

AGREEMENT

between

INDEPENDENT SCHOOL DISTRICT 196

and

PRINCIPALS' ASSOCIATION OF ROSEMOUNT

PRINCIPALS

Effective July 1, 2004
Through June 30, 2006

ARTICLE I

PURPOSE

Section 1. Parties: THIS AGREEMENT is entered into between Independent School District 196, Rosemount, Minnesota, hereinafter, referred to as the School District, and the Principals' Association of Rosemount, hereinafter referred to as exclusive representative, pursuant to and in compliance with the Public Employment Labor Relations Act of 1971, as amended, hereinafter referred to as the P.E.L.R.A., to provide the terms and conditions of employment for principals during the duration of this Agreement.

ARTICLE II

RECOGNITION OF EXCLUSIVE REPRESENTATIVE

Section 1. Recognition: In accordance with the P.E.L.R.A., the school district recognizes the Principals' Association of Rosemount as the exclusive representative of principals employed by the school district, which exclusive representative shall have those rights and duties as prescribed by the P.E.L.R.A. and as described in this Agreement.

Section 2. Appropriate Unit: The exclusive representative shall represent all the principals of the district as defined in this Agreement and in said Act.

ARTICLE III

DEFINITIONS

Section 1. School Board: "School Board or Employer" shall mean the School Board of Independent School District 196, or its designee.

Section 2. Positions included within the Principals' appropriate unit are as follows:

Principals and Assistant Principals as defined by Minn. Stat. (1998) Section 179A.03, Subd.12 as amended, and who are employed in such positions in the district. Such persons excluded by law shall be excluded from the unit.

Section 3. Principals or Employees: "Principals or Employees" shall mean personnel included in the unit stipulated in Article II.

Section 4. Superintendent: "Superintendent" shall mean the Superintendent of Schools, or designee.

Section 5. Other Terms: Terms not defined in this Agreement shall have those meanings as defined in the P.E.L.R.A.

Section 6. Association: "Association" shall mean the Principals' Association of Rosemount.

Section 7. P.E.L.R.A.: "P.E.L.R.A." shall mean the Public Employment Labor Relations Act of 1971, as amended.

ARTICLE IV

SCHOOL DISTRICT RIGHTS

Section 1. Inherent Managerial Rights: The exclusive representative recognizes that the school district 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 employer, the overall budget, utilization of technology, the organizational structure and selection and direction and number of personnel.

Section 2. Management Responsibilities: The exclusive representative 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 exclusive representative and the School Board recognize that all employees covered by this Agreement shall perform the services prescribed by the School Board and shall be governed by the laws of the State of Minnesota, and by School Board rules, regulations, directives and orders, issued by properly designated officials of the school district. The exclusive representative also recognizes the right, obligation and duty of the School Board and its duly designated officials to promulgate rules, regulations, directives and orders from time to time as deemed necessary by the School Board insofar as such rules, regulations, directives and orders are not inconsistent with the terms of this Agreement. The exclusive representative and the School Board also recognize that the School Board and all employees covered by this Agreement, and all provisions of this Agreement are subject to the laws of the State of Minnesota, federal laws, rules and regulations of the State Department of Education, and valid rules, regulations and orders of state and federal governmental agencies. Any provision of this Agreement found to be in violation of any such laws, rules, regulations, directives or orders shall be null and void and without force and effect.

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

Section 5. Fair Share Fee:

Subd. 1. In accordance with M.S. 179A.06, Subd. 3, as amended, any principal included in the appropriate unit who is not a member of the exclusive representative may be required by the exclusive representative to contribute a fair share fee for services rendered as exclusive representative.

Subd. 2. The exclusive representative hereby warrants and covenants that it will defend, indemnify and save the school district harmless from any and all actions, suits, claims, damages, judgments and executions or other forms of liability, liquidated or unliquidated, which any person may have or claim to have, now or in the future, arising out of or by reason of the deduction of the fair share fee specified by the exclusive representative as provided herein.

Section 6. Personnel Files: Pursuant to, 122A.40 Subd.19 as amended, all evaluations and files relating to each individual principal shall be available during regular school business hours to said principal upon reasonable written notice. The principal shall have the right to reproduce any of the contents of the files at the principal's expense and to submit for inclusion in the file written information in response to any material contained therein. The school district may destroy such files as provided by law.

