DIRECTOR OF BUSINESS SERVICES CONTRACT

ARTICLE I
PURPOSE

This Contract is entered into between Independent School District No. 318, Grand Rapids, Minnesota, hereinafter referred to as the School District, and **Alex Kaczor**, hereinafter referred to as the Director of Business Services, who agrees to perform the duties of the Director of Business Services of the School District.

ARTICLE II
DURATION, SUBSEQUENT CONTRACT, EXPIRATION, TERMINATION DURING THE TERM, AND MUTUAL CONSENT

Section 1. Duration: This Contract is for the period beginning around January 5, 2026, and ending on June 30, 2027. It shall remain in full force and effect unless modified by mutual consent of the School Board and the Director of Business Services or unless terminated as provided in this Contract.

Section 2. Subsequent Contract:

Subd. 1. Notice by Director of Business Services: The Director of Business Services shall provide written notice to the Superintendent calling to the Superintendent's attention the notice requirements as contained in this section not less than one hundred twenty (120) calendar days prior to the expiration date of this Contract.

Subd. 2. Notice by Superintendent: Upon receipt of the notice addressed in Subd. 1., the Superintendent shall confer with the School Board and, no later than sixty (60) days prior to the expiration of this Contract, shall notify the Director of Business Services as to the School Board's intent to enter into a new Contract.

Subd 3. Expiration: This Contract shall expire at the end of the term specified in Section 1. above. At the conclusion of its term, neither party shall have any further claim against the other, and the School District's employment of the Director of Business Services shall cease, unless a subsequent Contract is entered into by the parties. In the event the parties fail to follow the time lines as provided in this Contract, the Director of Business Service's employment shall continue on a month-to-month basis until the School Board either enters into a subsequent Contract with the Director of Business Services or until the School Board provides sixty (60) calendar days of written notice of the termination of the Director of Business Service's employment.

Section 3. Termination During the Term: The Director of Business Service's employment may be terminated during the term of this Contract for just cause. The School District shall provide Director of Business Services with a written notice of termination, including the reasons for and effective date of the termination. The Director of Business Service's employment, pay and benefits shall cease on the effective date of the termination, regardless of whether the Director of Business Services requests a hearing, as described in this Section.

The Director of Business Services may request a hearing regarding the termination of his employment. Such request must be in writing and received by the Human Resource Director or her/his designee within 10 calendar days of the Director of Business Service's receipt of the notice of termination. If a request for hearing is not received within the 10-day period, the Director of Business Services will be deemed to have waived his right to a hearing and acquiesced to the termination of his employment. If the Director of Business Services properly requests a hearing, the School District shall appoint a hearing officer who shall preside over the hearing. The School District will notify the Director of Business Services of the name of the hearing officer and the date, time and location of the hearing. The Director of Business Services and the School District may be represented by legal counsel at the hearing and shall have an opportunity to present relevant evidence. The just cause standard shall be applied to

the termination; and within 30 calendar days of the close of the hearing, the hearing officer shall submit Findings of Fact, Conclusions and Recommendations to the School Board. The School Board, or a designated committee of the Board, shall consider the hearing officer's submission and the School Board will make a final, binding decision regarding the termination of the Director of Business Service's employment. The School District will provide the Director of Business Services with written notice of the School Board's decision.

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

Section 5. Strikes or work stoppages: In the event of a strike or work stoppage by other groups of District employees, Director of Business Services will consider themselves on duty for the purpose of carrying out Board policy and ensuring the safety of personnel and property and to continue in the regular daily operations as much as possible.

In no event will the compensation for employees covered by this agreement be halted or suspended due to a strike or work stoppage of other District employees.

ARTICLE III
DUTIES

The Director of Business Services shall serve as the Chief Business and Financial Officer of the School District and shall serve under the direction of the Superintendent. The Director of Business Services shall perform all duties incident to the position of Director of Business Services and such other duties as may be prescribed by the Superintendent and School Board from time to time. The Director of Business Services shall abide by the policies, regulations, rules, and procedures established by the School Board and the Commissioner of the Department of Education and shall abide by all Minnesota laws relating to the operation of the School District. The Director of Business Services shall attend School Board and other meetings as directed by the Superintendent and shall provide recommendations to the Superintendent regarding the financial and business affairs of the School District.

