

# OSSEO AREA SCHOOLS

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**AGREEMENT ON TERMS  
AND CONDITIONS OF EMPLOYMENT**

**BETWEEN**

**ISD 279-OSSEO AREA SCHOOLS  
MAPLE GROVE, MINNESOTA**

***AND***

**DIRECTORS & CONFIDENTIAL MANAGERS**

**Effective Date: July 1, 2017 through June 30, 2019**

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## **ARTICLE I PURPOSE**

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

## **ARTICLE II RECOGNITION**

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

**Section 2. Appropriate Unit:** The Directors and Confidential Managers will represent all Directors and Confidential Managers of the School District as defined in this Agreement and in the PELRA.

**Section 3. Meet and Confer:** The representatives of the School Board may meet with the Directors and Confidential Managers as needed for the mutual exchange of ideas and to discuss matters that are not terms and conditions of employment.

## **ARTICLE III DEFINITIONS**

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

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

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

## **ARTICLE IV SCHOOL DISTRICT RIGHTS**

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

**Section 2. Management Responsibilities:** The Directors and Confidential Managers recognize 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 Directors and Confidential Managers recognize that all employees covered by this Agreement will perform the services prescribed by the School District and will be governed by School Board policies, rules, regulations, directives and orders which are not inconsistent with the terms and conditions of employment set forth in this Agreement and which are issued by properly designated officials of the School District. Any provision of this Agreement found in violation of any law, rule or regulation there under, will be without force or effect.

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

## **ARTICLE V EMPLOYEE RIGHTS**

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

**Section 2. Right to Join:** Employees will have the right to form and join labor or employee organizations, and will have the right not to form and not join such organizations. Employees in the unit will have the right by secret ballot to designate an exclusive representative for the

purpose of negotiating grievance procedures and the terms and conditions of employment for such employees with the School Board, as prescribed by the PELRA.

**Section 3. Personnel Files:**

**Subd. 1. Right to Review/Frequency:** Upon request by an employee, the School District will provide the employee with an opportunity to review his/her personnel file. The School District will not be required to provide an employee with an opportunity to review his/her personnel file if he/she has reviewed the personnel file during the previous six months; except that, upon separation from employment, an employee may review his/her personnel file only once at any time within one year after separation.

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

**Subd. 3. Documentation of Contents:** The employee and a Human Resources representative will document the personnel file's contents before the employee is given the personnel file to review. The employee and Human Resources representative will document the contents of the personnel file at the termination of the review.

**Subd. 4. Right to Copy:** After the review and upon the employee's request, the School District will provide the employee with a copy of the requested record. The School District may not charge a fee for the copy. With respect to employees who are separated from employment, upon the employee's request, the School District will provide a copy of the personnel file to the employee. Providing a copy of the separated employee's personnel file to the employee satisfies the School District's responsibility to allow review as stated in Subd. 1. of this Section.

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

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

**ARTICLE VI  
COMPENSATION AND CONDITIONS**

**Section 1. Compensation**

**Subd. 1: Performance and Leadership Salary Plan:** The goal of the Performance and Leadership Salary Plan was to create a new salary structure that emphasizes effective performance and leadership. Effective July 1, 2012, the salary guide, experience increment, training increment, certification and licensure pay, Management Factor I, and Management Factor II were eliminated and discontinued, and all terms and conditions relating to compensation shall be governed by this Section.

