

LICENSED ADMINISTRATIVE BUSINESS MANAGEMENT CONTRACT
MINNESOTA PUBLIC SCHOOL DISTRICT #2687

The School Board of Independent School District #2687, of the State of Minnesota, Howard Lake, Minnesota, enters into the agreement with Megan Tormanen, who agrees to serve in the public schools of said district in the position of Director of School Finance/Business Management according to the following provisions which shall apply and are a part of this administrative contract.

A. BASIC SERVICES:

Said employee shall faithfully perform the services prescribed by the School Board or its designated representative, whether or not such services are specifically described in this contract, abide by the rules and regulations as established by the School Board and the State Board of Education, and any additions or amendments thereto, for the salary indicated below, and agrees to work in the schools of said district as assigned.

B. DURATION AND TERMINATION:

This Agreement shall remain in effect for the period of July 1, 2024 (“Effective Date”), through June 30, 2026 (“Expiration Date”), or until such time as a new Finance Director is hired and commences employment with the School District, whichever occurs earlier. Unless terminated earlier pursuant to this paragraph or Subdivision 1 or 2 of this Section, this Agreement shall automatically expire on the Expiration Date. In the event the parties fail to enter into a subsequent agreement prior to the Expiration Date, by written notice to the Employee, the School District may extend the terms of this Agreement on a month-to-month basis until the parties either enter into a subsequent agreement or until the School District provides the Employee with (10) days written notice of termination of the Agreement. Upon expiration or termination, neither party will have any further claims against the other.

Subd. 1. Termination of Employment:

The Employee is an at-will employee and the School District may terminate this Agreement and the Employee’s employment as it sees fit by providing the Employee with notice of termination. The School District is not required to show cause for termination of the Agreement and the Employee’s employment. After the effective date of any termination, the Employee is not entitled to receive any form of unearned pay, severance, unused personal or sick leave, payment of any insurance premium, or any other employer-paid benefit, except as set forth in Subd. 2 and Section L.

Subd. 2. Resignation:

The Employee may terminate this Agreement and employment with the School District by providing the School Board Chair with written notice of resignation no less than fourteen (14) calendar days in advance of the effective date of the resignation. In this event that such notice is given, the Employee must continue to perform the job duties diligently, in good faith, and to the best of his/her ability until the effective date of the resignation. The Employee must also act in good faith to facilitate the transfer of job duties to the new employee. After the effective date of any resignation, the Employee is not entitled to receive any form of unearned pay, severance, sick leave, payment of any insurance premium or any other employer paid benefit, except the Employee shall be paid any accrued and unused paid personal leave and vacation leave. The Employee, with the permission of the Superintendent, may be allowed to use accrued and unused paid personal leave following the notice of resignation and date of termination. In the event that the Employee gives less than a fourteen (14) calendar day notice, the Employee will be considered to have left employment “not in good standing,” shall not be eligible for reemployment by the School District, and shall not be entitled to any severance, paid accrued personal leave or other payments the School District provides upon separation, whether expressly contained in this Agreement or otherwise provided.

C. BASIC WORK YEAR:

The Agreement shall be for 260 days a year based on regular work year from July 1 to June 30 (“Basic Work Year”), 8 hours per day. The Employee’s specific hours shall be designated and or given prior approval by the Superintendent. The Employee shall perform services on those legal holidays or other days

on which the School District is authorized to conduct school if directed by the School Board or Superintendent.

D. POLICIES AND/OR FRINGE BENEFITS:

Full time employee, according to position performed by employee. Premiums over the district contribution will be paid by employee deductions.

E. PAID HOLIDAYS: 12 days

New Year's Eve Day	Labor Day
New Year's Day	Thanksgiving Day
Martin Luther King/Presidents Day (Whichever is observed by District)	
Good Friday	Friday after Thanksgiving
Memorial Day	Christmas Eve Day
Independence Day	Christmas Day
July 3 or 5 (determined each year depending on day of week)	

Juneteenth

When a recognized holiday falls on a Saturday, the employee shall receive the Friday proceeding the holiday off. When a recognized holiday falls on a Sunday, the employees shall receive the Monday after the holiday off. If school is in session on Friday or Monday, a floating holiday shall be granted in lieu of the holiday, within six months, at the discretion of the Superintendent. Holiday pay will be received/paid when the holiday falls within your contracted days.

