

SUPERINTENDENT EMPLOYMENT CONTRACT

Pursuant to Minnesota Statutes section 123B.143, the School Board of Independent School District No. 280, Richfield (“District” or “School Board”) enters into this employment contract (“Contract”) with Steven Unowsky (“Superintendent”). In consideration of the mutual promises contained in this Contract and other valuable consideration, the sufficiency of which is acknowledged, the District and the Superintendent agree as follows:

ARTICLE I DURATION AND TERMINATION

Section 1: Duration. This Contract is for a term of three (3) years beginning on July 1, 2020, and ending on June 30, 2023. This Contract will remain in full force and effect unless it is modified by mutual written consent of the School Board and the Superintendent, or unless the Board discharges the Superintendent in accordance with this Contract.

Section 2: Expiration. This Contract will automatically expire on June 30, 2023. When this Contract expires, neither party will have any further claim against the other, and the District’s employment of the Superintendent will automatically end, unless the District and the Superintendent enter into a subsequent employment contract in accordance with Minnesota Statutes section 123B.143.

Section 3: Termination During the Term. During the term of this Contract, the District may immediately discharge the Superintendent and thereby terminate this Contract based on any of the grounds stated in Minnesota Statutes section 122A.40, subdivisions 9 or 13. If the School Board votes to discharge the Superintendent from employment during the term of this Contract, the Board must give the Superintendent written notice of the grounds for discharge. The Superintendent is entitled to a hearing before an arbitrator to challenge whether the asserted grounds for discharge exist. To exercise this right, the Superintendent or his representative must mail or hand-deliver a written request for arbitration to the School Board Chair within ten (10) calendar days after receiving written notice of the grounds for discharge. If the Superintendent makes a timely request for a hearing, the parties may attempt to mutually agree on an arbitrator. If the parties cannot mutually agree on an arbitrator within five calendar days, the District will petition the Minnesota Bureau of Mediation Services (“BMS”) for a list of five arbitrators. Within ten calendar days after receiving the list, the parties (or their representatives) will select an arbitrator from the list by using an alternating striking process. The arbitrator must conduct a hearing and issue a written decision within forty-five (45) calendar days after being selected by the parties, unless the parties agree to extend the timeline. The arbitrator’s decision will be final and binding upon the parties, subject to judicial review of arbitration decisions as provided by law. If the Superintendent (or his representative) fails to mail or hand-deliver a written request for arbitration to the School Board Chair within ten calendar days, the Superintendent will be deemed to have acquiesced to the discharge, and the Superintendent will have no further right to challenge the discharge or to bring a claim against the District.

Section 4: Mutual Consent. This Contract may be terminated at any time by the mutual consent of the School Board and the Superintendent.

Section 5: Limited Application of Section 122A.40. Except as explicitly stated in this Contract, the provisions of Minnesota Statutes section 122A.40 do not apply to the District’s employment of the Superintendent or to this Contract. The Superintendent does not have any continuing contract rights under Minnesota Statutes section 122A.40. By operation of law, Minnesota Statutes section 122A.40,

subdivisions 3 and 19 apply to the Superintendent's employment with the District. In addition, by mutual agreement of the Superintendent and the District, Minnesota Statutes section 122A.40, subdivision 12, relating to suspension and leave of absence for health reasons, will apply to the Superintendent's employment with the District.

ARTICLE II RESPONSIBILITIES

Section 1: Licensure. Throughout the term of this Contract, the Superintendent must hold a valid and appropriate license to work as a superintendent in the State of Minnesota. The Superintendent must provide a copy of his superintendent's license to the District's Director of Human Resources before July 1 of each year this Contract is in effect.

Section 2: Compliance with Laws and Policies. The Superintendent must comply with all applicable federal and state laws. The Superintendent must 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 Contract.

