

IOWA - MINNESOTA TUITION RECIPROCITY AGREEMENT

This agreement is entered into pursuant to Iowa Code Section 282.8 and Minnesota Statutes Sections 124D.04 and 124D.05, permitting attendance of resident students of one state to attend school in the other under the terms and conditions set forth below.

Parties. The parties hereto are the Iowa Department of Education [herein "Iowa DOE"] and the Minnesota Department of Education [herein "Minnesota DOE"].

Purposes. The purposes of this agreement are: (1) to provide individual Minnesota students the opportunity to attend an Iowa school district with the consent of both school districts and (2) to provide individual Iowa students the opportunity to attend a Minnesota school district with the consent of both school districts. The intent is to establish rates that are equal and reciprocal for non-special education students of the same grade level going between the two districts that have the agreement. It is also the intent that any reduction in tuition rates pursuant to this agreement would not result in a substantial variance from what the tuition rates would be for students not eligible under this agreement. This agreement is not open enrollment as defined in Iowa Code or Minnesota Statutes, and sharing under this agreement is not eligible for Iowa supplementary weighting.

Duration of Agreement. This agreement shall commence on the 1st day of August, 2014, effective initially for the 2014-15 school year, and, subject to renewal, terminate on the 30th day of June, 2020. This agreement may be renewed by the parties for periods of time not to exceed eight (8) years. All such renewals shall be in writing.

Termination. This agreement shall terminate if the enabling statutory authority in either state is rescinded. Otherwise, this agreement shall terminate upon mutual agreement of the parties, providing that affected school districts in both states receive no less than 180 days notice of the termination, or upon unilateral notice of termination from one party to the other received no less than one year prior to the termination. In the event of unilateral termination of this agreement, both state departments of education shall notify all affected school districts no less than 180 days prior to the termination.

Disclaimer. This tuition agreement does not apply to enrollment of students pursuant to parental choice where the affected school districts do not have an agreement under which the student qualifies, or the student has been placed in a facility in the adjoining state by the Department of Human Services or the court system, or where the distance to the appropriate attendance center in the adjoining state is not closer than any appropriate attendance center in the student's district of residence or any appropriate attendance center in the student's resident state. If this tuition agreement does not apply, the tuition rate would be the usual tuition rate that would be charged to an out-of-state student, without regard to this agreement, in the receiving state.

Part I.
Attendance of Individual Students from Minnesota to Iowa
Pursuant to Parental Choice
See Appendix A

I – Procedure. A resident student of Minnesota may attend a contiguous Iowa school district pursuant to this Part of the agreement if the student resides closer to the appropriate Iowa attendance center than to any appropriate attendance center in the student's district of residence and if there is an agreement between the boards of the two affected school districts consistent with the reciprocal agreement approved by both the Iowa Department of Education and the Minnesota Department of Education.

The agreement reached between the local school boards is not required to be filed with the Iowa or Minnesota Secretary of State, but is a public document and must be made available to any person requesting a copy.

Under this method, a Minnesota student may attend an Iowa school district if the parent or guardian of the student files for interstate enrollment to the Iowa school district under the following application procedure.

a. The parent or guardian of a student who is a resident of Minnesota and is eligible to attend a school in an Iowa school district may file an application in order for the student to attend school in the receiving district. The application shall be on a form provided by the affected districts.

b. The student must be at least 5 and under 21 years of age as of July 1 for enrollment the following school year and will not have reached age 21 by September 15th of the school year.