ARTICLE V

COMPENSATION

Section 1. Salary: The salaries for 2004-2005 and 2005-2006 are set forth in Schedule A and Schedule B. In placing an individual on the salary schedule for any job classification, the school district may consider such factors as previous work experience and compensation history.

Section 2. Status of Salary: The salaries set forth in Schedule A and Schedule B shall not be construed as a part of a principal's continuing contract. 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 executed. A principal's advancement is subject to the right of the school district to withhold salary increases for good and sufficient grounds. An action withholding a salary increase shall be subject to the grievance procedure.

Section 3. Travel Allowance: Administrators shall be reimbursed for all private automobile usage which is incurred in connection with the school district business at the rate per mile which was excludable from federal income tax on the July 1 immediately preceding the date of such usage.

Section 4. College Credits: Principals shall be reimbursed for courses directly related to the principal's area. The lesser of \$150.00 or the actual tuition cost per graduate quarter hour earned shall be granted upon submittal of transcript(s) and tuition statement(s) to the Coordinator of Human Resources. Such reimbursement is subject to the prior approval of the Superintendent or his/her designee.

Section 5. Holidays: Principals are entitled to 14 paid holidays. Said holidays are to be designated by the Superintendent of Schools.

Section 6. Work Year: The duty year for all principals shall be 52 weeks with the following work and vacation days:

High School Principals	235 work days, 25 vacation days
SES Principal	230 work days, 30 vacation days
Middle School Principals	230 work days, 30 vacation days
Elementary School Principals	225 work days, 35 vacation days
Middle School Assistant Principals	230 work days, 30 vacation days
High School Assistant Principals	230 work days, 30 vacation days

Section 7. Contract Period: The contract period for school administrators shall be as set forth in Article V, Section 6, above, except as otherwise modified by School Board action pursuant to M.S.122A.40 Subd. 11.

Section 8. Professional Organization Fees: The school district shall pay the cost of membership in one (1) national organization and its state affiliate. Additional organizations may be granted to a principal upon approval by the Superintendent or his/her designee.

Section 9. Vacations: Each principal shall receive a yearly paid vacation as set forth in Section 6 above. It is recommended that all vacation for a contractual year be taken prior to December 31 of the subsequent school year. Vacation may be carried beyond December 31 of the subsequent school year, for a period not to exceed twelve (12) months. Vacation unused by December 31 of that following year will be forfeited. Vacation days shall be subject to the approval of the Superintendent or his/her designee. The principal, by written notice to the Superintendent or his/her designee prior to December 1 of each contract year, may direct up to ten days of vacation pay to be paid out under the "savings plan" as provided for in Article VIII, Section 3 of this employment agreement. Any payment of days elected to be paid out under the "savings plan" election shall be deducted from the principal's accrual and shall reduce the maximum payout to the principal at the time of separation from the School District in the same number of days. Payment for any accrued and unused vacation, to a maximum number of days as outlined above, shall be paid to the principal upon separation from the School District.

FOR EXAMPLE: Principal A resigns effective June 30, 2006. He/she has 25 unused vacation days carried over from the 2004-05 school year (eligible for carryover until December 31, 2006) and another 25 vacation days accrued and unused for the 2005-06 school year. Principal A would receive payment for 50 vacation days upon his/her June 30, 2006 separation (minus any vacation days cashed in through the Savings Plan outlined in Article VIII, Section 3).

Vacation is prorated relative to the period of time of leave or separation with the district.

Section 10. Method of Payment: All principals shall be paid in twenty-four (24) payments, such paydays to be on the 15th and last day of each month. In the event that pay dates fall on the weekend or holiday, the payday shall be the preceding workday.

Section 11. Conventions: Principals and assistant principals have the option of attending a national convention/workshop each year with prior approval of the superintendent or his/her designee.

Section 12. Stipend Incentive: The principals shall be compensated for advanced education according to the following schedule:

	<u>Additional Salary</u>
<u>Degree</u>	<u>04-06</u>
Doctorate	4,000
Education Specialist	3,500
Sixth Year Equivalent (Sunset with LH and TL separations)	3,000

Section 13. Longevity Incentive: Full time principals shall be compensated for continuous years of service as a principal according to the following schedule.