Section 3: Assigned Duties. The Superintendent must faithfully perform all services that the School Board prescribes or assigns to the Superintendent, regardless of whether those services are specifically described in this Contract or in a general job description. At any time during the term of this Contract, the School Board may place the Superintendent on paid administrative leave. Regular and prompt attendance is an essential function of the Superintendent's job.

Section 4: Basic Duties. The Superintendent will have charge of the administration of the schools under the direction of the School Board. Toward that end, the Superintendent will perform the following functions: serve as the chief executive officer of the School District; direct and assign teachers and other District employees under the Superintendent's supervision; organize, reorganize and arrange the administrative and supervisory staff, including instruction and business affairs, as best serves the District, but subject to the approval of the School Board; select all personnel subject to the approval of the School Board; recommend policies, regulations, rules and procedures that are necessary for the District; visit and supervise the schools in the District; report and make recommendations about the condition of the schools in the District when advisable or at the Board's request; to the extent required by law, annually evaluate each school principal assigned responsibility for supervising a school building in the District; superintend school grading practices and examinations for promotions; make reports that are required by the Commissioner of the Minnesota Department of Education; and perform all duties incident to the office of the Superintendent. The Superintendent will serve as an ex-officio member of the School Board and all School Board committees, and will provide administrative recommendations on each item of business considered by each of these groups.

ARTICLE III COMPENSATION

Section 1: Base Salary. The District will pay the Superintendent a gross annual salary of two hundred eighteen thousand and 00/100 dollars (\$218,000.00) for the 2020-2021 school year. Subject to Article III, Section 2, the Superintendent will receive an annual base salary increase of 2% each year, which will result in a gross annual salary of two hundred twenty-two thousand three hundred sixty and 00/100 dollars (\$222,360.00) for the 2021-2022 school year, and a gross annual salary of

two hundred twenty-six thousand eight hundred seven and 00/100 dollars (\$226,807.00) for the 2022-2023 school year. During each school year covered by this Contract, the District will pay the Superintendent his gross annual salary in twenty-four equal installments, less applicable withholdings and deductions, based on the District's regular payroll schedule.

Section 2: Authority to Withhold Increase. The School Board will annually evaluate the Superintendent in accordance with the District's applicable policies and administrative guidelines, which may be amended from time-to-time as the School Board sees fit. In the event of an unsatisfactory performance evaluation, the School Board may withhold the annual base salary increase described in Article III, Section 1 for any year following a year in which the Superintendent's performance was determined to be unsatisfactory. The School Board Chair will communicate the results of each formal evaluation to the Superintendent in writing.

Section 3: Incentive Pay. The Superintendent will be eligible for annual incentive pay in an amount up to six percent (6%) of the Superintendent's base salary. The amount of the incentive pay that is granted, if any, will be based on the Board's annual evaluation of the Superintendent's performance.

Section 4: Tax Deferred Program. The Superintendent may participate in a tax deferred program, through payroll deduction, in accordance with Section 403(b) of the Internal Revenue Code, Minnesota Statutes section 123B.02, subdivision 15, and District policy. To the extent permitted by law, the District will match the Superintendent's contributions to a qualifying tax deferred program on a dollar-for-dollar basis, up to the maximum amount allowed pursuant to Minnesota Statutes section 356.24, subdivision 1(5), as amended during each school year covered by this Contract. Once the District has made a matching payment to the tax deferred program, the matching payment will become the property of the Superintendent. However, if the Superintendent terminates this Contract early, the District will not be required to provide any additional matching payments after receiving notice of the Superintendent's intent to terminate. Similarly, if the District decides to discharge the Superintendent, the District will not be required to make any additional matching payments after voting to discharge the Superintendent.

Section 5: Responsibility for Tax Deferred Program Compliance. The Superintendent and the annuity companies involved are solely responsible for ensuring that the tax deferred program complies with Section 403(b) of the Internal Revenue Code, as amended, and Minnesota law. The Superintendent hereby waives any right that he might otherwise have to bring a claim against the District for any issue related to whether the tax deferred program complies with Section 403(b) of the Internal Revenue Code, as amended, and Minnesota law. The Superintendent also waives any right that he might otherwise have to demand direct payment to him of the amount that he identifies for contribution to the tax deferred program. The District's only obligation under Article III, Sections 2 and 3, is to make the specified contributions to the tax deferred program.

