SUPERINTENDENT 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 Matthew Grose, hereinafter referred to as the Superintendent, a legally qualified and licensed Superintendent who agrees to perform the duties of the Superintendent of the School District.

ARTICLE II
APPLICABLE STATUTE

This Contract is entered into between the School District and the Superintendent in conformance with M.S. 123B.143.

ARTICLE III
LICENSE

The Superintendent shall furnish the School Board, throughout the life of this Contract, a valid and appropriate license to act as Superintendent in the State of Minnesota as provided by applicable laws, rules, and regulations.

ARTICLE IV
DURATION, EXPIRATION, TERMINATION DURING THE TERM, MUTUAL CONSENT, AND CONTINGENCY

Section 1. Duration: This Contract is for a term of three (3) years commencing on July 1, 2025, and ending on June 30, 2028. It shall remain in full force and effect unless modified by mutual consent of the School Board and the Superintendent or unless terminated as provided in this Contract.

Section 2. Expiration: Should it be the School Board's intent to not renew the Superintendent's contract at the expiration of the term, the School Board shall notify the Superintendent by November 1 of the year preceding the expiration of the term. Failure to notify the Superintendent by this date shall entitle the Superintendent to a one-year extension of the previous agreement. At the conclusion of its term, neither party shall have any further claim against the other, and the School District's employment of the Superintendent shall cease, unless a subsequent Contract is entered into in accordance with M.S. 123B.143, Subd. 1., or by failure to notify by November 1. Three (3) to six (6) months prior to the expiration of this Contact, at the Superintendent's written request, the School board shall conduct a performance evaluation of the Superintendent pursuant to M.S. 13D.05, Subd. 3.

Section 3. Termination During the Term: The Superintendent's employment may be terminated during the term of this Contract only for cause as defined in M.S. 122A.40, Subd. 9. and Subd. 13., but, except for purposes of describing grounds for discharge, the provisions of M.S. 122A.40 shall not be applicable. If the School Board proposes to terminate the Superintendent during the term of this Contract for cause as described in M.S. 122A.40, Subd. 9. or Subd. 13., it shall notify the Superintendent in writing of the proposed grounds for termination. The Superintendent shall be entitled to a hearing before an arbitrator provided the Superintendent makes such a request in writing to the School Board Chair within fifteen (15) calendar days after receipt of the written notice of the proposed termination. In such event, the parties shall jointly petition the Minnesota Bureau of Mediation Services (BMS) for a list of five (5) arbitrators. The arbitrator shall be selected by the parties through the striking process as provided by BMS rules. The arbitrator shall conduct a hearing under arbitration procedure rules and issue a written decision. The decision of the arbitrator shall be final and binding on the parties, subject to judicial review of arbitration decisions as provided by law. The Superintendent may be suspended with pay pending final

determination by the arbitrator. If the Superintendent fails to request a hearing as provided in this section within the fifteen (15) day calendar period, he/she shall be deemed to have acquiesced to the School Board's proposed action, and the proposed action shall become final on such date as determined by the School Board, and the Superintendent shall have no further claim or recourse.

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

Section 5. Contingency: If this Contract is a subsequent Contract entered into prior to the completion of an existing Contract, this subsequent Contract is contingent upon the Superintendent completing the terms of the existing Contract.

ARTICLE V
DUTIES

The Superintendent shall have charge of the administration of the schools under the direction of the School Board. The Superintendent shall be the chief executive officer of the School District; shall direct and assign teachers and other School District employees under the Superintendent's supervision; shall organize, reorganize, and arrange the administrative and supervisory staff, including instruction and business affairs, as best serves the School District subject to the approval of the School Board; shall select all personnel subject to the approval of the School Board; shall, from time to time, suggest policies, regulations, rules, and procedures deemed necessary for the School District; and, in general, perform all duties incident to the office of the Superintendent and such other duties as may be prescribed by the School Board from time to time. The Superintendent shall abide by the policies, regulations, rules, and procedures established by the School Board and the State of Minnesota. The Superintendent shall have the right to attend all School Board meetings and all School Board and citizen committee meetings, serve as an ex-officio member of the School Board and all School Board committees, and provide administrative recommendations on each item of business considered by each of these groups.

ARTICLE VI
DUTY YEAR AND LEAVES OF ABSENCE

Section 1. Basic Work Year: The Superintendent's duty year shall be for the entire twelve (12)-month Contract year, and the Superintendent shall perform duties on those legal holidays on which the School Board is authorized to conduct school if the School Board so determines. The Superintendent shall be on duty during any emergency, natural or unnatural, unless otherwise excused in accordance with School Board administrative policy.

Section 2. Vacation: The Superintendent shall earn twenty-seven (27) working days of annual paid vacation each Contract year. Partial years will be prorated. Unused vacation can be accrued up to a maximum of fifty (50) days. The Superintendent may submit for pay at a per diem rate not to exceed 5 vacation 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 School Board Chair. Upon voluntary termination of employment, the Superintendent shall be entitled to payment for any unused vacation days earned and accrued pursuant to the provisions of this section; however, if the Superintendent is involuntarily terminated, he/she shall not be entitled to unused earned and accrued vacation days.

Section 3. Holidays: The Superintendent shall be entitled to fourteen (14) 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. Juneteenth
I. Fourth of July
J. Memorial Day
K. President's Holiday when school is not in session.
L. The day after Thanksgiving when school is not in session.
M. Easter Monday when school is not in session.
N. One day will be allowed from Christmas Eve day through New Year's Eve day as a floating holiday

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 Superintendent shall accrue paid earned sick and safe leave at the rate of one (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 Superintendent 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 Superintendent 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 Superintendent shall be granted bereavement leave for a death within the Superintendent's immediate family. The time utilized shall be in an amount to be determined after conferring with the School Board Chair. Days utilized will not be deducted from the Superintendent's sick leave. "Immediate family" is defined as the Superintendent's spouse, child, parent, brother, sister, grandparent, or grandchild.