<u>Years Completed (as of September 1 of each year)</u>	<u>04-06</u>
9 or more	3,850
6, 7, 8	3,100

Section 14. Part Time Principals: Principals who are less than full time as principals shall receive salary, stipends and benefits on a prorated basis.

Section 15. Daily Rate of Pay: In applying these provisions for principals/asst. principals hired on or before July 1, 2004, the principal's daily rate of pay shall be the gross salary of a principal at the time, divided by (the quantity) 260 minus vacation days (Gross Salary/(260-Vacation Days)). The daily rate of pay for principals/asst. principals hired after July 1, 2004 is equal to the gross salary of a principal divided by (the quantity) 260 minus vacation days plus paid holidays (Gross Salary/(260 days – vacation days + paid holidays)).

ARTICLE VI GROUP INSURANCE

Section 1. Selection: The selection of the insurance carrier and policy shall be made by the school district as provided by law.

Section 2. Health and Hospitalization Insurance and HMO: The school district contribution toward health and hospitalization insurance or HMO shall be as follows:

Subd. 1. Individual Coverage: Up to the sum of \$382.00 per month (\$420.00 per month commencing July 1, 2005) toward the premium for individual coverage for each full-time principal employed by the school district who qualifies for and is enrolled in the school district group health and hospitalization plan. Except as provided in Subd. 4 of this section, 50% of any additional cost of the premium shall be borne by the principal and paid by payroll deduction and the remaining 50% of such additional cost of the premium shall be borne by the school district.

Subd. 2. Employee Plus One Dependent Coverage: Up to the sum of \$853.00 per month (\$938.00 per month commencing July 1, 2005) toward the premium for employee plus one dependent coverage for each full-time principal employed by the school district who qualifies for and is enrolled in the school district group health and hospitalization plan. Except as provided in Subd. 4 of this section, 50% of any additional cost of the premium shall be borne by the principal and paid by payroll deduction and the remaining 50% of such additional cost of the premium shall be borne by the school district.

Subd. 3. Employee Plus Dependents Coverage: Up to the sum of \$1140.00 per month \$1,254.00 per month commencing July 1, 2005), toward the premium for employee plus dependents coverage for each full-time principal employed by the school district who qualifies for and is enrolled in the school district group health and hospitalization plan. Except as provided in Subd. 4 of this section, 50% of any additional cost of the premium shall be borne by the principal and paid by payroll deduction and the remaining 50% of such additional cost of the premium shall be borne by the school district.

Subd. 4. Employee Contributions: No coverage class listed in Subd. 1-3 of this section shall be required to make a contribution toward the premium for health and hospitalization insurance or HMO until all of the coverage classes listed in Subd. 1-3 meet the requirement for sharing the cost.

Subd. 5. Principals shall not receive health insurance coverage greater than demonstrated need.

Section 3. Term Life Insurance: The School Board shall pay the full premium equal to four times the principal's gross annual salary to the nearest \$1,000 of term life insurance coverage for each full-time principal employed by the school district who qualifies for and is enrolled in the school district's group term life insurance plan.

Section 4. Income Protection: The income of the principal who becomes disabled from sickness or accident will be insured after 90 calendar days to the extent of 66 2/3% of gross salary less other disability benefits. Benefits to disabled principals will be determined and paid as described in the long-term disability policy. All principals eligible for and enrolled in the school district's long-term disability insurance plan as of the date of this Agreement and all future eligible principals shall be enrolled in this long-term disability plan and shall pay the full premium cost for this coverage by payroll deduction. In the event a principal has exhausted all sick leave before the start date of long term disability payment, he/she may utilize sick days transferred from a principals' sick bank (accrued sick days). Principals transferring sick days to a sick bank are responsible for any tax consequences of such transfer.

Section 5. Dental Insurance: The School Board shall pay the full premium for individual or family coverage for each full-time principal employed by the school district who qualifies for and is enrolled in the school district group dental insurance plan.

Section 6. Claims Against the School District: 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 an insurance carrier.

