

**PRINCIPAL'S CONTRACT
INDEPENDENT SCHOOL DISTRICT #881
MAPLE LAKE, MINNESOTA**

The School Board of Independent School District No. 881, Maple Lake, Minnesota, enters into this agreement with **David J. Hansen**, a legally qualified and licensed principal, who agrees to perform the duties of high school principal in the public schools of the district commencing **July 1, 2025 through June 30, 2027.**

The following provisions shall apply and are part of this contract:

I. Basic Services:

Said administrator shall faithfully perform the services prescribed by the School Board whether or not such services are specifically described in this contract and in a general job description, abide by the rules, regulations and policies as established by the School Board and the State Board of Education, and any additions or amendments thereto, for the annual salary indicated below, pursuant to the provisions of M.S. 122A.40, as amended, and all federal and state laws relevant thereto.

II. Duration:

This contract is subject to the provisions of M.S. 122A.40 and to all laws, rules and regulations of the State of Minnesota relevant to qualification, licensure, employment, termination and discharge. This contract shall remain in full force and effect, except if modified by mutual consent of the School Board and the administrator or unless terminated as provided by law or written resignation.

III. Duty Year and Leaves:

1. Basic Work Year:

The administrator's duty year shall be for the entire year as provided herein and the administrator shall perform services on those legal holidays on which the School District is authorized to conduct school if the board so determines. He/she shall be on duty during any emergency, natural or unnatural, unless he/she is otherwise excused in accordance with School Board administrative policy. His/her basic work year shall consist of 221 working days.

2. Sick Leave:

The administrator shall earn sick leave at the rate of 12 days per year, which may be accumulated to a maximum of 130 days.

3. Unused Sick Leave:

Beginning in the 2021-2022 school year, the District shall contribute \$100 for each full day (8 hours) and contribute \$50 for each half day (4 hours) accumulated over 130 days as of June 30 each year, up to \$900 for any full-time active administrative staff employee to the PRHCSP Health Care Savings Plan, administered by MSRS.

4. Emergency Leave:

The administrator shall be granted paid emergency leave during the contract year at the discretion of the Superintendent. Emergency leave is to be deducted from accumulated sick leave.

5. Medical Leave:

If the administrator is unable to perform his/her duties because of 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, he/she shall upon request, be granted a medical leave of absence up to one (1) year in duration without pay. The School Board may, in its discretion, extend such a leave upon written request. A request for medical leave of absence or extension thereof pursuant to this section shall be accompanied by a written doctor's statement outlining the condition of health and estimated time at which the administrator is expected to be able to assume his/her normal responsibilities. The administrator when on medical leave of absence is eligible to continue to participate in group insurance programs as permitted under the insurance policy provisions, but shall pay the entire premium for such programs as he/she wishes to retain commencing with the beginning of the leave. If medical leave is granted pursuant to this section the administrator voluntarily waives any right to a leave of absence to which he/she might otherwise be eligible.

6. Bereavement Leave:

Up to five (5) days of leave shall be allowed, the days to be deducted from sick leave, for death in the principal's immediate family. Additional bereavement leave is subject to the discretion of the School Board, based on the circumstances. Immediate family shall be defined as the principal's spouse, child, stepchild, parent, grandparent, grandchild, brother, sister, parent-in-law, son or daughter-in-law, grandparent-in-law, brother or sister-in-law, legal guardian and any person living in the household of the administrator.

7. Holidays:

Subd. 1. Paid Holidays: The administrator shall be granted the following paid holidays: 4th of July, Labor Day, Thanksgiving Day, Friday after Thanksgiving, Christmas Eve Day, Christmas Day, New Year's Eve Day, New Year's Day, Presidents' Day, Good Friday, Memorial Day, and Juneteenth.

Subd. 2. Weekends: Holidays that fall on weekends will be observed on a day established by the School District.

Subd. 3. School in Session: The School District reserves the right, if school is in session, to cancel any of the above holidays and establish another holiday in lieu thereof.

IV. Insurance:

1. Health and Hospitalization/Cash in Lieu:

The School District shall provide the principal \$20,025.00 for the 2025-2026 and \$20,626.00 for the 2026-2027 for the purchase of health and hospitalization insurance, single or family coverage, and/or cash in lieu.