Section 6: Automobile Allowance. The School Board recognizes that the Superintendent must regularly use his personal vehicle to travel for District business. Accordingly, pursuant to Minnesota Statutes section 471.665, subdivision 3, the District will pay the Superintendent a monthly automobile allowance in the amount of two hundred dollars and zero cents (\$200.00), less any applicable withholdings and deductions.

Section 7: Sick Leave Payment upon Employment Separation. Upon the Superintendent's separation from employment with the District, the Superintendent will be eligible for severance pay equal to six (6) days of accumulated sick leave for each year of service as an employee of the District.

The daily rate of pay for determining this payment shall be based on the Superintendent's then-applicable annual base salary pursuant to Article III, Section 1 of this Contract divided by 261. The payment shall be made within thirty (30) days of the effective date of the Superintendent's separation from employment with the District.

The Superintendent shall not be eligible for this payment if his employment is terminated pursuant to Article I, Section 1 of this Contract. If the Superintendent dies before all or a portion of this payment has been disbursed, the unpaid balance shall be paid to a named beneficiary, or in the event no beneficiary has been named, to the estate of the deceased. Severance pay is considered earned only after the Superintendent completes active employment through the Board approved separation date.

The amount of the payment shall be contributed into a 403b supplemental retirement account established by the Superintendent, exclusively for the purpose of receiving such payment (the "Severance 403b). Such contribution shall be consistent with the applicable IRS rules on annual additions to tax-deferred accounts. The Superintendent will not receive any direct payment from the District for severance. In the event this severance payment exceeds the maximum annual contributions permitted under the applicable IRS rules, the excess severance pay shall be contributed to the Severance 403b after January 1st of the year following the year of employment separation, and for up to four calendar years thereafter, if necessary.

ARTICLE IV DUTY YEAR AND LEAVES OF ABSENCE

Section 1: Basic Work Year. The position of superintendent has exempt status under the Fair Labor Standards Act. The Superintendent's duty year will be twelve months in length and will correspond to each school year (July 1 to June 30) covered by this Contract. The Superintendent must work full-time on at least 261 duty days, less vacation, paid holidays and sick leave used during each duty year, including those legal holidays on which the School Board is authorized to conduct school if the School Board so determines. The Superintendent must be on duty during any emergency, natural or unnatural, unless otherwise excused in accordance with School Board administrative policy.

Section 2: Vacation. The Superintendent will earn twenty-five (25) days of paid vacation each school year (July 1 to June 30) that is covered by this Contract. The Board encourages the Superintendent to use accrued vacation. The smallest unit of vacation that may be taken is one-half day. The Superintendent must obtain prior approval from the School Board Chair before taking more than ten (10) consecutive days of paid vacation, unless the vacation days are being utilized during a leave taken pursuant to the Family Medical Leave Act ("FMLA") or state law. The Superintendent must take vacation days during the school year in which they were earned, or within six (6) months after the contract year in which they were earned. The Superintendent will forfeit any vacation days that are not taken within six months after the school year in which they were earned.

Section 3: Payment of Vacation Upon Nonrenewal. If the School Board does not renew this Contract, the School Board will pay the Superintendent at his daily rate of pay, as determined by a divisor of 261 days, for each day of vacation that the Superintendent has accrued but has not used as of June 30, 2023. If the Superintendent breaches this Contract, the District will not be required to compensate the Superintendent for any accrued and unused days of vacation. Similarly, if the Board discharges the Superintendent pursuant to Article I, Section 3, the District will not be required to

compensate the Superintendent for any accrued and unused days of vacation that exist after the effective date of the discharge.