Section 7. Duration of Insurance Contribution: A principal is eligible for school district contribution as provided in this Article as long as the principal is employed by the school district. Upon termination of employment, all district compensation shall cease, except as provided in Article VIII, Section 2, Subd. 1.

ARTICLE VII

LEAVES OF ABSENCE

Section 1. Sick Leave:

Subd. 1. A full-time principal shall earn sick leave at the rate of 1.5 days per month worked, in the employ of the school district. Annual sick leave shall accrue monthly as it is earned on a proportionate basis to the employee's work year.

Subd. 2. Unused sick leave days may accumulate to a maximum of 208 days of sick leave per employee.

Subd. 3. Sick leave with pay shall be allowed whenever a principal's absence is found to have been due to illness of the principal or the principal's child which prevented attendance at school and performance of duties on that day or days.

Subd. 4. The school district may require a principal 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 a principal for sick leave is reserved to the school district. In the event that a medical certificate will be required, the principal will be so advised.

Subd. 5. Sick leave allowed shall be deducted from the accrued sick leave days earned by the principal.

Subd. 6. Sick leave pay shall be approved only upon submission of a signed request upon the authorized sick leave pay request form available at the office.

Subd. 7. Up to five (5) days sick leave per occurrence may also be used for serious illness or injury to the principal's spouse, mother, father, mother-in-law and father- in-law.

Subd. 8. Payment for Sick Leave. If a principal/asst. principal qualifies for retirement (has 15 or more years service in the district and at least 5 years as a principal/assistant, 0.5 FTE or greater), payment for any unused sick days, up to a maximum of 208 days for a principal/asst. principal hired on or before July 1, 2004 , and up to 175 days if hired as an principal/asst. principal after July 1, 2004 shall be paid to the administrator upon separation from the School District. The principal/asst. principal, by written notice to the school district prior to December 1 of each contract year, may direct up to 10 days of sick leave pay to be paid out under the “savings plan” as provided for in Article VIII, Section 3 of this employment agreement. Any payment of days elected to be paid out under the “saving plan” election shall be deducted from the principal/asst. principal’s accrual and shall reduce the number of maximum payout days at separation by the same amount. The 208-day maximum, for purposes of sick leave coverage as outlined in Article VII, Section 1, Subd 2, will not be reduced under any “savings plan” election (only the maximum eligibility for severance will be reduced).

Section 2. Worker's Compensation: Pursuant to M.S. 176, a principal injured on the job in the service of the school district and collecting worker's compensation insurance may draw sick leave and receive full salary from the school district, salary to be reduced by an amount equal to the insurance payments and only that fraction of the days not covered by insurance will be deducted from accrued sick leave.

Section 3. Bereavement: Up to 5 days per occurrence leave shall be allowed for death in the principal's immediate family. The specific amount of leave allowed is subject to the discretion of the superintendent depending upon the circumstances. Immediate family is defined as the principal's spouse, child, parent, brother, sister, or other relative living in the same household as the principal and in-laws of the same degree.

Section 4. Military Leave: Military leave shall be granted pursuant to applicable law.

Section 5. Parenting Leave:

Subd. 1. A parenting leave may be granted by the school district subject to the provisions of this section, to one (1) parent in conjunction with the birth or adoption of a child.

Subd. 2. A principal making application for parenting leave shall inform the Human Resources Department in writing of intention to take the leave at least three calendar months before commencement of the intended leave.

Subd. 3. If the reason for the parenting leave is occasioned by pregnancy, a principal may elect to utilize sick leave during the period of the principal's disability pursuant to the sick leave provisions of this Agreement. A pregnant principal who elects disability leave shall provide at the time of her leave application, a statement from her physician indicating the expected date of delivery.

Subd. 4. The leave shall begin at a time requested by the principal, provided the leave begins not more than six weeks after the birth or adoption of the child. However, in the event the child must remain in the hospital longer than the mother, the leave shall not begin more than six weeks after the child leaves the hospital.

Subd. 5. The leave shall not exceed 12 months. In the event the principal requests parenting leave for a period in excess of six weeks, such additional leave time may be granted at the sole and exclusive discretion of the superintendent whose decision is final and binding and not subject to the grievance procedure unless the leave will last through the end of the school year in which case the leave shall be automatically granted.