A. Duration of Insurance Contribution:

The administrator is eligible for School District contribution only as long as he/she is employed by said District. Upon termination of employment, all District contributions shall cease, but extension of employee benefits as provided in Public Law 99-272 will be followed.

Subd. 1. Retiree Health Insurance:

Any principal retiring (not due to cause) who is eligible to receive a Teachers Retirement Association pension and has completed twelve (12) years or more of full-time service with the District and twenty (20) or more years of full-time educational service shall receive the amount of District contribution (board share amount allowed) for single coverage as provided to teachers by the District at the time of the principal's retirement. This District contribution will remain fixed and shall continue until the principal is eligible for Medicare. This contribution amount will be deposited on the 15th and 30th of each month into MSRS Health Care Savings Plan. These contributions will cease upon the death of the recipient.

The retiree shall be eligible to continue participation in the District's group health and hospitalization plan, providing that the retiree was participating in the plan one or more years prior to retirement. The retiree may receive dependent coverage only if the retiree received dependent coverage immediately before retiring. The retiree may continue to participate indefinitely in the employer-sponsored group health plan by paying the district the full monthly premium amount on due dates as arranged by the district.

2. Life Insurance:

The School District shall provide a group term life insurance plan providing \$100,000 of coverage for the administrator, payable to the administrator's named beneficiary, at the expense of the School District.

3. Long Term Disability Insurance:

The School District shall provide a long term disability insurance plan for the administrator providing a benefit of two-thirds of the administrator's regular monthly compensation, with a waiting period of not more than 120 calendar days after the date of disability, with such benefits to continue until the administrator reaches the age of 65 and as long as the administrator remains disabled.

4. Liability Insurance:

The School District shall provide an errors and omissions liability insurance policy covering the administrator in an amount not less than that which is required by law for the School District.

5. Claims Against the School District:

The parties agree that any description of insurance benefits contained in this section are intended to be informational only and the eligibility of any employee for benefits shall be governed by the terms of the insurance policy purchased by the School District pursuant to this section. It is understood that the School District's only obligation is to purchase an insurance policy and pay such amounts as agreed to herein and no claim shall be made against the School District as a result of a denial of insurance benefits by insurance carriers.

V. Other Benefits:

1. Tax Sheltered Annuities:

The administrator will be eligible to participate in tax sheltered annuity plans established pursuant to Section 403(b) of the Internal Revenue Code.

2. Car Expenses:

The administrator will be compensated for authorized use of his/her private automobile at the rate set by the School Board at the organizational meeting in January each year.

3. Conferences and Meetings:

The School District shall pay all legally valid expenses and fees for attendance at professional conferences and meetings with other educational agencies when attendance thereof is required, directed, or permitted by the School Board. The administrator shall attempt to advise the board of all meetings and conferences that he/she will be attending and shall periodically report to the board relative to all meetings and conferences attended. The administrator shall file itemized expense statements to be processed and approved as provided by law. Administrators may attend a National Convention once

every three (3) years with School Board approval. Only one administrator may attend a national conference each school year. Additional attendance shall be granted at the discretion of the Superintendent and School Board.

VI. Salary:

1. 2025-2027 Salary Schedules:

The administrator shall be paid an annual contract salary of **\$123,291.96 (Step 14 of the Principals' Salary Schedule) during the first year of this contract and \$125,757.80.47 (Step 15 of the Principals' Salary Schedule)** during the second year of this contract. The principal shall engage in no other employment, consultant service or other activity for which an honorarium is paid without receiving prior approval of the School Board, but shall devote full time and due diligence to the affairs and the activities of the School District.

Subd. 1. Career Increments: Career increments shall be established and paid to principals within the following limits and qualifications:

1) Qualifications: Principals must have a minimum of twenty (20) total years of education experience and be at least 50 years old to qualify for this salary increase.

2) Notification of District: By February 1 prior to the school year principals first becomes eligible to apply for career increments, the District will notify the principal of her right to do so.

3) Length of Participation: Principals may participate in this career increment program in any five (5) years out of a consecutive seven (7) year span.

4) Annual Maximum: A maximum of six thousand one hundred seventy-five dollars (\$6,175) may be earned by a principal per year and thereafter beginning in the 2021-2023 school year.

5) Total Maximum: The sum of the five (5) years in which the principal participated in the career increment program is the maximum amount the principal may earn over the principal's career in Maple Lake.

