

Master Agreement

between

Independent School District No. 548
Pelican Rapids, Minnesota

and the School Board

and the Pelican Rapids Principal Association

July 1, 2017, through June 30, 2019

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ARTICLE I PURPOSE

This Agreement is entered into between Independent School District No. 548 , Pelican Rapids, Minnesota, hereinafter referred to as the District or School District, and the Pelican Rapids Principal Association, hereinafter referred to as exclusive representative, pursuant to and in compliance with the Minnesota Public Employment Labor Relations Act of 1971, as amended, hereinafter referred to as PELRA, to provide the terms and conditions of employment for principals for the duration of this Agreement.

ARTICLE II RECOGNITION OF EXCLUSIVE REPRESENTATIVE

Section 1. Recognition: In accordance with PELRA, the School District recognizes the Pelican Rapids Principal Association as the exclusive representative of principals employed by the School District, which exclusive representative shall have those rights and duties as prescribed by PELRA and as described in this Agreement.

Section 2. Appropriate Unit: The exclusive representative shall represent all principals of the School District as defined in this Agreement and in PELRA.

ARTICLE III DEFINITIONS

Section 1. Terms and Conditions of Employment: The term, “terms and conditions of employment,” means the hours of employment, the compensation therefor including fringe benefits except retirement contributions or benefits other than School District payment of, or contributions to, premiums for group insurance coverage of retired principals or severance pay, and the School District’s personnel policies affecting the working conditions of the principals. The term does not mean educational policies of the School District. “Terms and conditions of employment” is subject to the provisions of PELRA.

NOTE: The 2008 legislative session addressed sweeping changes in tax-sheltered annuity provisions, including the following:

- (1.) reversing a court decision and designating the identity and number of available vendors under the Federal Internal Revenue Code, Section 403(b) as a term and condition of employment making such subject matter negotiable;*
- (2.) identifying criteria which the School District and the exclusive representative must consider in selecting vendors for such tax-sheltered programs;*
- (3.) removing the \$2,000 cap for the School District’s contribution and replacing it with a formula representing “one-half of the available elective deferral permitted per year per employee under Internal Revenue Code.”*

See M.S. 123B.02, Subd. 15., as amended (which identifies (1.) and (2.) above as mandatory subjects of bargaining) and M.S. 356.24, Subd. 1., as amended..

If a School District elects to implement a 403(b) plan, MSBA suggests that it use the model language provided in ARTICLE VII.

Section 2. Principal: The word, “principal,” shall include all persons in the appropriate unit employed by the School Board in a position for which the persons must be licensed by the State of Minnesota as a principal or assistant principal and who devote more than fifty percent (50%) of their time to administrative and supervisory duties, excluding the following: Superintendent, assistant superintendent, confidential employees, supervisory employees, and such other employees excluded

by law. Reference to “principal” in this Agreement shall mean principals and assistant principals except in those cases in which a clear distinction between the two positions exists.

Section 3. District or School District: For purposes of administering this Agreement, the word/term, “District/School District,” shall mean the School Board or its designated representative(s).

NOTE: The only time the reference, “Board/School Board,” should appear is when the reference is specific to the elected body and its authority or responsibilities.

Section 4. Other Terms: Terms not defined in this Agreement shall have those meanings as defined by PELRA.

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 School District, its overall budget, utilization of technology, the organizational structure, and selection and direction and number of personnel.

Section 2. School Board 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 being to provide educational opportunities for the students of the School District.

Section 3. Effect of Rules, Regulations, Directives, and Orders: The exclusive representative recognizes that all principals shall perform the services prescribed by the School District and shall be subject to 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. Any provisions of this Agreement found to be in violation of any such laws, rules, regulations, directives or orders shall be null and void without force and effect. r

Section 4. Reservation of Managerial Rights: The foregoing enumeration of rights and duties shall not be deemed to exclude other inherent managerial rights and managerial functions not specifically included in this Agreement, and all managerial rights and managerial functions not specifically included in this Agreement are reserved to the School District.

