

**EMPLOYMENT AGREEMENT:  
BUSINESS MANAGER**

This Employment Agreement (“Agreement”) is entered into by and between the School Board of Independent School District No. 47, Sauk Rapids-Rice (“District”) and Andrea Johnson (“Business Manager”). In consideration of the mutual promises contained in this Agreement, the District and the Business Manager agree as follows:

**ARTICLE I  
NATURE AND DURATION OF EMPLOYMENT**

**Section 1: Employment.** The District will employ the Business Manager to perform the duties of the Business Manager in accordance with School District policies and procedures.

**Section 2: Duration of Agreement.** This Agreement establishes the terms and conditions of employment that will apply to the Business Manager until June 30, 2020, provided that neither party exercises its right to terminate this Agreement and the employment relationship before that date.

**ARTICLE II  
DUTIES AND OUTSIDE ACTIVITIES**

**Section 1: Job Duties.** The Business Manager must faithfully perform all duties that are required of a Business Manager, which includes those that the School Board or the Superintendent prescribes or assigns, regardless of whether those services are specifically described in this Agreement or in a job description.

**Section 2: Duty to Comply with Laws and Policies.** The Business Manager must comply with all applicable federal and state laws. The Business Manager must also comply with all rules, regulations, and policies of the School Board and the State of Minnesota, including those rules, regulations, and policies that currently exist and any that are established or amended during the term of this Agreement.

**Section 3: Duty of Loyalty.** The Business Manager agrees to perform her job duties diligently, in good faith, and to the best of her ability with loyalty to the School Board. The Business Manager must devote full time and due diligence to the affairs and the activities of the District. The Business Manager may not, directly or indirectly, participate in any action or conduct that conflicts in any respect with the interests of the District, and the Business Manager may not engage or participate in any action or conduct that is inconsistent with the Board’s policies or actions, her duties as the Business Manager, the basic educational mission of the District, or the desired image of the District.

**Section 4: Outside Activities.** The Business Manager must obtain written approval from the District’s Superintendent before performing any educationally related service or activity for another person, entity, or organization in exchange for compensation. With prior written approval from the Superintendent, the Business Manager may engage in other compensated activities if such activities do not impede the Business Manager’s ability to perform her duties for the District. The Business Manager may not directly or indirectly use District time, property, or resources for the benefit of another person, entity, or organization that is compensating her.

**ARTICLE III  
COMPENSATION AND DURATION**

**Section 1: Annual Salary.** The District will pay the Business Manager a gross annual salary of one hundred twenty two thousand six hundred fifty-five dollars and zero cents (\$122,655.00) prorated at the daily rate for the remainder of the 2017-18 school year, one hundred twenty-six thousand three hundred thirty-five dollars and zero cents (\$126,335.00) throughout the 2018-19 school year, and one hundred thirty thousand one hundred twenty-five dollars and zero cents (\$130,125.00) throughout the 2019-20 school year in consideration for faithfully performing the duties of the Business Manager. The District will pay the Business Manager's gross annual salary in equal installments, less applicable withholdings and deductions, based on the District's regular payroll schedule. Each installment will be made after the period in which the salary was earned. If this Agreement is terminated during the middle of a pay period, the salary paid to the Business Manager for that period will be prorated and decreased to reflect the number of days actually worked.

**Section 2: Exempt Status.** The position of Business Manager is a full-time position with exempt status under the Fair Labor Standards Act. The Business Manager's regular workday is expected to be eight (8) hours in length, but the Business Manager is expected to work the number of hours necessary to perform her job duties and to meet the professional expectations of the job. In light of the exempt status of the position, hours worked in excess of a forty-hour workweek will not result in any overtime pay. Regular attendance is an essential function of the job.

**Section 3: Duration.** The District shall notify the Business Manager in writing at least three (3) months prior to the expiration of said contract if it does not plan to offer a subsequent contract. Absent written notice, and in the event a subsequent contract is not offered prior to the expiration of the existing contract, the Business Manager shall continue employment, and be compensated at the prior year's rate of pay until such time a new contract is approved. Upon District approval, terms and conditions of the new contract shall be applied to the entire term of the contract.

**ARTICLE IV  
WORK YEAR, HOLIDAYS, AND LEAVES**

**Section 1: Work Year.** The Business Manager's work year will run from July 1 to June 30 with a duty year of fifty-two (52) weeks. In addition, the Business Manager must be on duty during any emergency, natural or unnatural, unless the Superintendent or the School Board otherwise excuses her.

**Section 2: Holidays.** The following will be paid holidays for the Business Manager: Fourth of July, Labor Day, Thanksgiving Day, the day after Thanksgiving, Christmas Eve, Christmas Day, New Year's Eve, New Year's Day, Presidents' Day, Good Friday, and Memorial Day.