Subd. 6. A principal returning from parenting leave shall be re-employed in an equivalent position for which the principal is licensed unless previously discharged or placed on unrequested leave.

Subd. 7. Failure of the principal to return pursuant to the date determined under this section shall constitute grounds for termination in the school district.

Subd. 8. Probationary Period. The parties agree that the applicable periods of probation for principals as set forth in Minnesota Statutes are intended to be periods of actual service

enabling the school district to have opportunity to evaluate a principal's performance. The parties agree, therefore, that the period of time for which the principal is on unpaid leave shall not be counted in determining the completion of the probationary period.

Subd. 9. Return from Leave. A principal who returns from unpaid leave within the provisions of this section shall retain all previous experience credit and any unused leave time accumulated under the provisions of this Agreement at the beginning of the leave. The principal shall accrue additional experience credit or leave time provided at least half of the number of principal duty days of continuous service takes place during the school year of the leave.

Subd. 10. Insurance-Unpaid Leave. A principal on unpaid leave is eligible to participate in group insurance programs if permitted under the insurance policy provisions, but shall pay the entire premium for such programs as the principal wishes to retain, commencing with the beginning of the unpaid leave. The right to continue participation in such group insurance programs, however, will terminate if the principal does not return to the district pursuant to this section.

Subd. 11. Leave under this section shall be without pay or fringe benefits.

Section 6. Required Jury Duty: Any principal who is required to serve as a juror shall be granted a leave with pay while serving on jury duty contingent upon the principal paying to the Board any fees received, minus travel allowance, for such jury service. The principal may seek to be excused from jury duty.

Section 7. Emergency Leave: A principal may be granted a leave for emergency reasons. Such leave shall not be deducted from the accumulated leave or vacation or sick leave. Emergencies which qualify for use of this leave allowance are those extraordinary situations that arise requiring the principal's attention which cannot be attended to outside of work hours and which are not covered under other provisions.

Section 8. Sabbatical Leave:

Subd. 1. Maximum Eligible: There shall be a maximum of one (1.0 FTE) position(s) of the appropriate unit eligible for sabbatical leave in any one school year, which may be used in combination by one or more principals.

Subd. 2. Minimum Requirement: The principal must have a minimum of seven years principal experience in Independent School District No. 196 and must have given evidence of having attempted to improve his/her professional status through further academic training or other forms of work/study directly related to his/her position, at his/her own expense, prior to his/her application for sabbatical leave.

Subd. 3. Purpose of Leave: Sabbatical leave will be granted for the purpose of acquiring further academic training toward an advanced degree in a subject matter or field and/or advanced work pertinent to the position he/she holds in the school system, for specialized training to fill a position newly created in the school system, or for other forms of work/study directly related to his/her position.

Subd. 4. Application and Selection: Selection will be made from a written application stating principal goals and/or district benefits. All applications must be made to the district office no later than February 15th preceding the school year during which leave is requested. The superintendent will approve and recommend to the School Board for approval the names of the applicants selected. All applicants will be notified of acceptance or rejection on or before March 15th. However, principals may apply for and be granted sabbatical leave for less than a full contract year in accordance with Subd. 4. If such leave is granted, the academic load and salary set forth in Subd. 5 and 6 below shall be adjusted in proportion.

Subd. 5. Salary: A principal on sabbatical leave will receive an annual stipend of 50% of the principal's salary of the sabbatical leave contract year. The stipend will be in equal monthly payments, less taxes or other items that may be on contributory basis.

Subd. 6. Academic Load: The applicant shall agree to carry a full-time academic load at the institution of his/her choice. A full academic load will be interpreted to mean a minimum of 36 quarter credits (preferably 45) of which 30 credits must be earned between September and June of the sabbatical leave year. In the event the principal does not take a full academic load, he/she shall repay to the school district the full amount set forth in Subd. 5 in equal installments over the next three years.

Subd. 7. Return to School District: When leave is granted the principal must agree to return for a period of at least three years to the position he/she occupied prior to leave unless otherwise mutually determined by the principal and the School Board. If the principal chooses not to return to the school district, or on return does not complete the requirement of three years, the total amount of all remuneration must be repaid to the district, except by formal motion by the School Board.