ARTICLE V PRINCIPAL RIGHTS

Section 1. Right to Views: Pursuant to PELRA, nothing contained in this Agreement shall be construed to limit, impair, or affect the right of any principal or his/her representative to the expression or communication of a view, grievance, complaint, or opinion regarding any matter related to the conditions or compensation of public employment or their betterment, so long as the same is not designed to and does not interfere with the full, faithful, and proper performance of the duties of employment or circumvent the rights of the exclusive representative.

Section 2. Right to Join: Pursuant to PELRA, principals shall have the right to form and join labor or employee organizations and shall have the right not to form and join such organizations. Principals in an appropriate unit shall have the right, by secret ballot, to designate an exclusive representative for the purpose of negotiating grievance procedures and the terms and conditions of employment for such principals.

Section 3. Personnel Files: Pursuant to M.S. 122A.40, Subd. 19., all evaluations and files relating to individual principals shall be available during regular School District business hours to the particular principal upon his/her written request. The principal shall have the right to reproduce any of the contents of his/her file at the principal's expense and to submit for inclusion in the file written information in response to any material contained in it. However, the School District may destroy such files as provided by law.

ARTICLE VI COMPENSATION

Section 1 Compensation:

(High School Principal) shall be paid an annual salary of \$106,631.11 for the 2017-2018 school year and \$108,891.69 for the 2018-2019 school year.

(Elementary Principal Grades PrkK-6) shall be paid an annual contract salary of \$111,078.55 for the 2017-2018 school year and \$113,433.42 for the 2018-2019 school year.

(High School Assist Principal and Activities Director) shall be paid an annual contract salary of \$88,573.53 for the 2017-2018 school year and \$90,451.29 for the 2018-2019 school year.

Section 1. Pay Deduction: Whenever pay deduction is made for a principal's absence, the annual salary divided by the number of principal duty days shall be deducted for each day's absence. "Annual salary" shall include a principal's basic salary and pay for additional/extended assignments if any.

The district will pay in full up to \$2000 for classes each year including books, tuition. Within the \$2000.00 mileage maybe reimbursed. The Administrator needs to turn in a transcript to prove completion of course(s). If the administrator does not complete the course(s), the administrator will pay the course fee back to the school district in full or removed from pay checks over the remaining pay periods of the employment contract. No advance will be available until the outstanding debt is paid. Taxes are the responsibility of the Administrator.

Principal shall receive compensation for supervision of extra-curricular events outside the school day at the rate of \$75 per event or \$150 for tournaments/multiple events.

ARTICLE VII
403(b) MATCHING CONTRIBUTION PLAN

Section 1. Eligibility: Pursuant to the provisions of M.S. 123B.02, Subd. 15. and Section 403(b) of the Federal Internal Revenue Code, the School District will make matching contributions for each principal who is tenured as a principal in the School District.

Section 2. Amount of School District Contribution:

Subd. 1. Full-time Principals: Full-time, eligible principals, upon receiving tenure in the Pelican Rapids School District as a principal, shall be eligible for an annual School District matching contribution as follows:

<u>Years of Service</u>	<u>Maximum Matching Contribution</u>
1-5	\$ 2000.00
6+	\$ 3000.00

Section 3. Vendors: Participation in the benefits of this article is limited only to principals who select one (1) of the following vendors:

- **403bASP (ASPIre Financial)**

- **Ameriprise Financial Services, Inc.**

- **ESI Education Minnesota**

- **Franklin Templeton Investors Services**

- **FTJ Fund Choice (Specific Agent Only)**

- **Horace Mann Life Insurance**

- **Midland National**

- **TD Ameritrade**

- **Thrivent Financial for Lutherans**

- **Vanguard**

Section 4. Payment: The principal's contribution shall be made by payroll deduction.

