencement of the Performance and Leadership Salary Plan, each employee shall be placed at their current salary within the salary range for their job title and classification. New employees shall be placed within the respective salary range at the discretion of the District.
- c. Salary Advancement: Employees will advance within their salary range based on annual job performance and leadership. Advancement will occur based on the following levels of performance:

Exemplary Performance:	\$2,500
Effective Performance:	\$1,500
Developing:	\$750
Needs Development:	\$0.00

For the 2015-2016 and 2016-17 school years, salary advancements will be awarded based on performance levels.

A \$3,000.00 one-time stipend will be paid to Management I-M employees active in the bargaining group on January 5, 2015 and also active in the bargaining group on as of October 1, 2015.

A 2% increase to Management I-M employees' base salaries and minimum and maximum salary ranges shall be effective July 1, 2016, and again a 2% increase to Management I-M employees' base salaries and minimum and maximum salary ranges shall be effective July 1, 2017.

When an employee reaches the top of their salary range, any remaining salary advancement will be paid to the employee as a one-time stipend.

- d. Top of Salary Range: When an employee reaches the top of their salary range, any remaining salary advancement will be paid to the employee as a stipend.
- e. Regular Review: The parties shall regularly review the applicable performance measures, tools, rubrics etc. relating to the Performance and Leadership Salary Plan.
- f. Alternative Salary Advancement Amounts: For future contract negotiations, the School Board shall set financial parameters for contract negotiations with all employee groups with the same contract term as I-M Management. These financial parameters relating to salary shall be used to determine the amount of salary advancement if it is to be less than the amounts specified in Section c above.

Based on these parameters set by the School Board, salary advancement will be as follows:

Exemplary performance:	An amount equal to \$0 – \$2,500
Effective performance:	An amount equal to \$0 – \$1,500
Developing:	An amount equal to \$0 - \$750
Needs Development:	No salary advancement

When an employee reaches the top of their salary range, any remaining salary advancement will be paid to the employee as a one-time stipend.

Section 3. Conditions:

Subd. 1. Placement on Schedule: Newly hired employees may receive credit for experience outside the School District at the discretion of Human Resources.

Subd. 2. Work Year: The work year is defined in Article VI, Section 1, Subd. 1. Any request for an adjustment to an I-M Management personnel's work year calendar is to be submitted to their immediate supervisor for approval. A part of the approval process will be designating when the days will be rescheduled and tentative activities planned.

Subd. 3. Work Year Requirements – Adoption of Performance and Leadership Salary Plan: Upon adoption of the Performance and Leadership Salary Plan, 220- and 225-day employees shall no longer accrue vacation according to Subd. 8. In addition, the following provisions shall apply:

- a. Vacation Flexibility: Effective until July 1, 2016, employees who retire/resign/or otherwise leave the service of the School District will receive pro-rata pay at their current daily rate of pay for any vacation day accumulation. In no event will this provision exceed sixty (60) days.

On June 30, 2016, any employee that has remaining banked vacation or non-work days will be paid out a maximum of 10 of these days at the employee's daily rate of pay (based on a 200 or 225 day work year). Beginning July 1, 2016, employees will work their assigned work days (200 or 225) and will not be allowed to roll over banked vacation or non-work days, nor will they be paid for any additional days worked above their contracted assignment unless required by their immediate supervisor and approved by Human Resources.

Subd. 4. Telecommuting: At the discretion of the District, employees may be allowed to telecommute on an occasional basis, under the following conditions:

- a. Arrangements for any employee to telecommute must be approved in advance by the employee's supervisor;
- b. Allowing an employee to telecommute on an occasional basis must be in the best interest of the District;
- c. Any hours relating to telecommuting must be accounted for by the employee in writing to their supervisor;
- d. Telecommuting shall only occur occasionally and shall not imply an alternative schedule for any employee; and

- e. Decisions to allow, continue, or discontinue telecommuting as part of an employee's work schedule shall rest solely with the District.

Section 4. Seniority/Job Elimination: Seniority will be used in determining the layoff and recall procedure of employees.

Subd. 1. Seniority Date: Seniority starts with the first day of work for the School District in the Agreement on terms and conditions of employment for Management Personnel I-M.

Exception: The employees who are in the following job titles that were added in the 1999-2001 Agreement on Terms and Conditions of Employment for Management Personnel I-M will receive seniority credit for prior service in the Communications Personnel and Non-Licensed Supervisory Employees units: Accountant; Coordinator, Publications; Coordinator, Research and Evaluation; and Supervisor, Food Services.

Subd. 2. Conditions of Job Elimination:

- a. Senior and Qualified: In all cases of displacement, the remaining employees must be more senior and qualified, as determined by the employer, to perform the duties of the new position assumed.
- b. Length of Work Year: Employment status increases with the length of an employee's work year. In determining like employment status, 225 days will be viewed as higher status than 200 days.
- c. Classifications: The following will be considered separate classifications: I1, J1, K1, K1a, L1, L1a, L2, L3, and M3.
- d. Full-Time Rights Versus Part-Time Rights: Full-time employees may bump full-time or part-time employees with less seniority, but part-time employees may not bump full-time employees.