Section 9. Insurance While on Leave: While on an unpaid leave of absence, the principal has the option of continuing any of the insurance programs at the principal's own expense as a member of the group if permitted by the insurance carrier.

ARTICLE VIII

SEVERANCE

Section 1. Severance Pay

Subd. 1

Principals who have completed at least 15 years of service in the school district, (at least 5 of which are in administration as a principal or assistant 0.5 FTE or greater) and who have submitted a letter of resignation effective date after age 55 shall be eligible for severance pay. Principals/asst. principals who have completed 15 years of service in the district, and have submitted a letter of resignation effective after age 55, but have less than 5 years of experience as a principal/asst. principal (0.5 FTE or greater) will have severance pro rata to their last 5 years of service. (1 year = 20%, 2 years = 40%, 3 years = 60%, 4 years = 80% and 5 years = 100%.) The daily rate of pay shall be based on their gross annual salary in their final year of employment. Part time principals/asst. principals will receive severance pro rata based on their part time status.

Severance pay shall not be granted to any principal who is discharged or terminated. Under no circumstance shall total severance pay exceed one year's salary. Persons qualifying for severance pay are referred to as resigned principals in Article VIII.

Subd. 2 Eligible full time principals as defined in Subd 1., upon resignation shall receive severance pay equivalent to his or her daily rate of pay times the number of unused sick leave days, not to exceed 208 days for those administrators hired on or before July 1, 2004 (Those administrators hired as administrators after July 1, 2004 can accumulate a maximum of 175 days) or the proportionally reduced number of days pursuant to Subd. 1. Eligible principals working less than full time shall receive severance pay on a prorated basis. The severance pay will be minus any previously paid out option of unused sick leave, as per Article VII Section 1 Subd. 1 Sick Leave, into the deferred savings option.

Subd. 3 In applying these provisions for principals/asst. principals hired on or before July 1, 2004, the principal's daily rate of pay shall be the gross salary of a principal at the time, divided by (the quantity) 260 minus vacation days (Gross Salary/(260-Vacation Days)). The daily rate of pay for principals/asst. principals hired after July 1, 2004 is equal to the gross salary of a principal divided by (the quantity) 260 minus vacation days plus paid holidays (Gross Salary/(260 days – vacation days + paid holidays)).

Subd. 4 Severance pay may be paid by the district in two payments as agreed to in Article VIII Section 3. One to the designated deferred savings plan and the other to the designated health saving plan. This will be done within 30 days following the effective date of resignation. If the legal limits to a 401a, 403b or 457 plan are exceeded the district will make an adjusted payment at a later, appropriate time.

Subd. 5. If a principal who qualifies for severance pay dies prior to the disbursement of the severance pay, the funds shall be paid to a named beneficiary, and lacking the same, to the deceased's estate.

Section 2. Insurance for Principals Eligible for Severance

Subd. 1. Medical Group Plan: Any principal of District No. 196 who is a member of the District No. 196 Major Medical-Hospitalization and dental group plan, who has fifteen (15) years of employment in the school district, at least 5 years as a principal/asst. principal (0.5 FTE or greater), and who resigns after reaching the age of 55 may continue as a member of the aforementioned insurance group until the resignee reaches the age of eligibility for Medicare. For individuals who resign on or after June 30, 2004, the maximum amount of this contribution shall be \$985 per month toward the premium. For individuals who resign on or after June 30, 2005, the district will contribute a sum not to exceed \$1086 per month toward the premium until the resignee reaches the age of eligibility for Medicare. For principals as of June 30, 2004 any principal of District No. 196 who is a member of the District No. 196 Major Medical-Hospitalization and dental group plan shall receive such benefits proportionate to their position and contracted time before they became a principal and proportionate to their contracted time as a principal as in ARTICLE VIII Section 1. Subd. 1. Should the principal reach the age of eligibility for Medicare or die prior to the onset of Medicare for the spouse, the spouse shall be eligible to purchase medical and dental coverage until the earliest of the following dates: the spouse reaches the age of eligibility for Medicare or is eligible for coverage under any other group plan.