Section 5. Unpaid Leave: A principal on unpaid leave may not participate in the provisions of this article.

Section 6. Lifetime Limitation: The maximum lifetime School District contribution to any principal pursuant to this article shall be \$45,000.00, and, upon reaching this maximum, the principal shall no longer be eligible for School District contributions.

Section 7. Deduction for Severance Pay: In the event a principal is eligible for a severance or retirement payment pursuant to any other article of this Agreement, any School District contribution made pursuant to this article shall be deducted from such severance/retirement payment at the time of the principal's retirement.

Section 8. Applicable Statutes: The provisions of this article are subject to all limitations relating to such plans as provided by law.

NOTE 1. The vendor selection referred to in this article is a term and condition of employment and is negotiable pursuant to M.S.123B.02, Subd. 15.

NOTE 2. Annual contributions are limited by both Federal and State laws pursuant to M.S. 123B.02, Subd. 15. and Section 403(b) of the Internal Revenue Code.

NOTE 3. Both Sections 7. and 8. of this article are negotiable but are frequently contained in such School District programs. Section 8., however, would only be applicable for those School Districts in which a principal may also be eligible for severance pay.

NOTE 4. The blanks in Sections 1., 2., and 7. are obviously subject to individual consideration and negotiation within the limits of the law. The years of service numbers in Section 2. are also negotiable.

ARTICLE VIII GROUP INSURANCE

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

NOTE: When administering the language in "Section 1.," School Districts need to keep in mind the limitations noted in M.S. 43A.316 (PEIP) and M.S. 471.6161, Subd. 5. (Collective Bargaining).

Section 2. Selection of School District's Group Health and Hospitalization Plan: The parties agree no principal shall select a group health and hospitalization plan that causes or will cause penalties, fees, or fines to be assessed against the School District.

Section 3. Health and Hospitalization Insurance – Single Coverage: The School District shall contribute a sum not to exceed \$5000.00 single annually toward the premium for individual coverage for each full-time principal employed by the School District who qualifies for and is enrolled in single coverage in the School District's group health and hospitalization insurance plan. Any additional cost of the premium shall be borne by the principal and paid by payroll deduction. The principal shall be eligible to remain in the insurance group upon retirement at the employee's expense per group policy restrictions and policies until Medicare age or have the opportunity to be covered by another group plan through other employment.

Section 4. Health and Hospitalization Insurance – Family Coverage: The School District shall contribute a sum not to exceed \$10,000.00 annually toward the premium for family coverage for each full-time principal employed by the School District who qualifies for and is enrolled in family coverage in the School District's group health and hospitalization insurance plan. Any additional cost of the premium shall be borne by the principal and paid by payroll deduction. The principal shall be eligible to remain in the insurance group upon retirement at the employee's expense per group policy restrictions and policies until Medicare age or have the opportunity to be covered by another group plan through other employment.

Section 5 Life Insurance: The School District shall provide, at district expense a group term life insurance plan providing \$100,000 of coverage for the principal, payable to the principals beneficiary.

Section 6 Liability Insurance: The School District shall provide an errors and omissions liability insurance policy covering the principal in an amount not less than that which is required by law for the School District.

Section 7 Long Term Disability: The School District, at district expense, shall provide a long term disability insurance plan for the principal providing a benefit of 66 2/3% of the principals of the principals' regular monthly compensation, with a maximum annual covered salary equal to the principals' contracted salary with a waiting period of not more than 60 calendar days after the date of disability, with such benefits to continue until the principal reaches Medicare eligible age (or longer as indicated by policy) as long as the principal remains disabled.

Section 8. Claims Against the School District: The School District's only obligation is to purchase an insurance policy and pay such amounts as agreed to in this Agreement, and no claim shall be made against the School District as a result of a denial of insurance benefits by an insurance carrier.