**Subd. 2: Salary Ranges:** The following salary ranges shall be used for each classification listed below.

<b>CLASS</b>	<b>TITLE</b>	<b>WORK DAYS</b>	<b>MINIMUM/ MAXIMUM 7/1/17-6/30/18</b>	<b>MINIMUM/ MAXIMUM 7/1/18-6/30/19</b>
D-1	Director, Student Services	225	\$131,739 / \$152,722	\$134,374 / \$155,776
E-1	Director, Business Services	225	\$130,644 / \$151,453	\$133,257 / \$154,482
E-1	Director, Facilities & Transportation Operations	225	\$126,978 / \$147,203	\$129,157 / \$150,147
E-1	Director, Curriculum, Instruction & Educational Standards	225	\$126,978 / \$147,203	\$129,157 / \$150,147
E-1	Director, Educational Equity	225	\$126,978 / \$147,203	\$129,157 / \$150,147
E-1	Assistant Director, Special Education	225	\$126,978 / \$147,203	\$129,157 / \$150,147
E-1	Assistant Director, Student Support Services	225	\$126,978 / \$147,203	\$129,157 / \$150,147
E-1	Director, Research, Assessment & Accountability	225	\$126,978 / \$147,203	\$129,157 / \$150,147
E-1	Director, Food Nutrition Service	225	\$126,978 / \$147,203	\$129,157 / \$150,147
E-1	Director, Human Resources	225	\$126,978 / \$147,203	\$129,157 / \$150,147
E-1	Director, School/Community Relations	225	\$126,978 / \$147,203	\$129,157 / \$150,147
E-1c	Assistant Director of Community Engagement	225	\$122,089 / \$141,536	\$124,531 / \$144,366
E-1c	Assistant Director, Facilities & Transportation Operations	225	\$122,089 / \$141,536	\$124,531 / \$144,366
K-1	Coordinator, HR	225	\$104,026 / \$120,595	\$106,107 / \$123,007
K-1	Coordinator, Accounting/ Payroll	225	\$104,026 / \$120,595	\$106,107 / \$123,007

**Subd. 3. Initial Salary Placement:** New employees will be placed within their respective salary range at the discretion of Human Resources.

**Section 2. Salary Advancement:** Effective July 1, 2013, advancement within the salary range will be based on performance measures relating to job performance and leadership. An employee must complete at least 120 days of paid service during a contract year to qualify for salary advancement.

**Subd. 1. 2015-2019 Salary Advancement Amounts Awarded for Performance Levels:**

Exemplary Performance:	2.3%
Accomplished Performance:	1.4%
Developing Performance:	0.7%
Unsatisfactory:	No salary advancement

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

These salary advancement amounts shall be awarded for the 2018-2020 school years.

2% increase to base salary and a 4% increase to the minimum and maximum salary ranges, effective July 1, 2017. 2% increase to base salary and minimum and maximum salary ranges, effective July 1, 2018. The percentage increase will be calculated after performance increases have been added to the base salary.

**Subd. 2. Alternative Salary Advancement Amounts:** The School Board shall set financial parameters for contract negotiations with all employee groups with the same contract term as Directors and Confidential Managers. These financial parameters relating to salary shall be used to determine the amount of salary advancement if it is to be less than the amounts specified in Subd. 1 above.

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

Exemplary Performance:	An amount equal to 2.3%
Accomplished Performance:	An amount equal to 1.4%
Developing Performance:	An amount equal to 0.7%
Unsatisfactory:	No salary advancement

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

**Section 3. Probation and Regular Status:** New Directors and Confidential Managers hired after August 1, 2017 will be considered probationary for a period of one (1) year from their hire date as a Director and Confidential Manager employee. During this time they shall have no seniority privileges and may be transferred, discharged, or laid off. Upon completion of the probationary period an employee will establish regular employee status unless otherwise notified in writing by the employee prior to the end of the probationary period.

#### **Section 4. Retirement Incentive Pay:**

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

**Subd. 2. Eligibility:** Employees who have completed at least ten (10) years of continuous service in any capacity with the School District, and who are at least fifty (50) years of age, will be eligible for retirement incentive pay pursuant to the provisions of this section upon submission of a written resignation accepted by the School Board, provided that such notice is given with 30 days' notice.

**Subd. 3. Calculation of Benefit:** An employee will be eligible to receive as retirement incentive pay upon his/her retirement the amount obtained by multiplying one hundred percent (100%) of his/her unused number of sick leave days, but in any event not to exceed one hundred ninety-two and one half (192.5) days times his/her daily rate of pay.

**Subd. 4. Determination of Daily Rate:** In applying these provisions, daily rate of pay will be based upon the total annual compensation at the time of retirement.

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

**Subd. 6. Payment Schedule 55 & Over:** Retirement incentive pay for those aged fifty-five (55) or older will be paid by the School District according to the following schedule. Employees who retire between January 1st and June 30th will receive their retirement pay July 20th of that year. Employees who retire between July 1st and December 31st will receive their retirement incentive pay on January 20th of the following year. In the event of an employee's death after having retired from the School District, the remaining amount of retirement incentive pay will be paid to his/her estate.