Subd. 2. Term Life Insurance: Any principal of District 196 who is a participant in the District 196 term life insurance plan, who has fifteen (15) years of employment in the school district, at least 5 years as a principal/asst. principal (0.5 FTE or greater), and has resigned after reaching the age of 55 may continue term life insurance in an amount equal to the resignee's annual salary rate at the time of resignation through age 65. The district will pay the full premium for this term life insurance. The option to continued life insurance for resignee principals from age 65 or eligibility for Medicare will be provided by the district with the full cost of the premium to be paid by the resignee principals, provided it is available through the District's carrier.

Subd. 3. Insurance Increases: Health and dental insurance allowances for resigned principal's premium shall remain at the level set by the contract covering their last day of employment. To cover increased costs of insurance while the principal remains covered by the above stipulations, the district will provide \$20,000 for the 2004-2005 year, \$20,000 annually thereafter to be disbursed to the PAR organization for retiree medical coverage for principals (for individual coverage or employee plus one dependent coverage) who meet the qualifications for retirement under Article VIII, Section 1. This provision is for principals who retire under this working agreement. Resigned principals need to indicate to the PAR organization by June 1 of each year if they want to access these funds.

Subd. 4. Continuing Rights: The rights and benefits outlined in this Section are deemed to fully vest in the principal on the first day the resignation becomes effective. The school district acknowledges and recognizes that the principal is reasonably relying on receiving all of the benefits set forth in this Section. If after retirement from the School District, the administrator obtains fulltime regular employment with a subsequent employer that provides health, dental or life insurance with substantially equivalent benefits (including dependent coverage) and the employer contribution, for that period of time, the administrator would remain on the School District's plan for health, dental or life insurance at his/her expense. In such an event, once the administrator is no longer eligible for such substantially equivalent health, dental or life insurance, the School District would resume payment of such premium.

Subd. 5. Eligibility: All Provisions in Article VIII apply only to those Principals who are eligible for severance under Article VIII, Sec. 1, Subd. 1.

Section 3. Accumulated Leave Contributions to the Savings Plan

Subd. 1. The School District and principals shall cooperate in the creation of a plan or plans pursuant to section 401(a) and/or 403(b), and/or 457(b) of the Internal Revenue Code, or elect to participate in a plan sponsored by the State, into which the Per Diem Equivalent of a specific number of

days of accrued sick leave and/or vacation not to exceed 20 days per contract year (10 days of vacation; 10 days of sick leave for those principals who qualify), shall be deposited for each calendar year. The principal/asst. principal shall communicate such specific number of days for the upcoming calendar year to the School District no later than December 1 of the prior calendar year. However, no amount shall be deposited in excess of the applicable IRS limits on annual contributions to the plan or plans in which the principal/asst. principal participates. To the extent the amount to be contributed under this provision exceeds the applicable IRS limits, the leave shall remain in the accrued leave account.

ARTICLE IX

GRIEVANCE PROCEDURE

Section 1. Grievance Definition: A "grievance" shall mean an allegation by a principal resulting in a dispute or disagreement between the principal and the school district as to the interpretation or application of terms and conditions contained in this Agreement.

Section 2. Representative: The principal 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 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 is postmarked first-class mail of the United States Postal Service within the time period.

Section 4. Time Limitation and Waiver: Grievances 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 thirty calendar 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 principal and the school district's designee.

Section 5. Adjustment of Grievance: The school district and the principal shall attempt to adjust all grievances which may arise during the course of employment of any principal within the school district in the following manner:

Subd. 1. Level I: If the grievance is not resolved through informal discussions, the superintendent or his/her 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 I. 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 to hear the appeal at this level and report its findings and recommendations to the School Board. The School Board shall then render its written decision.

Section 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 notify the parties of its intention 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 reserve 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 shall constitute a denial of the grievance and the principal may appeal it to the next level.