Section 9. Duration of Insurance Contributions: A principal is eligible for School District contributions as provided in this article as long as the principal is employed by the School District, on paid status, and enrolled in the School District's group health and hospitalization insurance plan. Upon termination of employment, all School District contributions shall cease.

Section 10. Eligibility: Principals who are employed full-time as defined by the Affordable Care Act (ACA) shall be eligible for full benefits provided in this article. Part-time principals who are employed on an average of at least 20 hours per week and 150 days in a school year shall be eligible for partial benefits proportional to the extent of their employment. Part-time employees employed less than an average of 20 hours per week or less than 150 days in a school year shall not be eligible for any benefits pursuant of this Article. Eligibility is also subject to any limitations contained in the contract between the insurance carrier and the School District. In the event the ACA is repealed, the language in this section shall no longer be valid and shall be replaced by the language in "Section 7.1" below...

Section 7.1. Eligibility: Full benefits provided in this article are designed for principals who are employed as principals an average of at least thirty-seven and one-half (37.5) hours per week. Principals who are employed as principals an average of at least twenty (20) hours per week and or less than 150 days in a school year shall be eligible for partial benefits proportional to the extent of their employment. Eligibility is subject to any limitations contained in the contract between the insurance carrier and the School District.

ARTICLE IX LEAVES OF ABSENCE

NOTE: When permissible, School Districts should run leaves concurrently in order to prevent "leave stacking." Also, School Districts that use electronic requests instead of hardcopy requests need to review the existing leave language and may need to replace the word, "written," with the word, "documented."

Section 1. Sick Leave:

Subd. 1. Earning: A full-time principal shall earn 15 days of sick leave each year of employment as a principal by the School District. Annual sick leave shall accrue monthly as it is earned on a

proportionate basis to the principal's work year, except that the principal shall be credited with four (4) days of the first years 15 days upon initial employment.

Subd. 2. Accumulation: Unused sick leave days may accumulate to a maximum of 105 days of sick leave per principal.

Subd. 3. Use: Sick leave with pay shall be allowed whenever a principal's absence is found to have been due to the principal's illness and/or disability which prevented his/her attendance at school and performance of duties on that day or days. *Pursuant to M.S. 181.9413, a principal may use his/her accumulated sick leave and the school board limits use as permissible. Sick leave may be used for personal illness or illness and death in the immediate family. The immediate family shall be understood to include wife, husband, child, brother, sister, parent, grandparent, grandchild, or guardian of principal or his or her spouse.*

Subd. 4. Medical Certificate: The School District may require a principal to furnish a medical certificate from a qualified physician as evidence of any illness and/or disability pursuant to this section, indicating such absence was due to illness and/or disability, 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. Deduction: Sick leave allowed shall be deducted from the accumulated sick leave days earned by the principal.

Subd. 6. Approval: Sick leave pay shall be approved only upon the principal's submission of a electronic leave request approved by the Superintendent.

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

Section 3. Bereavement Leave: Bereavement leave with pay will be allowed, the days to be deducted from sick leave, for death in a full-time principal's immediate family. "Immediate family" is defined as the principal's spouse, child, parent, brother, sister, or other relative who was living in the same household as the principal. The specific amount of leave allowed is subject to the discretion of the superintendent depending on the circumstances.

Section 4. Emergency Leave:

Subd. 1. Use: A full-time principal may be granted a leave at the discretion of the superintendent for situations that arise requiring the principals personal attention which cannot be attended to when school is not in session and which are not covered under other provisions.

Subd. 2. Requests: Requests for emergency leave must be made, in writing, to the Superintendent at least three (3) days in advance, whenever possible. The request shall state the reason for the proposed leave. The Superintendent reserves the right to refuse to grant such leave if, under the circumstances involved, he/she determines that such leave should not be granted. All leaves must have prior, written approval, but, at no time, shall more than one (1) principal be granted emergency leave at any one time.