6) Withdrawal from Participation: A principal may withdraw from participation as long as they notify the District prior to the beginning of the school year.

Subd 2. Extra Compensation: The administrator shall receive additional salary under the following conditions.

1. District Assessment Coordinator/ Targeted Services: The administrator shall be paid an additional \$2,000 annually for serving as the MARSS Coordinator, as assigned for 2025-26 and 2026-27.

2. Supervision: The administrator shall be paid an additional \$1,200 annually for supervision duties outside the regular school day for 2025-2026 and 2026-2027.

Subd 3. Longevity Pay: The principal shall be granted 35 days of longevity at the completion of his/her 10th year (10) year of service to the district. One (1) additional day will be added for years 11-15. Two (2) additional days will be added for years 15-20. Longevity pay will be deposited into a Health Care Savings Plan (HCSP) administered by MSRS. Longevity pay shall be paid when the principal leaves the employment of the District through the action of the School Board. Longevity pay daily rate shall be determined by dividing the annual salary in the year the principal leaves service by the number of days in the current contract. Anyone hired after September 1, 2025, would not be eligible.
(Note: One-half of the payment will be made on two consecutive January 15ths following Board approved action)

VII. Other Provisions:

1. Organization Dues:

The administrator is encouraged to belong to appropriate professional educational and civic organizations where 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. The administrator shall present appropriate statements for approval as provided by law.

2. 403b Matching Deferred Compensation/Retirement Plan:

During the first five years of employment, the District shall contribute up to two percent (2%) of the annual salary toward a retirement plan when the administrator contributes a corresponding amount or pro-rated if the administrator contributes less than the full two percent (2%) allowed. In the sixth and subsequent years of employment beginning in 2021-2022, the District shall contribute up to four percent (4.00%), and starting in 2022-2023 4.25% of the annual salary toward a retirement plan when the administrator contributes a corresponding amount or pro-rated if the administrator contributes less than the full four percent (4.25%) allowed.

The principal will use a company from the following approved list:

- Aspire
- AXA Equitable
- Horace Mann

Claims Against the School District: The principal agrees that the management of contributed funds is the responsibility of the company selected by the principal. It is further understood that the District's only obligation is to make contributions as specified in this Article and that no other claim shall be made against the District pursuant to this Article.

3. Post-Retirement Health Care Savings Plan:

Description: In addition to the 403b benefit described in five of this article, the District provides a contribution to each administrator's Minnesota Post-Retirement Health Care Savings Plan (hereafter called PRHCSP) according to their eligibility under Minnesota Statutes, section 352.98 (2002) and as outlined in the Minnesota State Retirement System's Trust and Plan Documents.

Eligibility: All administrators shall participate in the PRHCSP except teachers in their first and second years of employment in the District. Employees shall contribute an amount equal to the District's contribution each year, which shall be withheld from their compensation.

Post-Retirement Health Care Savings Plan Criteria:

During an administrator's third year of employment in the district, the District and administrator will each contribute one-half (.5%) of the administrator's yearly salary including pay for extra assignments and career increments, and one percent (1%) each during the administrator's fourth and subsequent years. These amounts shall be sent to the administrator's PRHCSP. All funds contributed by the teacher and the District become the "property" of the teacher once the money has been transferred into the administrator's account. Upon retirement or severance from the District, teachers may use the PRHCSP account within the limits of the law and applicable IRS rules.

VIII. GRIEVANCE PROCEDURE:

- 1. Grievance Definition:** A "grievance" shall mean an allegation by an administrator resulting in a dispute or disagreement between the administrator and the School District as to the interpretation application of terms and conditions contained in this Agreement.
- 2. Representative:** The principal, administrator, or School Board may be represented during any step of the procedure by any person or agent designated by such part to act in the parties' behalf.

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 shall refer to working days. A “working day” is defined as all weekdays 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 shall not be included. The last day of the period so computed shall 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 shall be timely if it is personally served or if it bears a certified postmark of the United States Postal Service within the time period.