Section 8. Arbitration Procedures: In the event that the principal 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 the 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 of the Bureau of Mediation Services to submit a panel of seven arbitrators to the parties, pursuant to the PELRA provided such request is made within twenty (20) days after request for arbitration. Within ten (10) days after receipt of the panel, the parties shall alternately strike names and the remaining name shall be the arbitrator to hear the grievance. The Exclusive Representative will make the first strike. The request shall ask that the panel be submitted within ten (10) days after the receipt of the said request. Failure to agree with an arbitrator or the failure to request an arbitrator from the Commissioner of the Bureau of Mediation Services within the periods provided herein shall constitute a waiver of the grievance.

Subd. 4. Submission of Grievance Information:

a) Upon appointment of the arbitrator, the appealing party shall within ten days after notice of appointment forward to the arbitrator, with a copy to the superintendent, the submission of the grievance which shall include the following:

- (1) The issues involved.
- (2) Statement of facts.
- (3) Position of the grievant.
- (4) The written documents relating to Section 5, Article IX of the grievance procedure.

b) The school district shall make a similar written submission of information relating to the grievance within ten days after receipt of the information from the appealing party and shall promptly send a copy of same to the appealing party.

Subd. 5. 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 denovo.

Subd. 6. 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 him/her shall be final and binding upon the parties, subject, however, to the limitation of arbitration decisions as provided by in the P.E.L.R.A. 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. 7. 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 which the party incurs in connection with presenting its case in arbitration. A transcript or recording shall be made of the hearing 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 which the parties mutually agree are necessary for the conduct of the arbitration. However, the party ordering a copy of such transcript shall pay for such copy.

Subd. 8. 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.

ARTICLE X

PUBLIC OBLIGATION

Section 1. The parties mutually recognize that their first obligation is to the public and that the right of students and residents of the school district to the continuous and uninterrupted operation of the school is of paramount importance.

Section 2. The exclusive representative agrees, therefore, that during the term of this contract neither the exclusive representative nor any individual employee shall engage in any strike, work stoppage or unfair labor practice as defined by the P.E.L.R.A. The parties agree that procedures affecting this Article are provided for by P.E.L.R.A. and, therefore, shall not be subject to the grievance or arbitration procedure.

ARTICLE XI

DURATION

Section 1. Terms and Reopening Negotiations: This Agreement shall remain in full force and effect for a period commencing July 1, 2004 through June 30, 2006 and thereafter pursuant to the PELRA. If the exclusive representative desires to modify or amend this Agreement commencing on July 1, 2006 it shall give written notice of such intent no later than May 1, 2006 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 90 days prior to the expiration of this Agreement.

Section 2. Effect: This Agreement constitutes the full and complete Agreement between the school district and the exclusive representative representing the principals of the district. 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. 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 and prerogatives, except insofar as this exercise would be in express violation of any term or terms of this Agreement.

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

Section 4. Severability: The provisions of this Agreement shall be severable, and if any provision thereof 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 thereof.

IN WITNESS WHEREOF, The parties have executed this Agreement as follows:

For
PRINCIPALS' ASSOCIATION
OF ROSEMOUNT

For
INDEPENDENT SCHOOL
DISTRICT 196

President

Chairman

Secretary

Clerk

Chief Principal Negotiator

Dated this _____ day of
_____, 2005

Dated this _____ day of
_____, 2005

SCHEDULE A

PRINCIPALS' SALARY SCHEDULE

2004-2005

<u>Category</u>	<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>
Middle School Assistant Principal	\$86,576	\$89,905	\$93,235	\$96,564
High School Assistant Principal	\$88,239	\$91,665	\$95,092	\$98,518
Elementary/SES School Principal	\$90,232	\$93,743	\$97,258	\$100,769
Middle School Principal	\$93,497	\$97,232	\$100,969	\$104,704
High School Principal	\$99,460	\$103,547	\$107,634	\$111,721

SCHEDULE B

PRINCIPALS' SALARY SCHEDULE

2005-2006

<u>Category</u>	<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>
Middle School Assistant Principal	\$87,576	\$90,905	\$94,235	\$97,564
High School Assistant Principal	\$89,239	\$92,665	\$96,092	\$99,518
Elementary/SES School Principal	\$91,232	\$94,743	\$98,258	\$101,769
Middle School Principal	\$94,497	\$98,232	\$101,969	\$105,704
High School Principal	\$100,460	\$104,547	\$108,634	\$112,721