Section 5. Child Care Leave:

Subd. 1. Use: A child care leave may be granted by the School District, subject to the provisions of this section, to one (1) principal-parent of a natural or adopted infant child, provided such principal-parent is caring for the child on a full-time basis.

Subd. 2. Request: A principal making application for child care leave shall inform the Superintendent, in writing, of the request to take the leave at least three (3) calendar months before commencement of the intended leave.

Subd. 3. Medical Statement: A principal will provide, at the time of the leave application, a statement from the attending physician indicating the expected date of delivery.

Subd. 4. Duration: In making a determination concerning the commencement and duration of a child care leave, the School Board shall not, in any event, be required to:

- (1.) grant any leave for more than twelve (12) months in duration;
- (2.) permit the principal to return to employment prior to the date designated in the request for child care leave.

Subd. 5. Reinstatement: A principal returning from child care leave shall be reinstated in a position for which he/she is licensed unless previously discharged or placed on unrequested leave of absence.

Subd. 6. Failure to Return: Failure of the principal to return by the date determined under this section shall constitute grounds for termination unless the School Board and the principal mutually agree, in writing, to an extension in the leave.

Subd. 7. Salary and Fringe Benefits: Leave under this section shall be without pay or fringe benefits.

Section 6. General Leave of Absence:

Subd. 1. Application: Principals with a minimum of three (3) years of experience as a principal in the School District may apply, in writing, to the Superintendent for an unpaid leave of absence subject to the provisions of this section. The granting of such leave shall be at the sole discretion of the Superintendent.

Subd. 2. Purpose: Such leave may be granted by the School District for overseas teaching, participation in the Peace Corps, Vista, and/or National Teacher Corps, extended illness of the principal, extended illness in the principal's immediate family as defined in Section 3. above, civic activities, alternative occupational experiences, principal organization activity, service in public office, or other reasons deemed appropriate by the School District.

Subd. 3. Notification: A principal on such leave shall notify the Superintendent, in writing, no later than April 1st of the final leave year of the principal's intention to return at the conclusion of the leave or to request an extension of the leave. The granting of an extension shall be at the sole discretion of the School Board. The School Board may also, in its sole discretion, waive the April 1st notice date if the School Board determines special circumstances are involved. A principal who fails to notify the Superintendent as required may be subject to discipline.

Section 7. Family and Medical Leave (FMLA): FMLA leave shall be granted pursuant to applicable law.

Section 8. Jury Service: A principal who serves on jury duty shall be granted the day or days necessary as stipulated by the court to discharge this responsibility without any salary deduction or

loss of basic leave allowance. The compensation received for jury duty service shall be remitted to the School District.

Section 9. Military Leave: Military leave shall be granted pursuant to applicable law.

Section 10. Medical Leave: Pursuant to M.S. 122A.40, Subd. 12., principals shall have a right to a leave of absence for health reasons.

Section 11. Insurance Application: A principal on unpaid leave is eligible to continue to participate in group insurance programs if permitted under the insurance policy provisions. The principal shall pay the entire premium for such insurance commencing with the beginning of the leave and shall pay to the School District the monthly premium in advance, except as otherwise provided in law. In the event the principal is on paid leave from the School District under Section 1. above or supplemented by sick leave pursuant to Section 2. above, the School District will continue insurance contributions as provided in this Agreement until sick leave is exhausted. Thereafter, the principal must pay the entire premium to the School District payroll for any insurance retained.

Section 12. Personal Leave: The principal shall be granted paid personal leave during the contract at the discretion of the superintendent.

Section 13. Credit: A principal who returns from unpaid leave shall retain experience credit for pay purposes and other benefits which had accrued at the time the leave began. No credit shall accrue for the period of time that a principal was on unpaid leave.

Section 14. Eligibility: Full leave benefits provided in this article shall apply only to principals who are employed as principals an average of at least thirty-seven and one-half (37.5) hours and 185 days per week. Principals who are employed as principals an average of at least twenty (20) hours per week and 150 days in a school year shall be eligible for partial benefits proportional to the extent of their employment.