Section 7. Emergency Leave: The Superintendent may be granted paid emergency leave at the discretion of the School Board.

Section 8. Jury Service: The Superintendent who serves on jury duty shall be granted the day or days necessary as stipulated by the court to discharge this responsibility without any salary deduction or loss of basic leave allowance. The compensation received for jury duty service shall be remitted to the School District.

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

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

Section 11. Insurance Application: A Superintendent on unpaid leave is eligible to continue to participate in group insurance programs if permitted under the insurance policy provisions. The Superintendent 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 Superintendent 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 Superintendent must pay the entire premium for any insurance retained as allowed by law.

ARTICLE VII
INSURANCE

Section 1. Health and Hospitalization: The School District shall provide the Superintendent and the Superintendent's dependents with health and hospitalization insurance coverage under the School District's group health and hospitalization insurance plan. The School District shall contribute 90% of the premium cost for a family plan or 100% of the premium cost for a single 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 balance of the premium shall be paid by the Superintendent 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, currently 3,300 per year for plan years beginning in 2025, and 3,400 for plan years beginning in 2026. The family deductible will be double the single deductible, currently 6,600 for the plan year beginning in 2025 and 6,800 for the plan year beginning in 2026. A HSA will be included in the plan. Each year the district will contribute funds into the policyholder's HSA that equals 50% of the deductible for the plan chosen (single or family). In the event the employee notifies the district they are not eligible for a HSA, no money will be paid into an HSA for the employee, and no additional benefits will be made in lieu of the HSA contributions. 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.

In the event this Contract will cause or does cause penalties, fees, or fines to be assessed against the School District, the parties agree to reopen negotiations that result 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 School District's contribution toward the Superintendent'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 2. Life Insurance: The School District shall provide, at its own expense, term life insurance for the Superintendent under the School District's group term life insurance plan in the amount of $150,000, payable to the Superintendent's named beneficiary(ies). The amount of Basic Life and AD&D Insurance and Optional Life Insurance reduces starting at age 70. The contract will follow the schedule as per our agreement with the life insurance provider.

Section 3. Long-Term Disability Insurance: The School District shall provide, at its own expense, long-term disability insurance for the Superintendent under the School District's group long-term disability insurance plan.

Section 4. Health Care Savings Plan: 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 Superintendent. This contribution will begin in the first year of employment and continue annually for the duration of active employment as an administrator in ISD #318.

Section 5. Tax-Sheltered Annuities: The Superintendent is eligible to participate in a tax-sheltered annuity plan through payroll deduction established pursuant to Section 403(b) of the Internal Revenue Code of 1986, M.S. 123B.02, Subd. 15., School District policy, and as otherwise provided by law.

The district will provide $3,000/year matching contribution. Minimum contribution of $3,000/year from the Superintendent is required to receive the maximum match. The plan is subject to the rules of the State of Minnesota Deferred Compensation Plan, as entitled under State Statute 352.965 and IRC Section 457.

Section 6. Eligibility: The eligibility of the Superintendent and the Superintendent'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 7. 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 VIII
OTHER BENEFITS

Section 1. Vehicle: The School District shall compensate the Superintendent for business use of his/her private vehicle at the IRS rate per mile pursuant to M.S. 471.665, Subd. 1.

Section 2. Conferences and Meetings: The School District shall pay all legally valid expenses and fees for the Superintendent's attendance at professional conferences and meetings with other educational agencies when such attendance is required, directed, or permitted by the School Board. The Superintendent shall periodically report to the School Board relative to all meetings and conferences attended. The Superintendent shall file itemized expense statements to be processed and approved as provided by School Board policy and law.

Section 3. Tuition Reimbursement: The Board shall reimburse the Superintendent for tuition costs incurred for graduate level courses at an accredited institution of higher education that are part of a formal program of study leading to the awarding of a Doctoral Degree in an area or discipline judged to be of benefit to the Board. The Superintendent shall seek approval from the Board Chair prior to enrolling in any graduate course of study. In the event the Superintendent resigns, he shall return to the district any tuition reimbursement received in the two previous calendar years. The maximum annual reimbursement is $12,000. All applicable taxes will be applied to the reimbursement.

ARTICLE IX
SALARY

The Superintendent shall be paid an annual salary of $182,580 for the 2025-2026 and 2026-2027 contract years. The salary for the 2027-2028 contract year will be negotiated by 6/30/2027. During the term of this Contract, the annual salary may be modified but shall not be reduced. The annual salary shall be paid in equal installments during the Contract year.

Career Increment: The full career increment amount listed will be added to the employee's base salary at the start of the fiscal year after the employee reaches the listed years of service in ISD 318.

3 years:	$4,000
5 years:	$6,000
7 years:	$8,000
9 years:	$10,000
11 years:	$12,000

ARTICLE X
OTHER PROVISIONS

Section 1. Outside Activities: While the Superintendent 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 School Board, such activities do not impede the Superintendent's ability to perform the duties of the Superintendency. 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.

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/her employment and the Superintendent is acting within the scope of employment or official duties, the School District shall defend and indemnify the Superintendent to the extent provided 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 Superintendent 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 School Board. The Superintendent shall present appropriate statements for approval as provided by law.

ARTICLE XI
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, we have subscribed our signatures on this ____ day of _____, 20____.

_____ Superintendent
Matthew Grose

_____ School Board Chair
Mark Schroeder

_____ School Board Clerk
David Marty