**Subd. 7. Exceptions:** The School Board adopted, effective January 4, 1994, a resolution, as authorized by M.S. 465.722, Subd. 3, providing for exceptions to maximum allowable severance pay for any employee who was a full-time employee for the entire period between January 1, 1983 and December 31, 1992. Said resolution will insure that an excepted employee will receive severance pay in an amount no less than he/she would have been eligible for as provided for in the Terms and Conditions of Employment for the period of July 1, 1991 thru June 30, 1993.

**Subd. 8.** Retirement incentive pay shall not be granted to any employee who is discharged by the School District.

**Section 5. Work Year:**

**Subd. 1. Reschedule Work Year:** Any employee who is in his/her last year of work prior to retirement may elect to reschedule up to fifteen (15) days of his/her work year, or may reduce his/her work year by up to fifteen (15) days so that his/her last day of work will be completed by June 15th. Upon submitting a letter of resignation, employees will request to reschedule or reduce his/her work year to the appropriate Assistant Superintendent. Reduction in the work year will result in a pro-rata salary reduction based on the employee's daily rate of pay.

Beginning July 1, 2016, employees will work their assigned work days (225) and will be allowed to carry over up to five (5) non-work days, in unique circumstances, with permission from their immediate supervisor. Under no circumstances will an employee be paid for any additional days worked above their contracted assignment unless required by their immediate supervisor and approved by Human Resources.

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

**Subd. 1. District Annual Match** – Effective July 1, 2014: The School District's maximum annual match of an eligible employee's contribution will be \$1,500.00. Employees may choose to defer more than the District annual match amount. Federal law determines the maximum amount an individual can contribute annually. The matching amount will be \$62.50 per pay period.

**ARTICLE VII  
GROUP INSURANCE**

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

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

**Section 3. Selection:** The School District will make the selection of insurance carriers and policies. The Directors and Confidential Managers will have representation on the School District Insurance Advisory Committee.

**Subd. 1. Insurance:**

- a. Director or Confidential Manager may enroll in one of the hospital medical and dental insurance programs provided by the School District. Employees will be allowed to waive health coverage in the District's health plan upon sufficient proof that the employee has obtained group health coverage through another source (e.g. spouse). The Human Resources department shall determine the basis for sufficient

documentation of group coverage from another source. The District retains the right to re-examine waiver of health coverage on a year-to year basis.

b. District Contributions:

Basic Group Health and Hospitalization Plans:

Single Coverage:

Effective July 1, 2017 through June 30, 2018, the District will pay up to \$562.98 in monthly premium for individual coverage for each full-time employee who qualifies for and enrolls as single in any of the High or Value health and hospitalization plans. Any portion of the premium that exceeds the District contribution will be paid by the employee and paid by payroll deduction.

Effective July 1, 2018, the District will pay up to \$574.24 in monthly premium for individual coverage for each full-time employee who qualifies for and enrolls as single in any of the High or Value health and hospitalization plans. Any portion of the premium that exceeds the District contribution will be paid by the employee and paid by payroll deduction.

Employee +1 Coverage:

Effective July 1, 2017 through June 30, 2018, the District will pay up to \$875.51 per month in premium for each full-time employee who qualifies for and enrolls as Employee +1 in any of the High or Value health and hospitalization plans. Any portion of the premium amount that exceeds the School District contribution will be paid by the employee by payroll deduction.

Effective July 1, 2018, the District will pay up to \$893.02 in monthly premium for employee + 1 coverage for each full-time employee who qualifies for and enrolls as employee + 1 in any of the High or Value health and hospitalization plans. Any portion of the premium that exceeds the District contribution will be paid by the employee and paid by payroll deduction.

Family Coverage:

Effective July 1, 2017 through June 30, 2018, the District will pay up to \$1,402.74 per month in premium for each full-time employee who enrolls-as Family in any of the High or Value health and hospitalization plans. Any portion of the premium amount that exceeds the School District contribution will be paid by the employee by payroll deduction.

Effective July 1, 2018, the District will pay up to \$1,430.79 in monthly premium for Family coverage for each full-time employee who qualifies for and enrolls as Family in any of the High or Value health and hospitalization plan. Any portion of the premium that exceeds the District contribution will be paid by the employee and paid by payroll deduction.