ARTICLE X DUTY YEAR

Section 1. Principal Duty Days: The School Board shall establish the calendar and principals' duty days for each school year, and the principals shall perform services on those days as determined by the School Board, including those legal holidays on which the School Board is authorized to conduct school and, pursuant to such authority, has determined to conduct school.

Section 2. Duty Year: The duty year for principals shall be 185 days (4 day week) each year of the contract or days may be distributed to a 5 day week if board action is a five day school week. A vacation day shall not be granted for the day preceding or the day following the first and last days of each school year.

Section 3. Scheduling of Duty Days: The duty day schedule for principals shall be subject to the approval of the Superintendent.

Section 4. Non-Duty Days: Unless otherwise approved, in writing, by the Superintendent, all non-duty time to which a principal is entitled for a given contractual year shall be taken 15 duty days prior to the first staff duty day.

Section 5. School Closings: In the event a duty day(s) is lost for any reason, the principal shall perform duties on such other day(s) in lieu thereof as the School Board shall determine.

Section 6. Emergency: During any emergency, natural and unnatural, the principal shall be on duty for purpose of carrying on board policy and insuring the safety of personnel and property unless he/she is otherwise excused with approval of the superintendent of schools. Emergency school days shall count as contracted days for the principals duty year.

ARTICLE XI GRIEVANCE PROCEDURE

Section 1. Definitions:

Subd. 1. Grievance: The word, “grievance,” shall mean a written allegation by a principal that he/she has been injured as a result of a dispute or disagreement between the principal and the School District as to the interpretation or application of specific terms and conditions contained in this Agreement.

Subd. 2. Grievant: The word, “grievant,” shall mean an individual principal who files a grievance as defined in Subd. 1. above.

Subd. 3. Days: Any reference to the word, “days,” regarding time periods in this procedure shall refer to working days. The term, “working day,” is defined as all week days not designated as holidays by state law.

Section 2. Representation: The grievant, other administrator, or School Board may be represented during any step of the procedure by any person or agent designated by such party to act on the party’s behalf.

Section 3. Interpretations:

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

Subd. 2. Computation of Time: In computing any period of time prescribed or allowed by procedures in this article, the date of the act, event, or default for which the designated period of time begins to run shall not be included.

Subd. 3. Filing and Postmark: The filing or service of any notice or document required by this Agreement 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.

Section 4. Time Limitation and Waiver: A grievance shall not be valid for consideration unless the grievance is submitted to the School District’s designee in writing, signed by the grievant, setting forth the facts and the specific provision(s) of the Agreement allegedly violated and the particular relief sought within twenty (20) 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 of that grievance. Failure to appeal a grievance from one level to another within the time periods provided below shall constitute a waiver of the grievance. An effort shall first be made to resolve an alleged grievance informally between the principal and the School District’s designee.

Section 5. Resolution of Grievance: The School District and the principal shall attempt to resolve all grievances which may arise during the course of employment as follows:

Subd. 1. Level I: If the grievance is not resolved through informal discussion, the School District's designee shall give a written decision on the grievance to the parties involved within ten (10) 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 (5) 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 (20) days* after receipt of the appeal. Within twenty (20) days after hearing the grievance, the School Board shall issue its written decision to the parties involved. At the option of the School Board, a committee or representative(s) of the School Board may be designated by the School Board to hear the appeal at this level and report the findings and recommendations to the School Board. The School Board shall then render its decision.

Section 6. Denial of Grievance: Failure by the School Board or its representative(s) to issue a decision within the time periods provided in this article shall constitute a denial of the grievance, and the grievant may appeal it to the next level.

Section 7. Arbitration Procedures: In the event that the grievant and the School Board are unable to resolve any grievance, the grievance may be submitted to arbitration as defined in this article.