Subd 3. Job Elimination Procedures:

- a. First Step: In the event of job elimination or layoff, an employee will have the right to accept layoff or, if qualified as determined by Human Resources and the employee's immediate supervisor, displace the least senior employee in the same job title. In the event two or more employees have the same seniority date as determined in Section 3., Subd. 1., of this Article, Human Resources will determine which employee is to be displaced according to the needs of the School District.
- b. Second Step: If the position eliminated is a single incumbent, or if the person serving in the eliminated position is the least senior in the job title, the employee will have the right to accept layoff or displace a less senior employee in the same classification with like employment status. The employer will review the qualifications of the displaced employee and determine the less senior employee in the same classification with like status that most closely matches the qualifications of the displaced employee.

- c. Third Step: If there are no employees in the same classification with like status, the employee will have the right to accept layoff or displace a less senior employee with like status beginning with the next lower classification. The employer will review the qualifications of the displaced employee and determine the less senior employee in the next and lower classifications with like status that most closely matches the qualifications of the displaced employee.
- d. Fourth Step: If there are no employees with like status beginning with the next lower classification, the employee will have the right to accept layoff or displace a less senior employee with lower status beginning with their current classification and then lower classifications. The employer will review the qualifications of the displaced employee and determine the less senior employee in the next and lower classifications with lower status that most closely matches the qualifications of the displaced employee.

The displaced person will then have the right to accept layoff or to use the above procedure to find a position. The process will continue until no more jobs are available for qualified employees or until the employee accepts layoff.

Subd. 4. Notice of Layoff Timeline: If the employee wishes to exercise job elimination rights, the employee must provide written notice to Human Resources within three (3) working days of the notice of layoff stating their intent to exercise job elimination rights.

Subd. 5. Compensation: An employee who assumes a new position as a result of the bumping procedure assumes the wage schedule that applies to the new position.

Section 5. Retirement Incentive Pay:

Subd. 1. Exclusion: This Section will apply only to employees whose service, in any capacity with the School District, has been full-time as of July 1, 1998 as defined by this Agreement and whose service began prior to July 1, 1998. For employees whose employment began after this date, or had a separation of service, the provisions of this Section will not be applicable.

Subd. 2. Eligibility: Employees who have completed at least fifteen (15) years of continuous service in any capacity with the School District, and who are at least fifty (50) years of age, will be eligible for retirement incentive pay pursuant to the provisions of this Section upon submission of a written resignation accepted by the School Board, provided that such notice is given no later than thirty (30) days prior to the effective date of the resignation.

Subd. 3. Calculation of Benefit: A qualified employee will be eligible to receive as retirement incentive pay upon his/her retirement the amount obtained by multiplying one hundred percent (100%) of his/her unused number of sick leave days, but in any event not to exceed one hundred fifty (150) days times his/her daily rate of pay.

Subd. 4. Determination of Daily Rate: In applying these provisions, the daily rate of pay will be based upon the total annual compensation at the time of retirement. For the purposes of calculating retirement incentive pay, the daily rate of pay will be based on total contract workdays. For

employees in Class I-1, J-1, K-1, K-1a, L-1, L-1a, and L-2 the daily rate will be based on 225 days. For employees in Class M-3, the daily rate will be based on 200 days.

Subd. 5. Payment Schedule 50-54: An employee who retires at age fifty – fifty-four (50-54) will receive the retirement incentive pay on July 20th if his/her birth date is between January 1st and June 30th in the year they reach age fifty-five (55). If the employee’s birth date is between July 1st and December 31st he/she will receive their retirement incentive pay on January 20th of the following year.

Subd. 6. Payment Schedule 55 and over: Retirement incentive pay for those age fifty-five (55) or older will be paid by the School District according to the following schedule: Employees who retire between January 1st and June 30th will receive their retirement pay July 20th of that year. Employees who retire between July 1st and December 31st will receive their retirement incentive pay on January 20th of the following year.

Subd. 7. Exceptions: Retirement incentive pay will not be granted to any employee who is discharged by the School District.

Section 6. Retirement Savings Plan: In accordance with Section 403(b) of the Internal Revenue Code, the School Board will match the contribution of an eligible employee according to the following schedules towards an approved 403(b) retirement savings plan. The plan must meet the School District’s guidelines for approval.

Subd. 1. District Annual Match – Effective July 1, 2015: The School District’s annual match of an eligible employee’s contribution will be \$1,500.00 (\$62.50 per pay period). Employees may choose to defer more than the District annual match amount. Federal law determines the maximum amount an individual can contribute annually.

For the March 5, 2016 pay period only, the District will match an amount equal to the “catch up amount” from July 20, 2015 until the March 5, 2016 pay period to align with the new match amount. An employee must contribute at least the regular contribution plus the “catch up amount” on the March 5, 2016 paycheck to be eligible to receive this match.

**ARTICLE VII
GROUP INSURANCE**

Section 1. Eligibility: Qualifications will include those established by the School Board and the carrier of the coverage. Full-time employees are eligible for group insurance.

Section 2. Enrollment: All employees qualifying will enroll for such coverage in accordance with the procedures established by the School Board.

Section 3. Selection: The School Board will make the selection of insurance carriers and policies. The Management Personnel Committee will have representation on the School District Insurance Advisory Committee.