F. VACATION ALLOWANCE:

All twelve-month employees will be granted a vacation period on the following basis:

0-20 Years = 20 days
20 Years over = 25 days

Unused vacation must be taken within six (6) months after the end of the contract year in which it is earned. The employee may buy back up to 12 vacation days per year at his/her daily rate of pay. The employee must submit a request for vacation day reimbursement.

G. INSURANCE BENEFITS:

Subd 1: The employee will be allocated \$16,381 in 2024-25 and \$16,381 in 2025-26 for use in purchasing health insurance. Said allocation will commence on July 1 of each year and will be made to the employee's account at the beginning of each month during which the employee is entitled to full salary from the district.

Subd. 2: If an employee elects to purchase health insurance under section 1 which results in monthly premium changes greater than the amount allocated to the employee's account pursuant to Subd. 1 above; and cost in excess of employee's monthly allocation shall be borne by employee and paid by payroll deduction. The monthly deduction shall be annualized and divided evenly over the pay periods in the contract year.

Subd. 3: If an employee elects not to purchase insurance under section 1, the employee will receive an additional salary amount of \$14,225 in 2024-25 and \$13,894 for 2025-26.

Subd. 4: The District and the employee may re-open this agreement upon mutual consent in the event that unanticipated changes in health insurance regulations substantially increase, alter, or impair the financial obligations of the District.

H. DENTAL INSURANCE:

~~22-24~~ \$350

2024-26 Beginning January 1, 2025/2026, the district contribution will be \$450 yearly.

I. MILEAGE REIMBURSEMENT:

For authorized travel, reimbursement will be at the Federal Rate/mile.

J. FLEXIBLE BENEFIT PLAN

125 Plan - Flexible Benefit Plan allows you to save tax dollars and increase your take-home pay if you work a minimum of thirty hours per week. This is a voluntary plan, which allows the employee to determine the amount to be withheld from your paycheck to pay insurance premiums, medical and dependent care expenses. The money you withhold and use to pay your above mentioned expenses is 100 percent deductible, plus a reduction in FICA taxes. Sign up is at the beginning of the plan year (plan year is July 1 through June 30). There are brochures available at the payroll office detailing these facts.

Wellness Benefit

Buy back of up to 5 sick days used toward Flexible Spending, HSA, and Veba accounts.

K. LIFE INSURANCE

The school district will pay in full the premium for a \$200,000 one-year term life insurance policy for employee working 2080 hrs annual.

L. LTD INSURANCE: The school district will make available a Long Term Disability Insurance Policy at the employee's cost by payroll deduction.

Subd. 1. Income protection insurance of the standard 90-day type with 66 2/3% of the employee's regularly scheduled hours and salary being paid each month. The maximum monthly benefit paid shall be as outlined in the policy.

Subd. 2. For any employee receiving benefits from the policy and having accumulated less than 90 days, the sick leave payment will cease on the last date of accumulation and the LTD policy become effective on the 91st day.

Subd. 3. Use up any amount of accumulated sick leave before commencing the referenced disability plan as long as that sick leave would extend to at least 90 calendar days.

M. LEAVES AND ABSENCES

Sick, Personal, and Emergency Leave: Sick leave shall be earned at the rate of 15 days per contract year, accumulative to a total of 115 days. Four (4) personal leave days shall be earned per year, unused personal leave days may accumulate up to a maximum of six (6) days. Five (5) days sick leave for each serious illness or death in the immediate family is allowed, such days to be deducted from sick leave. A maximum of five (5) days of accumulated sick leave can be used when there is a death or serious illness of a member of the employee's immediate family. An employee may use five (5) days for each individual emergency even if it concerns a certain individual more than once in a school year. Immediate family shall include employee's spouse, child, parent, brother, sister, "son-in-law", "daughter in-law", or other relative in the same household as the employee. A maximum of three (3) days of accumulated sick leave can be used when there is a death or serious illness of any other person as defined below. An employee may use three (3) days for each individual emergency even if it concerns a certain individual more than once in a school year. This includes grandparents, in-laws (father, mother, brother, sister), grandchildren, and persons under an employee's care. A maximum of (1) one day of accumulated sick leave can be used when there is a death of any other unspecified person

Prior Accrued Leave: To the extent the Employee was employed by the School District in a different capacity prior to commencing employment in the position of District Finance Director, the Employee will retain any accrued leave benefits up to the maximums set forth in this Section.