ARTICLE IV
DUTY YEAR AND LEAVES OF ABSENCE

Section 1. Basic Work Year: The Director of Business Service's duty year shall be for the entire twelve (12)-month Contract year, and the Director of Business Services shall perform duties on those legal holidays on which the School Board is authorized to conduct school if the School Board so determines. The Director of Business Services shall be on duty during any emergency, natural or unnatural, unless otherwise excused in accordance with School Board administrative policy. Calculation of the daily rate of pay will be annual salary divided by the number of Monday-Friday days in the fiscal year.

Section 2. Vacation: The Director of Business Services shall earn 28 working days of annual paid vacation each Contract year. Vacation time will be pro-rated for partial years. Unused vacation can be accrued up to a maximum of fifty (50) days. The Director of Business Services may submit for pay at a per diem rate not to exceed 5 days per year. Any unused days not paid out will be carried into the next year, up to the accrual limit. The 5-day maximum payment or accumulation limits may be exceeded with the written approval of the Superintendent for unusual or emergency circumstances.

Upon voluntary termination of employment, the Director of Business Services shall be entitled to payment for any unused vacation days earned and accrued pursuant to the provisions of this section; however, if the Director of Business Services is involuntarily terminated, he/she shall not be entitled to unused earned and accrued vacation days.

Section 3. Holidays: The Director of Business Services shall be entitled to 13 paid holidays as designated by the School Board each Contract year.

A. Labor Day

B. Thanksgiving Day
C. Christmas Eve Day
D. Christmas Day
E. New Year's Day
F. Martin Luther King Jr. Day when school is not in session.
G. Good Friday
H. Fourth of July
I. Memorial Day
J. President's Holiday when school is not in session.
K. The day after Thanksgiving when school is not in session.
L. Easter Monday when school is not in session.
M. One floating holiday will be allowed each fiscal year (July 1 – June 30) at the individual employee's option.

Legal holidays falling on Saturday or Sunday will be observed on Friday or Monday as specified by Minnesota State Law, Statute 645.44.

Section 4. Sick Leave: The Director of Business Services shall accrue paid earned sick and safe leave at the rate of 1 day each working month. Sick leave may be used for the family members and usage reasons indicated in Minnesota's earned sick and safe time law. The Director of Business Services shall not be paid for any unused accumulated sick leave upon separation from employment with the School District, whether by resignation, retirement or termination.

Section 5. Workers' Compensation: Pursuant to M.S. Chapter 176, the Director of Business Services injured on the job in the service of the School District and collecting workers' compensation insurance may draw sick leave and receive full salary from the School District, the salary to be reduced by an amount equal to the insurance payments, and only that fraction of the days not covered by insurance will be deducted from accrued sick leave.

Section 6. Bereavement Leave: The Director of Business Services shall be granted bereavement leave for a death within the Director of Business Service's immediate family. The time utilized shall be in an amount to be determined after conferring with the Superintendent. Days utilized will not be deducted from the Director of Business Service's sick leave. "Immediate family" is defined as the Director of Business Service's spouse, child, spouse's child, brother, sister, mother, father, grandfather, grandmother, spouse's grandparent, grandchild, father-in-law, mother-in-law, brother-in-law, sister-in-law.

Section 7. Emergency Leave: The Director of Business Services may be granted a maximum of one day paid emergency leave at the discretion of the Superintendent.

Section 8. Court Duty Leave:

Jury Duty: An employee serving on jury duty will be paid an amount which, together with stipend received for jury duty, will be equal to said employee's regular wage in accordance with State law.

Court Duty in relation to position with School District: An employee appearing in court under subpoena relating to their employment with the school district will be paid an amount which, together with salary received for witness fees, will be equal to said employee's regular wage.