### High Deductible Health Plan (HSA)

The School District will offer an optional High Deductible Health Plan with a Health Savings Account (HSA). For those employees who elect to participate in the high deductible plan, the School District will make the following contributions:

- For employees who select single coverage, the School District will contribute the following:

Premium: Effective July 1, 2017 through June 30, 2018  
Up to \$427.48 of the single monthly premium

Effective July 1, 2018  
Up to \$436.03 of the single monthly premium

HSA: \$200.00 monthly contribution to the HSA trust account  
recommended by the School District Insurance Advisory Committee.

- For employees who select employee +1 coverage, the School District will contribute the following:

Premium: Effective July 1, 2017  
Up to \$854.96 of the employee +1 monthly premium

HSA: \$400.00 monthly contribution to the HSA trust account  
recommended by the School District Insurance Advisory Committee.

- For employees who select family coverage, the School District will contribute the following:

Premium: Effective July 1, 2017  
Up to \$1,367.94 of the family monthly premium

HSA: \$400.00 monthly contribution to the HSA trust account  
recommended by the School District Insurance Advisory Committee.

District contributions to the HSA trust account will be made each month. In the event of hardship, the parties agree to meet and confer to discuss alternatives to the contribution timelines.

The school district will pay all administrative fees associated with the plan.

- c. Continuation of Coverage Upon Retirement: For employees hired prior to July 1, 2007, the School District shall provide and pay for hospital and medical insurance in the School District's group health and hospitalization plan for any employee who retires after reaching the age of fifty-five (55) until the employee qualifies for Medicare, or

accepts another hospital and medical insurance program. This provision shall apply to single and dependent coverage, if applicable.

For employees hired on or after July 1, 2007, the School District shall provide and pay for hospital and medical insurance in the School District's group health and hospitalization plan for any employee with seven (7) or more years of continuous employment in the district, in any capacity, who retires after reaching the age of fifty-five (55) until the employee qualifies for Medicare, or accepts another hospital and medical insurance program. This provision shall apply to single and dependent coverage, if applicable.

Effective beginning August 1, 2014, an employee hired into this contract group, who has not received this benefit while serving in another ISD 279 management group, will not be eligible to receive this benefit.

A retired employee who is eligible for this benefit and accepts another hospital and medical insurance plan between age fifty-five (55) and qualifies for Medicare, shall be allowed to re-enter the School Board's group health and hospitalization plan one time only, with no penalty.

An employee who retires before fifty-five (55), as provided for in Article VI, Section 3 of this Agreement, will also be eligible for this provision, upon reaching age fifty-five (55), provided that the employee has enrolled in and maintained hospital and medical insurance at his/her expense from the age of retirement to June 30th of the year after they reach the age qualified for Medicare.

Insurance Program Eligibility after Age 65: Selected insurance coverage will continue beyond the employee's 65<sup>th</sup> birthday permitted by law. The retiree will pay the premium as determined by the insurance carrier.

**Section 4. Section 125 (Flexible Spending) Plan:** The School District will provide a Section 125 Plan under the Internal Revenue code for all employees.

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

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

**Section 5. Dental Insurance:**

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

**Section 6. Group Term Life Insurance:** The School District will pay the full premium for group term life insurance for all employees who qualify for and enroll in the School District's group term life insurance plan. Employees who qualify and enroll will be covered by group term life insurance to the extent of two times base annual salary-calculated to the nearest \$1,000.

**Section 7. Supplemental Group Term Life Insurance:** Employees will have the option, subject to the conditions established by the School District's carrier for group term life insurance as provided in Section 7 of this Article, to purchase supplemental group term life insurance in the amounts of \$50,000, \$75,000, \$100,000, \$125,000, \$150,000, \$200,000, \$300,000 or \$400,000 not to exceed 4x annual salary. The cost of the supplemental coverage will be borne by the employee and paid by payroll deduction. In the event of early retirement, an employee may continue to purchase this policy until he/she reaches the age of sixty-five (65).