- a. An employee may enroll in one of the hospital-medical and dental insurance programs provided by the School District. Effective beginning 2012-2013, employees will be allowed to waive health coverage in the District's health plan upon sufficient proof that the employee has obtained group health coverage through another source (e.g. spouse). The Human Resources department shall determine the basis for sufficient documentation of group coverage from another source. The District retains the right to re-examine waiver of health coverage on a year-to year basis.
- b. District Contributions: Effective July 1, 2015, the District shall provide monthly health insurance contributions in the following amounts:

July 1, 2015-June 30, 2016

Single:	\$546.48 per month
Single +1:	\$833.34 per month
Family:	\$1,335.18 per month

July 1, 2016-June 30, 2017

Single:	\$551.94 per month
Single +1:	\$858.34 per month
Family:	\$1,375.24 per month

Section 4. High Deductible Health Plan / HSA: Effective July 1, 2012, the District will offer an optional High Deductible Health Plan with a Health Savings Account (HSA).

Subd. 1. HSA Contribution: For those employees who elect to participate in the high deductible plan, the School District will make a contribution to a Health Savings Account (HSA) as follows:

- a. For employees who select single coverage, the School District will contribute \$200.00 monthly to an HSA trust account recommended by the School District Insurance Advisory Committee.
- b. For employees who select employee +1 coverage, the School District will contribute \$400.00 monthly to an HSA trust account recommended by the School District Insurance Advisory Committee.

- c. For employees who select family coverage, the School District will contribute \$400.00 monthly to an HSA trust account recommended by the School District Insurance Advisory Committee.

Subd. 2. District contributions to the HSA trust account will be made each month.

Subd. 3. The School District will pay the cost of the administration of the plan and the cost of the trustee.

Section 5: Dental Insurance

- a. Single Coverage: The School District will pay up to \$28.00 per month for individual coverage for each full-time employee who qualifies for and enrolls in the School District's group dental insurance plan.
- b. Family Coverage: The premium cost of the family/dependent coverage for each full-time employee who qualifies for and enrolls in the School District's group dental insurance plan and who qualifies for family/dependent coverage will be paid in total by the employee and paid by payroll deduction, minus the School District's contribution for single coverage. Whether the District offers family/dependent coverage is subject to the conditions as established by the carrier.

Section 6. Section 125 (Flexible Spending) Plan: The School District will provide a Section 125 Plan under the Internal Revenue code. This plan will be available to all employees. The Section 125 Plan (Flexible Spending Plan) offered by the School District is a plan established to provide a way to save money on costs for medical and dependent care expenses. The three accounts allow payment for health insurance premiums, certain out-of-pocket health care expenses, and dependent care expenses with pre-tax dollars. It is a salary reduction plan permitting participants to choose among more than one benefit. It is classified as a "Cafeteria Plan" for federal income tax purposes. The plan year will commence July 1st through June 30th. There are three (3) components to the plan:

- 1. District provided health insurance premium deduction with pre-tax dollars.
- 2. Dependent care reimbursement account.
- 3. Medical expense reimbursement account.

Section 7. Group Term Life Insurance: The School District will pay the full premium for group term life insurance for all employees who qualify for and enroll in the School District's group term life insurance plan. Employees who qualify and enroll will be covered by group term life insurance in the amount of \$100,000.

Section 8. Supplemental Group Term Life Insurance: Employees will have the option, subject to the conditions established by the School District's carrier for group term life insurance as provided in Section 7 of this Article, to purchase supplemental group term life insurance in the amounts of \$75,000, \$100,000, \$125,000, \$150,000, \$200,000, \$300,000, or \$400,000, not to exceed 4x annual salary. The cost of the supplemental coverage will be borne by the employee and paid by payroll deductions.

Section 9. Long-Term Disability Income Protection: The School District will pay the full premium for coverage for the existing long-term disability income protection plan for all employees who qualify for and enroll in such coverage. This coverage will apply to total annual salary. Employees who have

qualified for long-term disability insurance and who previously qualified for the School District's health and hospitalization insurance benefits will have these benefits maintained for a period of one (1) year from the date of disability. Thereafter, these benefits will be available to the employee at his/her expense.

Section 10. Claims Against the School District: It is understood that the School District's obligation is to purchase an insurance policy and pay such amounts as agreed to herein and no claim will be made against the School District as a result of a denial of insurance benefits by an insurance carrier.

Section 11. Insurance Program Eligibility in the Event of Early Retirement: An employee who retires prior to age sixty-five (65) is eligible to participate in the group health or dental plans, but must pay the entire premium for the plans selected. The right to continue participation in such plans, however, will be in accordance with conditions of the carrier and/or until he/she qualifies for coverage under another program.