Section 4: Paid Holidays. The Superintendent will be entitled to twelve (12) paid holidays each Contract year as designated by the School Board.

Section 5: Accrual of Sick Leave. On July 1 of each school year covered by this Contract, the Superintendent will be credited with thirteen (13) days sick leave, which may be accumulated to a maximum of one hundred seventeen days (117). The Superintendent may use sick leave for any illness, injury, or health condition that prevents him from performing his job duties. In addition, the Superintendent may use sick leave for any reason that is explicitly permitted by law or by another provision of this Contract.

Section 6: Workers' Compensation Differential. In accordance with Minnesota Statutes Chapter 176, if the Superintendent is injured while performing duties for the District and qualifies for workers' compensation benefits, he may draw from his accumulated sick leave in order to make up the difference between his regular salary and the workers' compensation insurance payments he receives. The Superintendent's accumulated sick leave will be reduced in proportion to the amount of compensation paid pursuant to this Section. This Section of the Contract will immediately cease to apply if the Superintendent exhausts his accumulated sick leave.

ARTICLE V INSURANCE

Section 1: Health and Hospitalization. The Superintendent may participate in the District's medical benefits program under the same terms and conditions that apply to the District's Management Team. In the event the District increases the contribution amounts paid to members of the Management Team, the Superintendent will receive the same increase.

Section 2: Dental. The District will select and offer a dental benefits program. This paragraph will not apply unless the Superintendent qualifies for and enrolls in the dental benefits program that is offered by the District. The District will pay the full amount of the monthly premium for the dental benefits program for the Superintendent and his dependents.

Section 3: Life Insurance. The District will select and offer a group term life insurance policy with a maximum death benefit of three hundred thousand dollars (\$300,000). This paragraph will not apply unless the Superintendent 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 Superintendent's named beneficiary.

Section 4: Long Term Disability Insurance. The District will pay the full amount of the monthly premium for a long-term disability ("LTD") insurance plan selected by the District for the Superintendent. The plan will provide a benefit of seventy percent (70%) of the Superintendent's base monthly salary, less any amounts collectible under Worker's Compensation, the Teacher's Retirement Association Plan, State disability benefits laws, and the full disability benefit of social security. If the Superintendent qualifies for benefits, the benefits will begin no more than seventy-eight (78) calendar days after the date of total disability. The District will immediately stop making

monthly premium contributions when the term of this Contract expires or in the event this Contract terminates early for any reason.

Section 5: District's Limited Obligation. 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 make the premium contributions that are described in this Contract. The eligibility and coverage of the Superintendent and any dependents will be governed entirely by the terms of the applicable insurance policy. No additional compensation will be paid to the Superintendent if he chooses not to participate in any plan of insurance offered under this Contract. Subject to any applicable requirements of federal or state law, and except as provided in Article V, Section 6, below, the District's obligation to make any contribution toward the cost of any premium for any type of insurance described in this Contract will cease immediately upon termination or expiration of this Contract.

Section 6: Health and Dental Insurance Continuation.