Court Duty for non-district purpose: An employee, when subpoenaed as a witness, defendant, or plaintiff, shall be granted a day of emergency leave, if annual emergency day is available, without loss of pay. Time beyond available emergency leave will result in either the use of paid personal leave (if available) or an approved absence without pay.

Court Duty in relation to litigation between employee and the District: If the employee's absence is caused by litigation between the employee and the district, the absence will result in an approved absence without pay.

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

Section 10. Insurance Application: A Director of Business Services on unpaid leave is eligible to continue to participate in group insurance programs if permitted under the insurance policy provisions. The Director of Business Services shall pay the entire premium for such insurance commencing with the beginning of the leave and shall pay to the School District the monthly premium in advance. In the event the Director of Business Services is on paid leave from the School District under Section 4. above or supplemented by sick leave pursuant to Section 5 above, the School District will continue insurance contributions as provided in this Contract until sick leave is exhausted. Thereafter, the Director of Business Services must pay the entire premium for any insurance retained.

ARTICLE V
INSURANCE

Section 1. Health and Hospitalization Insurance: The School District shall provide the Director of Business Services and Director of Business Service's dependents with health and hospitalization insurance coverage, under the School District's group health and hospitalization plan. The District will contribute 100% of the cost of the premium for a single coverage plan. The District will contribute 90% of the cost of the premium for a family coverage plan, except that at no time shall the District be responsible for contributions toward the premium for family coverage in an amount exceeding 100% of the premium during the immediately preceding plan year. The Director of Business Services will pay the remaining premium balance through payroll deduction.

The health insurance plan is a high deductible health plan with a Health Savings Account (HSA). The single plan will have the minimum required deductible to offer an embedded deductible plan. The family deductible will be double the single deductible. A HSA will be included in the plan. The district will contribute 50% of the deductible per year for each single and family plan. The Internal Revenue Service (IRS) requires that the minimum statutory deductibles for plans with HSAs be indexed for inflation. To remain compliant with IRS rules and offering an embedded deductible plan, the yearly deductibles will increase in future years. Increases will be the minimum required on a single plan to offer an embedded deductible, and family deductibles will be double the single.

HSA contributions will be prorated for partial years of service, partial years on the plan, or movement mid-year between single or family plans. Proration will be calculated by taking the annual contribution and dividing by 12 months in the year. The employee will receive that calculated monthly amount for each month they are enrolled in the plan, at the level they are enrolled in (single or family). In the event the district decides to change the medical plan year, and a shortened medical plan year is needed to implement the new plan year, the district will contribute the full years HSA contribution for the partial year.

Subd. 1. Surviving Spouse: After the death of an active or retired member, the surviving spouse and dependents, if any, will be allowed to remain in the group health plan until he/she dies. There will be no contribution made by the district for the surviving spouse and dependents. The surviving spouse and dependents, if any, must have been a member of the group medical insurance at the time of the member's death.

Section 2. Health Care Savings Plan: The Director of Business Services will receive District contributions to a Health Care Savings Plan in the following manner:

The district will contribute $1,000 annually (pro-rated for partial years) to the Minnesota State Retirement System (MSRS) Health Care Savings Plan (HCSP) account for the Director. This contribution will continue annually for the duration of active employment as an administrator in ISD #318.

Section 3. Life Insurance: The School District shall provide, at its own expense, term life insurance for the Director of Business Services under the School District's group term life insurance plan in the amount of $150,000 payable to the Director of Business Service's named beneficiary(ies). Additional insurance may be purchased by the employee.

Section 4. Long-Term Disability Insurance: The School District shall provide, at its own expense, long-term disability insurance for the Director of Business Services under the School District's group long-term disability insurance plan.

Section 5. Eligibility: The eligibility of the Director of Business Services and the Director of Business Service's dependent(s) and beneficiary(ies) for insurance benefits shall be governed by the terms of the insurance policies purchased by the School District pursuant to this article.

Section 6. Claims Against the School District: The School District's only obligation is to purchase the insurance policies described in this article, and no claim shall be made against the School District as a result of denial of insurance benefits by an insurer if the School District has purchased the policies and paid the premiums described in this article.