4. **Time Limitation and Waiver:** A grievance shall not be valid for consideration unless the grievance is submitted in writing to the School District’s designee, setting forth the facts and the specific provision of the Agreement allegedly violated and the particular relief sought within twenty days after the date of the first event giving rise to the grievance occurred. Failure to file any grievance within such period shall be deemed a waiver thereof. Failure to appeal a grievance from one level to another within the time periods hereafter provided shall constitute a waiver of the grievance. An effort shall first be made to adjust an alleged grievance informally between the administrator and the School District’s designee.
5. **Adjustment of Grievance:** The School District and the administrator shall attempt to adjust all grievances that may arise during the course of employment of any administrator within the School District in the following manner:

Subd. 1. Level I: If the grievance is not resolved through informal discussions, the superintendent or designee shall give a written decision on the grievance to the parties involved within ten days after receipt of the written grievance.

Subd. 2. Level II: In the event the grievance is not resolved in Level I, the decision rendered may be appealed to the School Board, provided such appeal is made in writing within five days after receipt of the decision in level 1. If a grievance is properly appealed to the School Board, the School Board shall set a time to hear the grievance within twenty days after receipt of the appeal. Within twenty days after the meeting, the School Board shall issue its decision in writing to the parties involved. At the option of the School Board, a committee or representative(s) of the Board may be designated by the Board to hear the appeal at this level, and report its findings and

recommendations to the School Board. The School Board shall then render its decision.

6. **School Board Review:** The School Board reserves the right to review any decision issued under Level I of this procedure provided the School Board or its representative notifies the parties of the intentions to review within ten 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.
7. **Denial of Grievance:** Failure by the School Board or its representative to issue a decision within the time periods provided herein shall constitute a denial of the grievance and the administrator may appeal it to the next level.
8. **Arbitration Procedures:** In the event that the administrator 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 days following the decision in Level II of the grievance procedure.

Subd. 2. Prior Procedure Required: No grievance shall 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 shall, within ten 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 commissioner to appoint an arbitrator, pursuant to the PELRA providing such request is made within twenty days after request for arbitration. The request shall ask that the appointment be made within thirty days after the receipt of said request. Failure to agree upon an arbitrator or the failure to request an arbitrator from the commissioner within the time periods provided herein shall constitute a waiver of the grievance.

Subd. 4. Hearing: The grievance shall 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 shall 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 shall be a hearing de novo.

Subd. 5. Decision: The decision by the arbitrator shall be rendered within thirty days after the close of the hearing. Decisions by the arbitrator in cases properly before the arbitrator shall be final and binding upon the parties, subject, however, to the limitation of arbitration decisions as provided in the PELRA. The arbitrator shall issue a written decision and order including findings of fact, which shall be based upon substantial and competent evidence presented at the hearing. All witnesses shall be sworn upon oath by the arbitrator.

Subd. 6. Expenses: Each party shall bear its own expenses in connection with arbitration including expenses relating to the party's representatives, witnesses, and any other expenses that the party incurs in connection with presenting its case in arbitration. A transcript or recording of the hearing shall be made at the request of either party. The parties shall share equally fees and expenses of the arbitrator, the cost of the transcript or recording if requested by either or both parties, and any other expenses that the parties mutually agree are necessary for the conduct of the arbitration. However, the party ordering a transcript shall pay for such copy.

Subd. 7. Jurisdiction: The arbitrator shall 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 shall not extend to proposed changes in terms and conditions of employment as defined herein and contained in this written Agreement; nor shall 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 shall the jurisdiction of the arbitrator extend to matters of inherent managerial policy, which shall 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, the arbitrator's order shall give due consideration to the statutory rights and obligation of the public-School District to efficiently manage and conduct its operation within the legal limitations surrounding the financing of such operations.

9. **Election of Remedies and Waiver:** A party instituting any action, proceeding or complaint in a federal or state court of law, or before an administrative tribunal, federal agency, state agency, or seeking relief through any statutory process for which relief may be granted, the subject matter of which may constitute a grievance under this Agreement, shall immediately thereupon waive any and all rights to pursue a grievance under this Article. Upon instituting a proceeding in another forum as outlined herein, the employee shall waive the right to initiate a grievance pursuant to this Article or, if the grievance is pending in the grievance procedure, the right to pursue it further shall be immediately waived. This section shall not apply to actions to compel arbitration as provided in this Agreement or to enforce the award of an arbitrator.