- (a) Insurance Coverage Continuation. Upon separation from employment with the District, the Superintendent and his dependents shall be eligible to continue on the District's group health and dental insurance plan until the Superintendent reaches Medicare eligibility or longer if permitted pursuant to Minnesota Statutes section 471.61, subdivision 2b, as amended.
- (b) Premium Payments. Subject to "(c)" and "(d)," below, the Superintendent will be entitled to a year of District payment of premiums for health and dental insurance for each year of employment with the District (e.g., seven years of District employment equates to seven years of District premium payments following employment separation). The amount of the District's yearly premium payment shall be the amount it paid during the Superintendent's last year of employment with the District. The Superintendent shall not be eligible for this benefit if his employment is terminated pursuant to Article I, Section 1 of this Contract.
- (c) The Superintendent's eligibility for the District premium payments described in "(b)," above, ceases upon the earlier occurrence of one of these events: the Superintendent (1) is no longer eligible to continue due to the terms of the District's health and dental insurance plan or (2) becomes eligible for Medicare. In the event the premium payments cease as a result of the Superintendent no longer being eligible to continue due to the terms of the District's health and dental insurance plan, the HRA benefit described below in "(e)" applies.
- (d) The Superintendent's eligibility for the District premium payments described in "(b)," above, shall be suspended if the Superintendent obtains full-time employment with a subsequent employer that provides health and dental insurance with substantially equivalent benefits (including dependent coverage) and employer contribution to those provided by the District to the Superintendent immediately prior to the Superintendent's separation from employment. The suspension of the District's premium payments as a result of the Superintendent obtaining subsequent employment shall not occur if the subsequent employment is intended, at its outset, to be short term, interim employment of six months or fewer in duration or substitute teaching. The Superintendent is obligated to fully cooperate with the District and timely provide information as requested by the District in order for it to determine whether any subsequent employment obtained by the Superintendent results in the suspension of the District's premium payments.

When the Superintendent no longer holds subsequent employment as described immediately above, the District will begin payments into a Health Reimbursement Arrangement (HRA) account as follows: On a yearly basis, the amount of the District's premium payment shall be deposited into an HRA account on behalf of the Superintendent for reimbursement of health insurance premium payments made by the Superintendent. These HRA payments shall cease (1) when the Superintendent becomes eligible for Medicare or (2) when the number of years of premium payments the Superintendent has earned under "(b)," above, has expired, whichever occurs earlier. The HRA payments are conditioned on and subject to applicable legal limitations, including IRS regulations.

- (e) In the event the District's obligation to make premium payments ceases due to the Superintendent no longer being eligible to continue due to the terms of the District's health and dental insurance plan, as described above in "(c)," on a yearly basis the amount of the District's premium payments shall be deposited into an HRA account on behalf of the Superintendent for reimbursement of health insurance premium payments made by the Superintendent. These HRA payments shall cease (1) when the Superintendent becomes eligible for Medicare or (2) when the number of years of premium payments the Superintendent has earned under "(b)," above, has expired, whichever occurs earlier. The HRA payments are conditioned on and subject to applicable legal limitations, including IRS regulations. The District's HRA payments that are being made under this paragraph "(e)" shall be suspended for any period of time the Superintendent holds subsequent employment meeting the conditions described above in "(d)," and shall commence again when the Superintendent no longer holds such employment. In no event, however, will the District make HRA payments after the Superintendent becomes eligible for Medicare.
- (f) If the Superintendent dies before all or a portion of the District's premium payments as described above, the remaining premium payments shall be made on behalf of the Superintendent's spouse should she continue to be eligible for and remain enrolled in the District's group health and dental insurance plans. Such premium payments shall cease upon the earliest of one of these events: (1) the number of years of continued premium payments earned by the Superintendent has been exhausted; (2) the Superintendent's spouse reaches Medicare eligibility; or (3) the Superintendent's spouse obtains employment that provides equivalent health and dental insurance as described above in "(c)." The Superintendent's spouse is obligated to fully cooperate with the District and timely provide information as requested by the District in order for it to determine whether any subsequent employment obtained by the spouse results in the cessation of the District's premium payments.
- (g) Sunset: The benefits and payments described in this Section 6 shall sunset and not be available to any new Superintendent hired by the District on or after December 2, 2019

ARTICLE VI PROFESSIONAL GROWTH AND REIMBURSEMENT

Section 1: Professional Growth Conferences and Meetings. The School Board recognizes the importance of having the Superintendent attend and participate in conferences and meetings for professional growth. Accordingly, the Superintendent is encouraged and expected to attend

appropriate professional meetings at the local, state, and national level. The District will pay, or reimburse the Superintendent for, all valid, reasonable, and necessary expenses associated with the Superintendent's travel to and attendance at such conferences and meetings whenever his attendance is required or permitted by the School Board. The Superintendent must periodically report to the School Board about the meetings and conferences he has attended. To receive reimbursement for expenses, the Superintendent must file itemized expense statements in compliance with School Board policy and law. Notwithstanding any other provision in this Contract, the Board in its sole discretion may limit the number and type of conferences and conventions the Superintendent may attend. Such a limit will not take effect until written notice of the limit is provided to the Superintendent.