**Section 3: Sick Leave.** The Business Manager will accrue one and one hundred seventy-fourth (1.174) days of sick leave for each month she works pursuant to this Agreement. The Business Manager may accumulate up to one hundred twenty (120) days of sick leave. Upon termination of this Agreement, the Business Manager is not entitled to any compensation for any unused days of sick leave.

The following absences shall be considered to be sick leave:

1. Absence because of personal illness, physical disability, or exposure to a contagious disease requiring quarantine.
2. Attendance upon a seriously ill member of the immediate family.
3. Absences, up to five (5) days per year, occurring when a member of the immediate household requires attention due to an illness. Routine health examinations, dental appointments, and surgical procedures, which might appropriately be scheduled during vacation periods, shall not be covered.
4. The term "immediate family" is interpreted to mean spouse, child, parent, parent of spouse, brother or sister of Business Manager, or dependent living in the immediate household. The term "immediate household" is interpreted as those who dwell under the same roof and comprise a family or domestic establishment.

**Section 4: Personal Leave.** Up to three (3) days of paid personal leave, deducted from sick leave (non-accumulating), will be granted each year.

**Section 5: Vacation.** The Business Manager is eligible for twenty-four (24) days of vacation per year with a maximum accrual of forty-five (45) days. Unused vacation, beyond the maximum accrual, must be taken within six (6) months after the end of the Contract year in which it is earned. The Business Manager may be reimbursed for a maximum of five (5) days of unused vacation each year at the prorated daily rate of pay. Upon separation from the District, unused earned vacation will be paid out in accordance with federal and state regulations.

**Section 6: Medical Leave.** If the Business Manager is unable to perform professional duties because of illness or disability, and has exhausted all sick leave credit available, or has become eligible for long-term disability compensation, she may, upon request and with appropriate medical documentation, be granted a medical leave of absence up to two (2) years in duration.

Under special circumstances, the Board of Education, in its discretion and upon the recommendation of the Superintendent, may grant additional leave under this section.

**Section 7: Bereavement Leave.** The Business Manager may take a total of three (3) days of bereavement leave with pay in connection with the death of a member of the Business Manager's immediate family or household. For purposes of this Agreement, "immediate family" means father, mother, sister, brother, spouse, child, grandchild, grandparent, father-in-law, mother-in-law, sister-in-law, brother-in-law, aunt, uncle, cousin, niece, and nephew. The family household shall be interpreted to include any member of the household currently making his/her home with the family. Two (2) additional days of paid leave per occurrence may be granted at the discretion of the Superintendent and/or designee. Said days will be deducted from the Business Manager's Accumulated Sick Leave.

Under special circumstances, the District may, in its discretion, grant additional leave under this section.

**Section 8: Jury Duty.** If the Business Manager serves on jury duty while this Agreement is in effect, she will receive full pay from the District, provided that she submits to the District any compensation she received from being called to sit as a juror.

**Section 9: Worker's Compensation.** In case of absence due to injury incurred in the course of employment, the Business Manager shall be paid the difference between salary and benefits received under the Worker's Compensation Act with such absence to be charged, proportionately to percent of salary paid, to sick leave.

## **ARTICLE V INSURANCE**

**Section 1: Group Health and Hospitalization.** The District will pay full health insurance coverage for a single or family premium with the District's Group Health Program. Upon retirement, the Business Manager and/or her spouse, may elect to continue coverage in the District's Group Medical-Hospitalization Plan at his/her own expense.

**Section 2: Life Insurance.** The District will select and offer to the Business Manager a group term life insurance policy with a maximum death benefit of two hundred thousand dollars and zero cents (\$200,000.00). This paragraph will not apply unless the Director qualifies for and enrolls in the plan that is offered by the District. During the term of this Agreement, the District will pay the full amount of the monthly premium for the policy offered by the District. The life insurance policy will be payable to the Business Manager's named beneficiary.

**Section 3: Retirement Insurance.** The District will contribute a sum of four thousand dollars and zero cents (\$4000.00) per year into an approved Post Retirement Health Care Savings Plan established in accordance with IRS provisions.

**Section 4: Long Term Disability Insurance.** The District will pay up to five hundred dollars and zero cents (\$500.00) per year toward the purchase of a long-term disability ("LTD") insurance plan premium selected by the District for the Business Manager.

**Section 5: Dental Insurance.** The District shall pay a sum, not to exceed five hundred dollars and zero cents (\$500.00) per year toward the purchase of a single or family dental insurance premium if the Business Manager elects to participate.

**Section 6: Highly Compensated Employee.** In the event this Contract will cause or does cause penalties, fees, or fines to be assessed against the District, the parties agree to reopen negotiations, resulting in a revised Contract between the parties that eliminates or reduces penalties, fees, or fines to be assessed against the School District. The amount of any reduction in the District's contribution toward the Business Manager's healthcare benefits as a result of addressing the "highly compensated employee" component of the ACA will be placed into another School District provided benefit(s) (i.e., a retirement HRA, salary, etc.) as agreed upon between the parties.