ARTICLE VIII LEAVES OF ABSENCE

Section 1. Sick Leave:

Subd. 1. An employee will be eligible for sick leave under one of the following conditions:

- a. Amount: Employees who hold long-term disability (LTD) insurance provided by the School Board will be granted unlimited sick leave up to sixty (60) days per occurrence after the employee has exhausted his/her sick leave balance and has had ten (10) cumulative days of unpaid sick leave. In lieu of unpaid sick leave, the employee may flex his or her work year calendar days if it meets programmatic needs of the system, with approval of the supervisor. Such employees will go on LTD when eligible.
- b. Earn and Accumulation: Full-time employees will accrue sick leave at a rate of twelve (12) days per year (one day per month) and accrual for unused sick leave will be unlimited. Employees working less than a full year will have their sick leave days pro rated.
- c. Use–Pregnancy: An employee may utilize available sick leave, subject to the provisions of this Section and Section 7 of this Article for periods of disability relating to pregnancy, miscarriage, abortion or childbirth. Such an employee will notify Human Resources in writing no later than the end of the sixth month of pregnancy indicating her intention to utilize sick leave, and also at such time will provide a physician's statement indicating the estimated date of delivery of the child and estimated period of disability. The definition of disability will be as reasonably determined by a licensed physician.

Subd. 2. Use: Sick leave with pay will be allowed by the School District whenever an employee's absence is found to have been due to an illness that prevented his/her attendance at work and performance of duties on that day or days.

Subd. 3. Medical Verification: The School District may require the employee to furnish a medical certificate from a qualified physician as evidence of illness, indicating such absence was due to illness, in order to qualify for sick leave pay. However, the final determination as to the eligibility of an employee for sick leave is reserved to the School District.

Subd. 4. Medical Request: In the event that a medical certificate will be required, the employee will be so advised.

Subd. 5. Approval: Sick leave pay will be approved only upon submission of an authorized sick leave pay request form submitted to Human Resources.

Subd. 6. Absences Covered by Workers' Compensation and/or Long-Term Disability (LTD):

- a. An employee who is absent from work as a result of a compensable injury incurred in the service of the School District under the provisions of the Workers' Compensation Act and/or an absence covered by the School District's long-term disability insurance, the School District will pay the difference between the compensation received pursuant to the Workers' Compensation Act and/or LTD by the employee and the employee's base rate of pay or the extent of the employee's earned accrual of sick leave, if said employee is on an accrued sick leave basis (See Subd. 1.b. of this Section).
- b. An employee who is on accrued sick leave basis will have a deduction made from the employee's accrued sick leave balance according to the pro rata portion of days or sick leave which is used to supplement Workers' Compensation and/or LTD payments.
- c. The School District will make such payment to the employee only during the period of disability.
- d. In no event will the additional compensation paid to the employee by virtue of sick leave pay result in the payment of a total daily, weekly, or monthly compensation that exceeds the base compensation of the employee.
- e. An employee who is absent from work as a result of an injury compensable under the Workers' Compensation Act and/or an absence qualifying the employee for LTD payments will submit his/her Workers' Compensation check and/or LTD payment, endorsed to the School District prior to receiving payment from the School District for this absence.
- f. An employee who is unable to perform his/her duties and responsibilities due to an injury that occurs during the duty day as a result of a student-related incident, or parent/guardian related incident will be entitled to compensation without use of sick leave for the first three (3) days of absence. Thereafter, the compensation will be paid per Subd. 6. a. through e. of this Section.
- g. If an employee incurs an injury as described in Subd. 6. f. of this Section, and such injury causes the employee to work less than full-time, the School District will continue to contribute its share of the cost of the health and hospitalization insurance plan in which the employee is enrolled.

Section 2. Family Illness:

Subd. 1. Use: Employees may be granted up to a maximum ten (10) days absence for illness in the employee's or spouse's immediate family that may or may not otherwise be covered under the Family

and Medical Leave Act (FMLA) and/or state statute. The immediate family will include parent, sister, brother, spouse, son, daughter, son-in-law, daughter-in-law, grandparent, grandchildren, guardian and any other relative or non-relative who stands in the same relationship with the employee. Such absences will be deducted from accrued sick leave. If the employee does not have sufficient accrued sick leave, there will be a salary deduction equal to the pro-rated daily rate of pay.

Section 3. Bereavement Leave:

Subd. 1. Use-Immediate Family: Employees will be granted up to five (5) days per occurrence for absence due to death of each member of the employee's or spouse's immediate family. The immediate family will include parent, sister, brother, spouse, son, daughter, son-in-law, daughter-in-law, grandparent, grandchildren, guardian and any other relative or non-relative who stands in the same relationship with the employee. Such absences will be deducted from accrued sick leave. If the employee does not have sufficient accrued sick leave, there will be a salary deduction equal to the pro-rated daily rate of pay. Additional absences, but not to exceed five (5) additional days, may be granted.

Subd. 2. Use-Not Immediate Family: Absence due to death of a person not listed in Subd. 1. of this Section will be limited to one (1) day per occurrence. Such absences will be deducted from accrued sick leave. If the employee does not have sufficient accrued sick leave, there will be a salary deduction equal to the pro-rated daily rate of pay.

Section 4. Jury Duty: An employee summoned to jury duty will be granted time off with pay.

Subd. 1. Notice to School District: Employees who receive a summons for jury duty are to notify Human Resources immediately of the proposed dates of service.

Subd. 2. Remittance of Stipend: Employees who receive a stipend for jury duty are to reimburse the School District for the amount received, minus the mileage and parking expense allowance if they were on jury duty during work time.

Subd. 3. Pay: Employees will have no loss of pay as a result of jury duty if the provisions of Subd. 1 and Subd. 2 of this Section are met.