Subd. 1. Request: A request to submit a grievance to arbitration must be in writing signed by the grievant, and such request must be filed in the office of the Superintendent within ten (10) 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 may, within ten (10) days* after the request to arbitrate, attempt to agree upon the selection of an arbitrator. If no agreement on an arbitrator is reached, either party may request the Commissioner to submit a panel of seven (7) arbitrators to the parties, pursuant to PELRA, provided such request is made within twenty (20) days* after the request for arbitration. The request shall ask that the panel be submitted within ten (10) days* after the receipt of said request. 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 order of striking will be determined by lot. Failure to agree upon an arbitrator or the failure to request an arbitrator from the Commissioner within the time period as provided in this article 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(s) as they may choose, 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: Decisions by the arbitrator in cases properly before him/her shall be final and binding upon the parties, subject, however, to the limitations of arbitration decisions as provided in 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 which 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 the 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. 7. Jurisdiction: The arbitrator shall have jurisdiction over disputes or disagreements relating to grievances properly before him/her pursuant to the terms of this procedure. The jurisdiction of the arbitrator shall not extend to proposed changes in terms and conditions of employment contained in this 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 in this article; 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 School District, 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 obligations of the School Board to efficiently manage and conduct its operation within the legal limitations surrounding the financing of such operations.

Section 8. 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 in this Agreement, the principal 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.

ARTICLE XII 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 agreement, neither the exclusive representative nor any individual shall engage in any strike. For purposes of this section, the term strike shall mean concerted action in failing to report to duty, the willful absence from one's position, sympathy strike, the stoppage of work, slowdown, or the abstinence in whole or in part from the full, faithful and proper performance of the duties of the employment for the proposed of inducing, influencing or coercing a change in the conditions or compensation or the rights, privileges, or obligations or employment. The parties agree that this Article shall not be subject to the grievance or arbitration procedure but is enforceable in the Courts.

ARTICLE XIII DURATION

Section 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, 2019, 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, 2017, it shall give written notice of such intent pursuant to PELRA no later than May 1, 2018, 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.

Section 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.

Section 3. 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.

ARTICLE XIII

OTHER BENEFITS:

Section 1. Tax Shelter Annuities - The Principals will be eligible to participate in a tax sheltered annuity plan through deductions established pursuant to United States Public Law #87-70 M.S. 123.35 Subd 12, and School district policy.

Section 2. Travel Expenses – The principal will be provided with a school district vehicle at school district expense or the principal may use their private vehicle and be reimbursed at the maximum mileage rate established by the school district.

Section 3. Conferences and Meetings The school district shall pay all legally valid expenses and fees for attendance by the principal at professional conferences and meetings with other educational agencies when such attendance is required, directed or permitted by the school district superintendent. Such meetings include attendance at state and national conventions or their equivalent.

Section 4. Dues The school district shall pay the principals dues for state and national principal professional organizations as approved by the school district superintendent. This also includes the annual fee paid to the Minnesota Board of School Administrators.

Section 5. Severance Upon separation from the district, principals hired before 1990 will receive severance pay in the amount equal to seven (7) days of salary for each year worked for the district up to a maximum of 155 days. Principals that participate in the 403(b) Match Program will have the District's amount of contributions deducted from the severance package. Payment of severance shall follow a schedule as agreed upon mutually. If a principal dies before his/her severance pay has been disbursed, the severance pay shall be paid to his/her beneficiary or, in the event there is no beneficiary, to the estate of the deceased. The requirement of needing to retire under a qualified state of Minnesota Teachers Retirement Plan and the deadline for applying for this early retirement by May 30, will not be applicable to this section.

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

For The Pelican Rapids Principals' Association

For Pelican Rapids School District No. 548

President

Chairperson

Secretary

School Board Clerk

Dated this ____ day of _____, 20__.

Dated this ____ day of _____, 20__.