**Section 8. Long-Term Disability Income Protection:** The School District will pay the full premium in the existing long-term disability income protection plan of the School Board for employees who qualify for and enroll in such coverage. This coverage will apply to total annual salary. Employees who have qualified for long term disability insurance and who previously qualified for the School District's health and hospitalization insurance benefits will have these benefits maintained for a period of one (1) year from the date of disability. Thereafter, these benefits will be available to the employee at his/her expense.

**Section 9. Claims Against the School District:** It is understood that the School District obligation is to purchase an insurance policy and pay such amounts as agreed to herein and no claim will be made against the School District as a result of a denial of insurance benefits by an insurance carrier.

**Section 10. Married Couples in District with Family Coverage:** When a Director and Confidential Manager employee and his/her spouse are both employed by the School District and are eligible for the School District's group health and hospitalization plan, and both employees enroll in the same hospitalization plan, the full premium will be paid by the School District.

**ARTICLE VIII  
LEAVES OF ABSENCE**

**Section 1. Sick Leave:**

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

- a. Earn and Accumulation: Full-time employees will accrue sick leave at the rate of twelve (12) days per year one day per month and accrual for unused sick leave will be unlimited. Employees working less than a full year will have their sick leave days prorated.
- b. Use-Pregnancy: An employee may utilize available sick leave, subject to the provisions of this Section and Section 8 of this Article for periods of disability relating to pregnancy, miscarriage, abortion or childbirth. Such an employee will notify Human Resources in writing no later than the end of the sixth month of pregnancy indicating her intention to utilize sick leave, and also at such time will provide a physician's statement indicating the estimated date of delivery of the child and estimated period of disability. A licensed physician will determine the definition of disability.
  1. An employee (other than the mother) may utilize up to ten (10) days of sick leave in connection with the birth of their child. Such leave will be deducted from Family Illness Leave.
  2. An employee may utilize up to 30 days of sick leave for the adoption of a child, subject to the provisions of this Section and Section 8 of this Article.

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

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

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

Subd. 5. Approval: Sick leave pay will be approved only upon submission of an authorized sick leave pay request through the process in place by Human Resources.

Subd. 6. Use-Absences Covered by Workers Compensation and/or Long-Term Disability:

- a. If an employee who is absent from work as a result of a compensable injury incurred in the service of the School District under the provisions of the Workers'

Compensation Act and/or an absence covered by the School District's long-term disability insurance, the School District will pay the difference between the compensation received pursuant to the Workers' Compensation Act and/or Long-Term Disability (LTD) by the employee and the employee's base rate of pay or the extent of the employee's earned accrual of sick leave, if said employee is on an accrued sick leave basis. (See Subd. 1.b. of this Section.)

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

## **Section 2. Family Illness:**

**Subd. 1. Use:** Employees will be granted up to a maximum of ten (10) days absence for illness in the employee's or spouse's immediate family that may not otherwise be covered under the Family and Medical Leave Act (FMLA) and/or state statute. The immediate family will include parent, sister, brother, spouse, son, daughter, son-in-law, daughter-in-law, grandparent, grandchildren, guardian and any other relative or non-relative who stands in the same relationship with the employee. Such absences will be deducted from accrued sick leave. If the employee does not have sufficient accrued sick leave, there will be a salary deduction equal to the pro-rated daily rate of pay.

**Section 3. Bereavement Leave:**

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

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

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

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

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

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

**Section 5. Court Appearances:**

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

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

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

## **Section 6. Sabbatical Leave:**

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

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

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

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

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

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

**Subd. 7. Calculation of Pay:** The allowance granted to an employee on sabbatical leave will be based on one-half the base contract salary of the individual for the school term during which the leave takes place. However, upon request of the employee on sabbatical leave, the School Board will pay seventy-five percent (75%) of the base contract salary during the year in which the leave takes place. In the year following the sabbatical leave, twenty-five percent (25%) of the previous school year's base contract salary will be deducted from the employee's new base contract.

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

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

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

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

**Section 7. Child Care/Adoption Leave:**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**Subd. 14. Notification to Return:** An employee on child care/adoption leave of absence will be sent a letter of assignment from Human Resources at least sixty (60) days prior to the specified return date of said leave. The employee will lose all re-employment rights if the employee refuses or fails to return the letter of assignment within ten (10) days.