Section 5. Court Appearances:

Subd. 1. Request of School Board: When the School Board is a party in litigation, and an employee appears at the request of the School Board or as codefendant in a case against the School Board, the employee will be entitled to his/her pay and no deduction of any leave provision will be charged against the employee.

Subd. 2. Other Requests: If an employee receives a notice to supply information or testify in a civil or criminal court proceeding, as a result of their employment, they must notify their supervisor and Human Resources. If the employee must appear at the proceeding, the employee will be entitled to his/her pay and no deductions of any leave provisions will be charged against the employee. If the matter is a result of actions for which the employee has been found to have acted improperly and thus disciplined, by the School District, the day(s) absent will be deducted from personal leave or short-term leave referenced in this Article.

Subd. 3. Action Against School Board: If the matter is a result of actions by an employee against the School Board/District, the day(s) absent will be deducted from personal leave or short-term leave. Additional short-term leave will be granted if necessary.

Section 6. Sabbatical Leave:

Subd. 1. Purpose: One (1) year may be granted to employees for the purpose of professional improvement through study, subject to the conditions established by the School Board.

Subd. 2. Eligibility: To be eligible for sabbatical leave an employee must have completed seven (7) years of employment in the School District.

Subd. 3. Prior Approval: Sabbatical leave for study will be limited to employees centering their study in their area of major concentration and will not be used for retraining in a new area except at the request of the administration. The proposed program of study must be approved in advance by the Director, Human Resources.

Subd. 4. Request Deadline: Application for sabbatical leave will be submitted in writing to the Director, Human Resources at the earliest possible date, but in no case will this be after April 1 prior to the school year in which the leave is to be taken.

Subd. 5. Limit 1: The number of employees on sabbatical leave will at any one time normally be limited to one (1) per year.

Subd. 6. Selection: If the number of requests for sabbatical leave exceeds the limitation, priority will be given on the basis of length of service, contribution to the school system, and the equitable distribution of leaves among the various departments of school service.

Subd. 7. Calculation of Pay: The allowance granted to an employee on sabbatical leave will be based on one-half the base contract salary of the individual for the school term during which the leave takes place.

Subd. 8. Return to Service: An employee who is granted a sabbatical leave must pledge to return to the School District for two (2) full years following the termination of the leave. If the employee's service is discontinued for any reason other than the individual's incapacity to serve before the expiration of the two (2) years, the employee will pay back to the School District the pro rata part of the sabbatical allowance.

Employees granted sabbatical leave will enter into a written Agreement with the School District for the repayment of monies and benefits paid by the School District for the employee's noncompliance with this Section.

Subd. 9. Return to Position: Upon expiration of the sabbatical leave, the individual will have the privilege of returning to the position held prior to the leave unless such position has been discontinued.

Subd. 10. Experience Credit: A year of sabbatical leave will not be counted as a year of experience on the salary schedule.

Section 7. Child Care/Adoption Leave:

Subd. 1. Purpose: An employee, upon request, may be granted a leave for the purpose of child care of a newborn child or for the adoption of a child. The employee will be required to concurrently take a leave pursuant to the Family/Medical Leave Act (FMLA). This leave will be granted to one (1) parent of a newborn or adopted child provided such parent is caring for the child. Employees may be granted partial leaves of absence appropriate to the job assignment.

Subd. 2. Request: An employee making application for child care leave will inform Human Resources in writing of the intention to take the leave at least three (3) calendar months before commencement of the intended leave. For an adoption leave, the employee will inform Human Resources, in writing at the earliest opportunity, of the intention to take the leave.

Subd. 3. Use of Sick Leave for Pregnancy: If the reason for the leave is occasioned by pregnancy, an employee may utilize sick leave pursuant to the sick leave provisions of this Article during a period of physical disability. A pregnant employee will also provide, at the time of the leave application, a statement from her licensed physician indicating the expected date of delivery.

Subd. 4. Use of Sick Leave for Adoption: An employee may request to use up to thirty (30) days of accumulated sick leave for adoption to assist in preparation and legal reasons of the adoption, as well as necessary travel and initial adjustment of the child. These days need not be taken consecutively.

Subd. 5. Date of Leave: The effective beginning date of a child care/adoption leave and its duration will be determined by mutual consent between the employee and Human Resources. In determining the date of the commencement and duration of the leave, Human Resources will review each case on its individual merits taking into consideration the following:

- a. The request of the employee.

- b. The specific employment duties of the employee involved.
- c. The health and welfare of the employee, unborn child or adopted child.
- d. The recommendation of the employee's licensed physician.

Subd. 6. Duration: In making a determination concerning the commencement and duration of a childcare/adoption leave, the School Board will not in any event be required to:

- a. Grant any leave of more than twelve (12) months in duration.
- b. Permit the employee to return to his/her employment prior to the date designated in the request for the leave, unless by mutual agreement of the employee and Human Resources.

Subd. 7. Approval of Leave: If the employee complies with all provisions of this Section and a leave is granted by the School Board, the employee will be notified in writing.

Subd. 8. Termination of Leave: Interruption of pregnancy will terminate the leave. Human Resources may require in such cases forty-five (45) days' notice to return.