IX: DURATION

- 1. Terms and Reopening Negotiations:** This Agreement shall remain in full force and effect for a period commencing upon the date of its full ratification through June 30, 2027, and thereafter as provided by PELRA. In the event a successor Agreement is not entered into prior to the expiration date of this Agreement, a principal shall be compensated according to the previous year's compensation until such time that a successor Agreement is ratified. If the exclusive representative desires to modify or amend this Agreement commencing on July 1, 2025, it shall give written notice of such intent pursuant to PELRA no later than May 1, 2027, including complete language and detail of proposed changes. If such notice is not timely served, the School District shall not be required to negotiate any terms of employment for the following school year. Unless otherwise mutually agreed, the parties shall not commence negotiations more than ninety (90) days prior to the expiration of this Agreement.

In the event this Contract will cause or does cause penalties, fees, or fines to be assessed against the School District or the employee, 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 Principals' healthcare benefits as a result of addressing the "highly compensated employee" component of the ACA will be placed into another School District provided benefit(s) (i.e., a retirement HRA, salary, etc.) as agreed upon between the parties.

- 2. Effect:** This Agreement constitutes the full and complete Agreement between the School District and the exclusive representative. The provisions of this Agreement relating to terms and conditions of employment supersede any and all prior Agreements, resolutions, practices, and School District policies, rules, and regulations concerning terms and conditions of employment inconsistent with these provisions. Nothing in this Agreement shall be construed to obligate the School District to continue or discontinue existing or past practices or prohibit the School District from exercising all management rights, functions, and prerogatives, except insofar as this exercise would be in express violation of any term or terms of this Agreement.
- 3. Finality:** Any matters relating to the current Agreement term, whether or not referred to in this Agreement, shall not be open for negotiation during the term of this Agreement.
- 4. Severability:** The provisions of this Agreement 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 this Agreement or the application of any provision.

X: UNREQUESTED LEAVE OF ABSENCE

1. Seniority Date: The seniority dates for new principals shall be the first day of service in the bargaining unit. **Principals retain all other rights under Minnesota Statutes 122A.40.**
2. Ties: The following criteria shall be used to break seniority ties in the placement of principals:
 - a) Initial date of service in the District as a licensed teacher or other licensed professional.
 - b) Earliest/lowest Professional Educator Licensing and Standards Board (PELSB) file folder number.

3. Placement on Unrequested Leave of Absence

Subd. 1. General. The District may place principals on unrequested leave of absence, without pay or fringe benefits at the close of the school year. The District agrees to consult with the Association regarding proposed alternatives to unrequested leave of absence situations, provided such consultation does not result in delay.

Subd. 2. Method. The District will place the least senior principal in the bargaining unit on unrequested leave of absence so long as there is an appropriately licensed principal remaining to fill the position. Nothing in this language allows a principal to receive a promotion during the unrequested leave process. Principals may not assert a seniority right into a position that is promotional. Principals may assert a seniority right into a position that is not promotional.

Nothing in this section limits the rights of a Principal placed on unrequested leave of absence to assert statutory rights into a licensed teaching position.

4. Reinstatement

Subd. 1. Recall. Principals will be recalled from an unrequested leave of absence to available positions for which they are licensed. Principals cannot assert a reinstatement right to a promotional position. The principal with the highest seniority date will be reinstated first.

Subd. 2. No appointment of a new principal will be made while there is available, on unrequested leave, a principal who is properly licensed to fill such vacancy.

Subd. 3. Notification will be by certified mail to the principal's last known address and to the principal's email address. In the event a principal declines a principal position or fails to notify the District in writing of the principals' intentions within fifteen (15) days of the date of notification, the principal is removed from the recall list. A principal on unrequested leave of absence will provide the district with appropriate contact information annually for purposes of notification in this section.

Subd. 4 The unrequested leave of absence of a principal who is not reinstated shall continue for a period of three years from the date the principal's unrequested leave of absence began or until the principal fails to respond within fifteen (15) days of the date of notification or until the principal submits in writing a request to be removed from the recall list, whichever occurs first. The three year reinstatement period ends on the first day teachers return to duty for the commencement of the third school year following the principal's placement on unrequested leave.

Subd. 5. Principals proposed for unrequested leave shall be assigned to available teaching positions for which they are licensed.

This contract shall be effective only upon signature of the officers of the School Board after authorization for such signature was taken by the School Board in appropriate action recorded in its minutes.

IN WITNESS THEREOF I have
Subscribed my signature this
____ day of June, 2026

IN WITNESS THEREOF we have
Subscribed my signature this
8th day of June, 2026

David J. Hansen, Principal

Chairperson

Clerk