N. SICK LEAVE/HRA CONTRIBUTION

The School District will convert sick leave days to cash at a rate of \$100 per day and the following conditions. The School District will use the sick leave balance as of the end of each school year and the new balance will reflect a reduction based on the number of sick days that have been converted to cash for the employee. The payment will be made to a District approved Health Reimbursement Arrangement. The payment will be made within 60 days after the end of the school year on the following basis:

Accumulated Sick Leave	Amount
35-54 days accumulated sick leave	1 day (\$100)
Over 55-74 days accumulated sick leave	2 days (\$200)
Over 75-94 days accumulated sick leave	3 days (\$300)
Over 95-115 days accumulated sick leave	4 days (\$400)

@ \$100 per day

This plan will be subject to state and federal laws, rules, and regulations.

O. ANNUITY MATCH BENEFIT

Miscellaneous Payroll Deductions are permitted for Savings Bonds (Policy GDBG) and Tax Sheltered Annuities (Policy GDBH).

The District will provide an annuity match benefit as described in this article to all qualified employees each year.

Eligible employees must elect to participate in the annuity match program during the enrollment period, each fiscal year (within the first 30 days of the school year or 30 days of hire date). Participation will continue at the same rate until the payroll office is notified of any change.

The following describes the details of payment:

Annuity	<u>2024-26</u>	\$2,000 yearly contribution by employer
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The following are the conditions of the Annuity Match Benefit:

Matching Agreement – The District will match employee contribution(s) up to maximum amount listed in Annuity Match Benefit section. If an employee does not have the maximum amount in an annuity for a given year, the District will match to the amount contributed by the employee. The match will be equivalent to employee contribution per payroll up to the employer max.

Participants must have an annuity in place from the Minnesota State Board of Investment approved listing.

The school district will not be held responsible for the performance of any annuity company.

P. SALARY AND LONGEVITY

In consideration thereof, the School Board of ISD #2687, Howard Lake-Waverly-Winsted Public Schools, agrees to increase pay to the Buildings and Grounds Director, the following salary:

- ~~2022-23~~
- ~~July 1, 2022 - October 31, 2022 - \$70,000 (paid August 1 - November)~~
- ~~November 1, 2022 - January 31, 2023 - \$76,500 (paid December 1 - February)~~
- ~~February 1, 2023 - June 30, 2023 - \$83,000 (paid March 1 - July 31)~~
- ~~2023-24~~
- ~~\$84,660 (July 1 - June 30)~~
- 2024 - 2025 - \$100,322**

2025 - 2026 - \$108,348

Longevity pay will be provided, per year, for the employee as follows:

5 Years of Service - \$2,000

Q. OTHER DISTRICT PAID

PERA, Employer's FICA, Workmen's Comp. and Liability: The school district shall pay the employer's costs for these programs according to rates established by state and federal agencies.

State Convention or Conference: The school district shall pay for registration fees, conference costs, lodging, luncheons, banquets, and mileage fees for one state convention or conference. The number of days and dates for attendance at those conventions or conferences is to be determined in consultation with the Superintendent. Additional training opportunities must be approved by the Superintendent.

Meetings: The school district shall pay all expenses of meetings the director is to attend, with the approval of the Superintendent.

Professional Organization Dues The school district shall annually pay 100% of the dues required to be a member of one state and one national professional organization.

R. CHOICE OF LAW AND SEVERABILITY:

This Agreement shall be governed by the laws of the State of Minnesota, regardless of whether any change occurs in the Employee's domicile, or status as a resident of the State of Minnesota. If a court of law determines that any part of this Agreement is void, voidable, violates any law, or is otherwise unenforceable, the remaining portions of this Agreement shall remain in full force and effect.

S. ENTIRE AGREEMENT:

This Agreement contains the entire agreement between the parties relating to the School District's employment of the Employee. Neither party has relied upon any statements or promises that are not set forth in this Agreement. This Agreement supersedes any and all prior agreements between the parties. No waiver or modification of any provision of this Agreement will be valid unless it is in writing and signed by both parties.

IN WITNESS THEREOF, in behalf of the School District, we have subscribed our signatures this day of _____, 20__.

Independent School District #2687

Chairman _____

Employee _____

Clerk _____