Subd. 9. Reinstatement: An employee returning from child care/adoption leave will be re-employed in the position occupied prior to the leave, subject to the following conditions:

- a. The position has not been abolished.
- b. The employee is not physically or mentally disabled from performing the essential duties of such position.

Subd. 10. Failure to Return: Failure of the employee to return pursuant to the date determined in this section will constitute grounds for termination by the School District unless the School District and the employee mutually agree to an extension of the leave.

Subd. 11. Experience Credit: An employee who returns from child care/adoption leave within the provisions of this Section will retain all previous experience credit for pay purposes and any unused leave time accumulated under the provisions of this Article at the commencement of the leave. The employee will not accrue additional experience credit for pay purposes or leave time during the period of absence.

Subd. 12. Salary: Any child care/adoption leave of absence granted under this Section will be a leave without pay except as provided in Section 1 of this Article.

Subd. 13. Insurance: An employee on child care/adoption leave of absence is eligible to participate in group insurance programs if permitted under the insurance policy provisions, but will pay the entire premium for such programs as the employee wishes to retain, following FMLA.

Subd. 14. Notification to Return: An employee on child care/adoption leave of absence will be sent a letter of assignment from Human Resources at least sixty (60) days prior to the specified return date of

said leave. The employee will lose all re-employment rights if the employee refuses or fails to return the letter of assignment within ten (10) days of receipt.

Section 8. Long-Term Leave:

Subd. 1. Eligibility: Employees with a minimum of three (3) years of experience in the School District may apply for an unpaid leave of absence once during their School District employment. Additional leaves may be granted at the discretion of Human Resources for health reasons.

Subd. 2. Duration: Leave may be granted for a period of time not to exceed one (1) year.

Subd. 3. Insurance: An employee who is on an approved long-term leave is eligible to participate at his/her own expense in the health and hospitalization and dental program of the School District. This participation will be subject to the conditions prescribed by the insurance carrier.

Subd. 4. Benefit Accrual: An employee on approved long-term leave will retain his/her accrued benefits as of the beginning date of the leave. No benefits will accrue during the period that the employee is on leave.

Subd. 5. Purpose: Consideration for granting long-term leaves will be given for:

- | | |
|-----------------|------------------------------|
| Approved travel | Election to political office |
| Education | Retraining or career change |
| Health | Family reasons |

Subd. 6. Requests: Requests for leaves must be made at least thirty (30) days in advance, except in emergencies, and submitted to Human Resources for recommendation. Final approval will be made by the School Board. The number of management personnel on approved leave in any school year will normally not exceed one (1) person.

Subd. 7. Notification to Return: An employee on long-term leave will be sent a notice from Human Resources according to the following schedule:

- a. When the return date of said leave is intended to coincide with the opening of school, notification will be given by March 1 of the preceding school year.
- b. At least sixty (60) days prior to the specified return of said leave when such date falls at any other time during the school year.

Subd. 8. Reinstatement: An employee returning from long term leave will be re-employed in the position occupied prior to the leave, subject to the following conditions:

- a. That the position has not been abolished.
- b. That the employee is not physically or mentally disabled from performing the essential duties of such position.

Subd. 9. Failure to Return Notice: The employee will lose all re-employment rights if he/she refuses or fails to return the notice within ten (10) days of receipt.

Section 9. Short-Term Leave: An employee may apply for a short-term leave of absence.

Subd. 1. Salary: Short-term leave will be without pay.

Subd. 2. Duration: Short-term leave may be granted for not more than ten (10) working days.

Subd. 3. Requests: Requests for short-term leave will be made five (5) days in advance except in the case of emergencies. The request will be on a Leave of Absence Request (PF 21) form and will clearly state the reason for such request. Any special conditions or arrangements established by the supervisor for a short-term leave will be in writing to the individual requesting the leave. All conditions established must be met to be eligible for the leave.

Subd. 4. Approval: Short-term leave will be granted only in special circumstances and must be approved by Human Resources.

Subd. 5. Eligibility: Short-term leave will normally be available no more than once during a contract period.

Subd. 6. Limit-1: The number of employees on short-term approved leave at any given time will normally not exceed one (1) person.

Section 10. Religious Holiday Leave: Employees may be granted up to three (3) days of religious holiday leave. Employees must make application to Human Resources at least three (3) days prior to the religious holiday leave. Human Resources will notify the employee's supervisor to make the necessary arrangements allowing the employee to make up the days at some other prearranged time. However, an employee may utilize provisions outlined in Section 12, Personal Leave, or Section 1, Sick Leave, if so desired. If the employee chooses none of the options as outlined herein, the leave will be granted with full loss of pay.

Section 11. Personal Leave: Employees will accrue one (1) personal leave day each year, accumulative to five (5) days. Personal leave may be used for activities requiring the employee's attention not covered or requested under other provisions of this Agreement.

Subd. 1. Requests: Employees will request personal leave in writing to Human Resources via his/her supervisor at least three (3) days in advance, except in the case of emergency.

Subd. 2. Limit: The number of employees on personal leave at any given time will normally not exceed four (4) people.

Subd. 3. Exclusion: A personal leave day may be granted on the first or the last day of the student school year. However, the leave will only be granted for special circumstances with written explanation by the employee and approval of Human Resources.