**Section 7: Claims Against the District.** The District is not promising or guaranteeing that any particular claim will be paid or covered by insurance. The District's only obligation is to select an insurance plan and to make the premium contributions that are stated in this Agreement. The eligibility and coverage of the Business Manager and any dependents will be governed entirely by the terms of the applicable insurance policy. No claim may be made against the District as a result of the denial of a claim or the denial of any insurance benefits if the District has purchased the policies and paid the premiums described in this Article. Subject to any applicable requirements of federal or state law, the District's obligation to make any contribution toward the cost of any insurance premium described in this Article will cease immediately upon the

expiration of this Agreement or in the event that the Business Manager's employment ends for any reason.

## **ARTICLE VI MISCELLANEOUS PROFESSIONAL**

**Section 1: Professional Dues.** The District will pay up to seven hundred fifty dollars and zero cents (\$750.00) annually toward the cost of professional dues for state and national organizations that the Superintendent or his/her designee deems appropriate for the Business Manager's position. Any unused amount for dues will be paid to the Business Manager.

**Section 2: Conferences and Travel.** The District will pay, or reimburse the Business Manager for all valid, reasonable, and necessary expenses associated with the Business Manager's travel to and from, and attendance at, in-state and outstate (i.e. national conference) professional conferences and meetings, provided that the following conditions are met: (1) the Business Manager's attendance is required or authorized in writing by the Superintendent or his/her designee; and (2) the total annual expense is preapproved by the Superintendent or his/her designee. Mileage will be reimbursed at the current Board of Education determined rate. To obtain reimbursement, the Business Manager must file itemized expense statements in compliance with School Board policy and law. The School Board retains the ultimate discretion to approve or deny any expense.

The Business Manager shall be entitled to attend at least one national, job-relevant professional conference every other year with the approval of the Superintendent. However, the Business Manager, using paid time, may attend national conferences on the "off" year when preapproved by the Superintendent or his/her designee. In this circumstance, the District will pay the cost of registration and meals, while the Business Manager will pay all other conference expenses (i.e. travel and lodging).

**Section 3: Tuition Credit.** The District shall reimburse the Business Manager for required tuition and/or fees, as they apply, up to a sum of one thousand dollars and no cents (\$1000.00) annually provided she is enrolled in an approved course of study leading to an advanced degree, germane to her current assignment. Furthermore and in order to receive a reimbursement, the Business Manager shall provide evidence of the successful completion of said course and receipts, documenting expenses were paid in full. Successful completion requires a grade of "B" or better.

**Section 4: Professional Positions.** The Business Manager, if elected to serve on a regional, state, or national association committee or board as an officer, shall be granted the necessary time to perform these duties at the discretion of the Superintendent or his/her designee.

## **ARTICLE VII RETIREMENT**

**Section 1: Deferred Compensation.** The School District shall contribute a sum not to exceed three thousand dollars and zero cents (\$3,000.00) annually toward an approved state-deferred compensation program, which shall be matched with a sum of up to the District's contribution or greater by the Business Manager, or as provided by law.

**ARTICLE VIII  
MISCELLANEOUS**

**Section 1: Use of Wireless Communication Devices and Allowance.** The Business Manager is required to use a cell phone and other wireless communication devices in the performance of her job and must be available for emergency situations outside the normal workday. As a result, the District will pay or reimburse the Business Manager a monthly allowance totaling one hundred dollars and zero cents (\$100.00), which is meant to cover the costs of a phone and data plan. This allowance will be taxed in accordance with IRS regulations.

**Section 2: Choice of Law and Severability.** The laws of the State of Minnesota govern this Agreement. If any part of this Agreement is construed to be unenforceable or in violation of any applicable law, the remaining portions of the Agreement will remain in full force and effect.

**Section 3: Entire Agreement.** This Agreement constitutes the entire agreement between the Business Manager and the District. No party has relied upon any statements or promises that are not set forth in this Agreement. The terms of this Agreement are contractual and supersede any and all prior agreements between the parties and any inconsistent provisions in any employee handbooks or policies. The Business Manager understands and agrees that any handbooks or policies adopted by the District do not create an express or implied contract. No waiver or modification of any provision of this Agreement is valid unless it is in writing and signed by both parties.

IN WITNESS WHEREOF, the parties have entered into this Agreement on the dates shown above their signatures. This Agreement will not become effective unless and until it is approved by the District's School Board and is signed by both parties.

**BUSINESS MANAGER**

**ISD 47, SAUK RAPIDS-RICE**

I have subscribed my signature  
this 5<sup>th</sup> day of April, 2018.

I have subscribed my signature  
this 16 day of April, 2018.

  
\_\_\_\_\_  
Business Manager

  
\_\_\_\_\_  
School Board Chair

I have subscribed my signature  
this 16 day of April, 2018

  
\_\_\_\_\_  
School Board Clerk