## **Section 8. Long-Term Leave:**

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

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

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

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

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

Education	Election to Political Office
Health	Family Reasons
Approved Travel	Retraining or Career Change (not including employment in another school district)

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

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

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

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

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

**Subd. 9. Failure to Return Notice:** The employee will lose all re-employment rights if the employee refuses or fails to return the contract within ten (10) days.

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

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

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

**Subd. 3. Requests:** Requests for short-term leave will be made five (5) days in advance except in the case of emergencies. The request will be on a Leave of Absence Request (PF 22) and will clearly state the reason for such request. Any special conditions or arrangements established by the supervisor for a short-term leave will be in writing to the individual requesting the leave. All conditions established must be met to be eligible for the leave.

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

**Subd. 5. Eligibility:** Short-term leave will normally be available no more than once during the 2015-2017 Agreement.

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

**Section 10. Personal Leave:** An employee will be credited one (1) personal leave day each year, accumulative to five (5) days. Personal leave may be used for activities requiring the employee's attention not covered or requested under other provisions of this Agreement.

**Subd. 1. Requests:** Request for personal leave must be made in writing to Human Resources at least three (3) days in advance, except in the case of emergency.

**Subd. 2. Limit:** At no time will more than four (4) employees be granted personal leave.

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

**Section 11. Religious Leave:** Employees may be granted up to three (3) days of religious leave. Employees must make application, including a brief summary of details of the request, to Human Resources at least three (3) days prior to the religious leave. Human Resources will notify the employee's supervisor to make the necessary arrangements allowing the employee to make up the days at some other prearranged time. However, an employee may utilize provisions outlined in Section 6, Personal Leave, or Section 1 Sick Leave, if so desired. If the employee chooses none of the options as outlined herein, leave may be granted with full loss of pay. At no time will more than two (2) employees be granted religious leave on a given contract day.

**Section 12. Extended Leave of Absence:**

**Subd. 1. Authority:** Pursuant to Minnesota Statutes 122A.46 and 354.094, the School Board may grant an extended leave of absence of at least three (3) years but no more than five (5) years. The School Board may also grant extended leave of absence of at least three (3) years but no more than five (5) years to non-licensed staff. However, the granting of extended leaves of absence is purely within the discretion of the School Board. The School Board

reserves the right to refuse to grant any and all extended leaves if, in the judgment of the School Board, such leaves should not be granted.

**Subd. 2. Conditions:** The School Board will consider the granting of extended leaves only under the conditions as they are described in M.S. 122A.46 and 354.094 as of the date of this agreement for licensed staff. The School Board may also grant extended leave of absence of at least three (3) years but no more than five (5) years to non-licensed staff.

**Subd. 3. Eligibility:** Licensed staff must have a minimum of seven (7) consecutive years of full-time teaching service in the School District and at least ten (10) years of allowable service as defined in Section 354.05, Subdivision 13. Non-licensed staff must have a minimum of seven (7) consecutive years of service in the School District's Directors and Confidential Managers contract.

**Subd. 4. Requests:** Requests for extended leaves of absence must be submitted to the Human Resources by April 1, of the year preceding the school year for which the extended leave would commence.

**Subd. 5. Reinstatement:** Licensed staff returning from an extended leave of absence will be re-employed in the position occupied prior to the leave subject to the following conditions:

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

Non-licensed staff returning from an extended leave of absence will return subject to vacancy.

**Subd. 6. Failure to Return Contract:** The employee will lose all re-employment rights if the employee refuses or fails to return the contract within ten (10) days.

## **ARTICLE IX GRIEVANCE PROCEDURE**

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

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

### **Section 3. Definitions and Interpretations:**

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

**Subd. 2. Days:** Reference to days regarding time periods in this procedure will refer to working days. A working day is defined as all 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 will not be included. The last day of the period so computed will be counted, unless it is a Saturday, a Sunday, or a legal holiday, in which event the period runs until the end of the next day which is not a Saturday, a Sunday, or a legal holiday.

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

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

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

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

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

**Subd. 2. Level I:** If the grievance is not resolved through informal discussions, the aggrieved party may submit the grievance in writing to the supervisor. A copy of such written grievance must simultaneously be filed with Human Resources. The immediate supervisor will give a written decision on the grievance to the parties involved within ten (10) days after receipt of the written grievance.