ARTICLE IX GRIEVANCE PROCEDURE

Section 1. Grievance Definition: A "grievance" will mean an allegation by an employee resulting in a dispute or disagreement between the employee and the School Board as to the interpretation or application of terms and conditions of employment insofar as such matters are contained in this Agreement.

Section 2. Representative: The employee, administrator, or School Board may be represented during any step of the procedure by any person or agent designated by such party to act in his/her behalf.

Section 3. Definitions and Interpretations:

Subd. 1. Extension: Time limits specified in this Agreement may be extended by mutual agreement.

Subd. 2. Days: Reference to days regarding time periods in this procedure will refer to working days. A working day is defined as all week days not designated as holidays by state law.

Subd. 3. Computation of Time: In computing any period of time prescribed or allowed by procedures herein, the date of the act, event, or default for which the designated period of time begins to run will not be included. The last day of the period so computed will be counted, unless it is a Saturday, a Sunday, or a legal holiday, in which event the period runs until the end of the next day which is not a Saturday, a Sunday, or a legal holiday.

Subd. 4. Filing and Postmark: The filing or service of any notice or document herein will be timely if it bears a postmark of the United States mail within the time period.

Subd. 5. Decisions: All decisions rendered, with the exception of decisions rendered at Level I of this grievance procedure, will be in writing setting forth the decision and will be transmitted to all parties of interest.

Section 4. Time Limitation and Waiver: Grievances will not be valid for consideration unless the grievance is submitted in writing to the School Board's designee, setting forth the facts and the specific provisions of the policy allegedly violated and the particular relief sought within twenty (20) days after the date of the event giving rise to the grievance occurred. Such grievances must be filed in writing first with the supervisor and Human Resources. Failure to file any grievance within such period will be deemed a waiver thereof. Failure to appeal a grievance from one level to another within the time periods hereinafter provided will constitute a waiver of the grievance. An effort will first be made to adjust an alleged grievance informally between the employee and the School Board's designee.

Section 5. Adjustments of Grievance: The School Board and the employee will attempt to adjust grievances which may arise during the course of employment of any employee within the School District in the following manner:

Subd. 1. Informal Discussion: Before a written grievance is submitted, informal discussions will take place between the aggrieved party and the supervisor. Through these discussions, the parties will attempt to resolve the problem.

Subd. 2. Level I: If the grievance is not resolved through informal discussions, the aggrieved party may submit the grievance in writing to the supervisor. A copy of such written grievance must simultaneously be filed with Human Resources. The immediate supervisor will give a written

decision on the grievance to the parties involved within ten (10) days after receipt of the written grievance.

Subd. 3. Level II: In the event the grievance is not resolved in Level I the decision rendered may be appealed to the Director, Human Resources, provided such appeal is made in writing within five (5) days after receipt of the decision in Level I. If a grievance is properly appealed to the Director, Human Resources he/she will set a time to meet regarding the grievance within fifteen (15) days after receipt of the appeal. Within ten (10) days after the meeting, the Director, Human Resources will issue a decision in writing to the parties involved.

Subd. 4. Level III: In the event the grievance is not resolved in Level II, the decision rendered may be appealed to the School Board, provided such appeal is made in writing within five (5) days after receipt of the decision in Level II. If a grievance is properly appealed to the School Board, the School Board will set a time to hear the grievance within twenty (20) days after receipt of the appeal. Within twenty (20) days after the meeting, the School Board will issue its decision in writing to the parties involved. At the option of the School Board, a committee or representative(s) of the School Board may be designated by the School Board to hear the appeal at this level, and report its findings and recommendations to the School Board. The School Board will then render its decision.

Section 6. School Board Review: The School Board reserves the right to review any decision issued under Level I or Level II of this procedure provided the School Board or its representative notifies the parties of its intention to review within ten (10) days after the decision has been rendered. In the event the School Board reviews a grievance under this Section, the School Board reserves the right to reverse or modify such decision.

Section 7. Denial of Grievance: Failure by the School Board or its representative to issue a decision within the time periods provided herein will constitute a denial of the grievance and the employee may appeal it to the next level.

Section 8. Arbitration Procedures: In the event that the employee and the School Board are unable to resolve any grievance, the grievance may be submitted to arbitration as defined herein:

Subd. 1. Request: A request to submit a grievance to arbitration must be in writing signed by the aggrieved party, and such request must be filed in the Office of the Superintendent within ten (10) days following the decision in Level III of the grievance procedure.

Subd. 2. Prior Procedure Required: No grievance will be considered by the arbitrator which has not been first duly processed in accordance with the grievance procedure and appeal provisions.

Subd. 3. Selection of Arbitrator: Upon the proper submission of a grievance under the terms of this procedure, the parties will, within ten (10) days after the request to arbitrate, attempt to agree upon the selection of an arbitrator. If no agreement on an arbitrator is reached, either party may request the Bureau of Mediation Services (BMS) to appoint an arbitrator, pursuant to the PELRA, providing such request is made within twenty (20) days after request for arbitration. The request will ask that the appointment be made within thirty (30) days after the receipt of said request. Failure to agree upon an arbitrator or the failure to request an arbitrator from the Bureau of Mediation Services (BMS) within the time periods provided herein will constitute a waiver of the grievance.