Section 2: Dues. The Superintendent is encouraged to belong to appropriate professional and civic organizations. Accordingly, the District will pay the dues for organizations that are mutually agreed upon by the Superintendent and the School Board Chair.

Section 3: Business Expenses. The District will reimburse the Superintendent for reasonable and necessary expenses that he incurs in the course of conducting District business. To obtain reimbursement, the Superintendent must file itemized expense statements in compliance with School Board policy and law. The School Board retains the ultimate discretion to approve or deny an expense. The Superintendent is encouraged to seek approval for significant expenses in advance of incurring the expense. Notwithstanding any other provision in this Contract, the Board in its sole discretion may further define and limit the number and type of expenses for which the Superintendent may claim reimbursement.

ARTICLE VII MISCELLANEOUS

Section 1: Outside Activities. Although the Superintendent must devote full time and due diligence to the affairs and the activities of the District, he may also serve as a consultant to other Districts or educational agencies, lecture, engage in writing and speaking activities, and engage in other activities if, as solely determined by the School Board, such activities do not impede the Superintendent's ability to perform the duties of the superintendent. However, the Superintendent may not engage in other employment, consultant service, or other activity for which a salary, fee, or honorarium is paid without the prior approval of the School Board Chair.

Section 2: Indemnification and Provision of Counsel. In the event that an action is brought or a claim is made against the Superintendent arising out of or in connection with his employment and he is acting within the scope of employment or official duties, the District will defend and indemnify the Superintendent to the extent required by law. Indemnification, as provided in this Section, will not apply in the case of malfeasance in office or willful or wanton neglect of duty. In addition, the District's obligation to defend and indemnify the Superintendent is subject to the limitations stated in Minnesota Statutes Chapter 466 and the case law interpreting that statute.

Section 3: Jury Duty. If the Superintendent serves on jury duty during the term of this Contract, he will receive full pay from the District, without deduction from accumulated vacation or sick leave, provided that he submits to the District any compensation he received from being called to sit as a juror.

Section 4: Mandatory Disclosure. Before entering into this Contract, the Superintendent must disclose, in writing, the existence and terms of any buyout agreement, including amounts and the

purpose for the payments, relating to his contract with another school board. For purposes of this Contract, a “buyout agreement” is any agreement under which the Superintendent was employed as a superintendent; left before the term of the contract was over; and received a sum of money, something else of value, or the right to something of value for some purpose other than performing the services of a superintendent. The failure to make such a disclosure will render this Contract void as a matter of law.

Section 5: Severability. If a court of law determines that any provision of this Contract is invalid or unenforceable by operation of law, the remainder of the Contract will remain in full force and effect.

Section 6: Entire Agreement. This Contract constitutes the entire agreement between the parties relating to the District’s employment of the Superintendent. Neither party has relied upon any statements or promises that are not set forth in this document. This Contract supersedes any and all prior agreements between the parties and any inconsistent provisions in any employee handbook or District policy. The Superintendent understands and agrees that any handbooks, manuals, or policies adopted by the District do not create an express or implied contract between the District and the Superintendent. No waiver or modification of any provision of this Contract will be valid unless it is in writing and signed by both parties.

IN WITNESS WHEREOF, the parties have voluntarily entered into this Contract on the dates shown below. This Contract will not become effective unless and until it is approved by the District’s School Board and signed by both parties.

I have subscribed my signature
this ____ day of December, 2019.

I have subscribed my signature
this ____ day of December, 2019.

Steven Unowsky

School Board Chair

School Board Clerk