**Subd. 3. Level II:** In the event the grievance is not resolved in Level I, the decision rendered may be appealed to the superintendent of schools, 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 Superintendent, the Superintendent or his/her designee will set a time to meet regarding the grievance within fifteen (15) days after receipt of the appeal. Within ten (10) days after the meeting, the Superintendent or his/her designee will issue a decision in writing to the parties involved.

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

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

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

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

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

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

**Subd. 3. Selection of Arbitrator:** Upon the proper submission of a grievance under the terms of this procedure, the parties will, within ten (10) days after the request to arbitrate, attempt to agree upon the selection of an arbitrator. If no agreement on an arbitrator is reached, either party may request the Bureau of Mediation (BMS) to appoint an arbitrator, pursuant to PELRA, providing such request is made within twenty (20) days after request for arbitration.

The request will ask that the appointment be made within thirty (30) days after the receipt of said request. Failure to agree upon an arbitrator or the failure to request an arbitrator from the Bureau of Mediation (BMS) within the time periods provided herein will constitute a waiver of the grievance.

**Subd. 4. Submission of Grievance Information:**

- a. **Material Request:** Upon appointment of the arbitrator, the appealing party will within five (5) days after notice of appointment forward to the arbitrator, with a copy to the School Board, the submission of the grievance which will include the following:
  1. The issues involved
  2. Statement of the facts
  3. Position of the grievant
- b. The School Board will make a similar submission of information in accordance with Subd. 4. a. of this Section.

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

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

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

**Subd. 8. Jurisdiction:** The arbitrator will have jurisdiction over disputes or disagreements relating to grievances properly before the arbitrator pursuant to the terms of this procedure. The jurisdiction of the arbitrator will not extend to proposed changes in terms and conditions of employment as defined herein and contained in this written Agreement; nor will an arbitrator have jurisdiction over any compliance with the terms of the grievance and arbitration procedure as outlined herein; nor will the jurisdiction of the arbitrator extend to matters of inherent managerial policy, which will include, but are not limited to such areas of discretion or policy as the functions and programs of the employer, its overall budget, utilization of technology, the organizational structure, and selection and direction and number of personnel. In considering any issue in dispute, in its order, the arbitrator will

give due consideration to the statutory rights and obligations of the public school boards to efficiently manage and conduct its operations within the legal limitations surrounding the financing of such operations.

**Section 9. General:**

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

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

**ARTICLE X  
DURATION**

**Section 1. Term and Reopening Negotiations:** This Agreement will remain in full force and effect for a period commencing on July 1, 2017 through June 30, 2019. If either party desires to modify or amend this Agreement commencing on July 1, 2019, it will give written notice of such intent no later than May 1, 2019. Unless otherwise mutually agreed, the parties will not commence meet and confer more than ninety (90) days prior to the expiration of this Agreement.

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

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

**MEMORANDUM OF UNDERSTANDING**  
**between**  
**OSSEO AREA SCHOOLS, ISD 279**  
**and**  
**DIRECTORS and CONFIDENTIAL MANAGERS PERSONNEL**

**TOPIC:** Early Retirement Incentive

**EFFECTIVE DATE:** July 1, 2017 – June 30, 2019

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

**PURPOSE:**

The purpose of this MOU is to designate how funds will be disbursed for the Early Retirement Incentive, contained in Article VI, Section 4, of the 2017-2019 Terms and Conditions of Employment.

**AGREEMENT:**

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

1. Seventy five percent (75%) of funds shall be placed into a Post-Retirement Health Arrangement Plan. Employees who are exempted from participating in the Post-Retirement Health Arrangement Plan, according to IRS guidelines, must contribute one hundred percent (100%) of their Early Retirement Incentive into the Special Pay Deferral Plan referenced in paragraph 2 below.
2. The balance of the Early Retirement Incentive benefit shall be paid into a Special Pay Deferral Plan (403(b)). The District’s annual contribution into the retiree’s Special Pay Deferral Plan account must not exceed the IRS contribution limit during any given year. Any remaining balance will be paid into the Special Pay Deferral Plan in future consecutive years to the extent allowed by the IRS.
3. All District payments will be made according to the timeline and payment schedule as provided in the 2017-2019 Terms and Conditions of Employment.
4. This is the full and complete agreement relating to Early Retirement Incentive benefits.