ARTICLE VI
OTHER BENEFITS

Section 1. Tax-Sheltered Annuities: The Director of Business Services is eligible to participate in a tax-sheltered annuity plan through payroll deduction established pursuant to Section 403(b) or Section 457 of the Internal Revenue Code of 1986, School District policy, and as otherwise provided by law.

Section 2. Deferred Compensation Matching Program:

1. The district will provide $2,000/year matching contribution (pro-rated for partial years).
2. Minimum contribution of $2,000/year from the Director of Business Services is required to receive the Maximum match.
3. The Director of Business Services must use the deferred compensation election during the eligible period or lose it.
4. The plan is subject to the rules of the State of Minnesota Deferred Compensation Plan, as entitled under State Statute 352.965 or 123B.02, Subd. 15.

Section 3. Vehicle: The School District shall compensate the Director of Business Services for business use of his/her private vehicle at the mileage reimbursement rate as set by School Board Policy.

Section 4. Conferences and Meetings: The School District shall pay all legally valid expenses and fees for the Director of Business Service's attendance at professional conferences and meetings with other educational agencies when such attendance is required, directed, or permitted by the Superintendent or School Board. The Director of Business Services shall periodically report to the Superintendent relative to all meetings and conferences attended. The Director of Business Services shall file itemized expense statements to be processed and approved as provided by School Board policy and law.

ARTICLE VII
SALARY

The Director of Business Services shall be paid a prorated annual salary of $133,500 for the 2025-2026 contract year and $136,504 during the 2026-2027 contract year. The annual salary may be modified, but shall not be reduced, during the term of this Contract. The salary shall be paid in equal installments during the Contract year.

Career Increment: Career Increments will be added to the Director of Business Service's salary who has served in a school district Director of Business Services or Business Manager role for at least the number of years designated according to the following schedule.

3 years:	$4,000
5 years:	$5,500
7 years:	$7,000

9 years: $8,500
11 years: $10,000

Certification Increment: An annual certification increment of $1,500 will be paid to the Director of Business Services who is an active Certified Public Accountant (CPA).

ARTICLE VIII
OTHER PROVISIONS

Section 1. Outside Activities: While the Director of Business Services shall devote full time and due diligence to the affairs and the activities of the School District, he/she may also serve as a consultant to other school districts or educational agencies, lecture, engage in writing and speaking activities, and engage in other activities if, as solely determined by the Superintendent, such activities do not impede the Director of Business Service's ability to perform the duties of the Director of Business Service's position. However, the Director of Business Services 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 Superintendent.

Section 2. Indemnification and Provision of Counsel: In the event that an action is brought or a claim is made against the Director of Business Services arising out of or in connection with his/her employment and the Director of Business Services is acting within the scope of employment or official duties, the School District shall defend and indemnify the Director of Business Services to the extent permitted by law. Indemnification, as provided in this section, shall not apply in the case of malfeasance in office or willful or wanton neglect of duty, and the obligation of the School District in this regard shall be subject to the limitations as provided in M.S. Chapter 466.

Section 3. Dues: The Director of Business Services is encouraged to belong to and participate in appropriate professional, educational, economic development, community, and civic organizations when such membership will serve the best interests of the School District. Accordingly, the School District will pay the membership dues for such organizations as are required, directed, or permitted by the Superintendent or the School Board. The Director of Business Services shall present appropriate statements for approval as provided by law.

Section 4. Computer Hardware and Software: The District shall provide appropriate computer hardware and software to the Director of Business Services for home use to enhance his/her efficiency and production. In the event of his/her termination of employment, the equipment and software will be returned to the district in working order.

ARTICLE IX
SEVERABILITY

The provisions of this Contract shall be severable, and if any such provision or the application of any such provision under any circumstances is held invalid, it shall not affect any other provisions of this Contract or the application of any provision thereof.

IN WITNESS WHEREOF, I have subscribed my signature this 8th day of Jan, 2026.

Alex Kaczor
Director of Business Services
Alex Kaczor

IN WITNESS WHEREOF, we have subscribed our signatures this 15 day of December, 2025.

School Board Chair

School Board Clerk