Subd. 4. Submission of Grievance Information:

- a. Material Request: Upon appointment of the arbitrator, the appealing party will within five (5) days after notice of appointment forward to the arbitrator, with a copy to the School Board, the submission of the grievance which will include the following:
 - 1) The issues involved
 - 2) Statement of the facts
 - 3) Position of the grievant

- b. The School Board will make a similar submission of information in accordance with Subd. 4a. of this section.

Subd. 5. Hearing: The grievance will be heard by a single arbitrator and both parties may be represented by such person or persons as they may choose and designate, and the parties will have the right to a hearing at which time both parties will have the opportunity to submit evidence, offer testimony, and make oral or written arguments relating to the issues before the arbitrator. The proceeding before the arbitrator will be a hearing *de novo*.

Subd. 6. Decision: The decision by the arbitrator will be rendered within a time schedule mutually agreed to. Decisions and awards by the arbitrator in cases properly before him/her will be final and binding upon the parties, subject, however, to the limitations of the arbitration decisions as provided in the PELRA.

Subd. 7. Expenses: Each party will bear its own expenses in connection with arbitration including expenses relating to the party's representatives, witnesses, and any other expenses which the party incurs in connection with presenting its case in arbitration. A transcript or recording will be made of the hearing at the request of either party. The parties will share, equally, fees and expenses of the arbitrator and any other expenses which the parties mutually agree are necessary for the conduct of the arbitration. The cost of a transcript or recording will be borne by the party requesting it.

Subd. 8. Jurisdiction: The arbitrator will have jurisdiction over disputes or disagreements relating to grievances properly before the arbitrator pursuant to the terms of this procedure. The jurisdiction of the arbitrator will not extend to proposed changes in terms and conditions of employment as defined herein and contained in this written Agreement; nor will an arbitrator have jurisdiction over any grievance which has not been submitted to arbitration in compliance with the terms of the grievance and arbitration procedure as outlined herein; nor will the jurisdiction of the arbitrator extend to matters of inherent managerial policy, which will include, but are not limited to, such areas of discretion or policy as the functions and programs of the employer, its overall budget, utilization of technology, the organizational structure, and selection and direction and number of personnel. In considering any issue in dispute, in its order, the arbitrator will give due consideration to the statutory rights and obligations of the public School Board to efficiently manage and conduct its operations within the legal limitations surrounding the financing of such operations.

Section 9. General:

Subd. 1. Reprisals: No reprisals of any kind will be taken by the School Board or by any member of the administration against any aggrieved person, any representative of an aggrieved person, or any other participants in the grievance procedure by reason of such participation.

Subd. 2. Employee Rights: Nothing herein will be construed to limit, impair or affect the right of any employee, or group of employees, as provided in state statutes.

ARTICLE X DURATION

Section 1. Term and Reopening Negotiations: This Agreement will remain in full force and effect for a period commencing on July 1, 2015 through June 30, 2017. If either party desires to modify or amend this Agreement commencing on July 1, 2017, it will give written notice of such intent no later than May 1, 2017. Unless otherwise mutually agreed, the parties will not commence meet and confer more than ninety (90) days prior to the expiration of this Agreement.

Section 2. Effect: The provisions herein relating to terms and conditions of employment supersede any and all prior agreements, resolutions, practices, School District policies, rules or regulations concerning terms and conditions of employment inconsistent with these provisions. All matters not covered by this Agreement are hereby reserved to the School Board.

Section 3. Finality: Any matters relating to the current term, whether or not referred to in this Agreement, will not be open for discussion during the term of this Agreement.

MEMORANDUM OF UNDERSTANDING

between

**OSSEO AREA SCHOOLS, ISD 279
and
MANAGEMENT PERSONNEL I-M**

TOPIC: Early Retirement Incentive

EFFECTIVE DATE: July 1, 2015 – June 30, 2017

The following contains the full text of the Memorandum of Understanding (MOU) between Osseo Area Schools, ISD 279 (“District”), and Management Personnel I-M, relating to disbursement of funds for the Early Retirement Incentive.

PURPOSE:

The purpose of this MOU is to designate how funds will be disbursed for the Early Retirement Incentive, contained in Article VI, Section 4, of the 2015-2017 Terms and Conditions of Employment.

AGREEMENT:

Subject to the limitations listed below, the District will contribute funds relating to the Early Retirement Incentive as follows:

1. Seventy five percent (75%) of funds shall be placed into a Post-Retirement Health Arrangement Plan. Employees who are exempted from participating in the Post-Retirement Health Arrangement Plan, according to IRS guidelines, must contribute one hundred percent (100%) of their Early Retirement Incentive into the Special Pay Deferral Plan referenced in paragraph 2 below.
2. The balance of the Early Retirement Incentive benefit shall be paid into a Special Pay Deferral Plan (403(b)). The District’s annual contribution into the retiree’s Special Pay Deferral Plan account must not exceed the IRS contribution limit during any given year. Any remaining balance will be paid into the Special Pay Deferral Plan in future consecutive years to the extent allowed by the IRS.
3. All District payments will be made according to the timeline and payment schedule as provided in the 2015-2017 Terms and Conditions of Employment.
4. This is the full and complete agreement relating to Early Retirement Incentive benefits.