The student must not have graduated, completed the graduation requirements and classmates have graduated, or successfully completed a high school equivalency test.

c. Once enrolled in a receiving district, the student may remain enrolled in the receiving district and is not required to submit annual or periodic applications.

d. The school board of the student's district of residence shall transmit the application to the receiving district within 7 days of receipt of the application.

e. Within 10 days of approval or denial of the application, the receiving district shall notify the resident district and the parent or guardian of the student.

f. Notice of intent to enroll in the receiving district obligates the student to attend the receiving district during the following school year unless the school boards of the resident and receiving districts agree in writing to allow the student to transfer back to the resident district or the student's parent or guardian relocates to another district.

g. All notices required to be given by one school district to the other under this Agreement, unless specifically provided otherwise, must be in writing and sent to the school board president at the school district administrative offices.

h. A receiving district shall accept credits toward graduation awarded by the resident district provided the credits meet state and local requirements for graduations from the receiving district. The receiving school district must award a diploma to a receiving student attending the receiving school so long as the student meets all state and local requirements for receipt of a diploma.

i. The school board of the receiving district may deny an application only if the application will result in overcrowding of the class, grade level, or school building attended by the student involved.

I – Finances. The Minnesota district of residence shall pay to the Iowa district an amount of tuition to be agreed upon by MN DOE and Iowa DOE, which must equal the lower tuition rate of the affected school districts in the previous school year. For purposes of this part, “tuition rate” for an Iowa school district means the maximum tuition rate pursuant to Iowa Code, Section 282.24, for the previous school year, and “tuition rate” for a Minnesota school district for fiscal years 2016 and later means the district’s general education revenue for the previous fiscal year as defined in Minnesota Statutes, Section 126C.10, subdivision 1, excluding location equity revenue, basic skills revenue, extended time revenue, transportation sparsity revenue and 4.66 percent of basic revenue, divided by the district’s adjusted pupil units and multiplied by the pupil unit weighting factor as defined in Minnesota Statutes, section 126C.05, subdivision 1 for the grade level in which the student is enrolled. For fiscal year 2015, “tuition rate” for a Minnesota school district means 97 percent of the tuition rate computed for fiscal year 2016. The tuition rate is subject to renewal annually in accordance with the provisions of this agreement. The same tuition rate applies to all students in the same grade level residing in a Minnesota district and enrolling in an Iowa district under this Part or residing in the same Iowa district and enrolling in the same Minnesota district under Part II. The determination of which is the lower rate must be determined on a grade-by-grade basis.

The LEA-level agreement shall not authorize any Iowa school district to include any resident student of Minnesota in the Iowa school district’s certified enrollment for receipt of public funding from the state of Iowa or authorize any provision to waive tuition.

I – Transportation. Unless the affected school districts agree to the contrary, transportation of a resident student of Minnesota attending an Iowa school district under this Part of the agreement is the sole responsibility of the student’s parent or guardian. If the affected school districts create a transportation agreement, the amount shall not be less than the lower cost per mile for yellow school buses for the previous year of the two affected school districts.

I – Students with Disabilities.

1. The provision of special education and related services under this agreement shall be pursuant to the Individuals with Disabilities Education Act (IDEA), 20 USC § 1400 et. seq., its regulations, 34 C.F. R. Part 300, statutes and rules of the state of Iowa, the policies and procedures of the Iowa Department of Education, and the policies and procedures of the attending Area Education Agency (AEA) and Local Education Agency (LEA) (“Iowa standards”). If a Minnesota resident student has an Individualized Education Program (IEP), the attending AEA and LEA (in consultation with the parents) must provide the child with a Free Appropriate Public Education (including services comparable to those described in the child’s IEP from the previous public agency), until

the new public agency - (1) conducts an evaluation according to §§ 300.320 through 300.324 and Iowa standards if determined to be necessary, under Iowa standards, by the attending AEA and LEA, and (2) develops, adopts, and implements a new IEP, if appropriate, that meets the applicable requirements in §§ 300.320 through 300.324 and Iowa standards. The procedural safeguards (including but not limited to mediation, state complaints, and due process complaints) of Iowa shall apply. The Minnesota resident district shall be responsible for paying the costs, as defined in paragraph (2) of this section, of special education and related services for each resident child with a disability who is served by the attending AEA and LEA.

2. For purposes of this agreement a Minnesota student, accepted to attend an Iowa district, as specified in paragraphs 3-6, will be maintained on the sending district's MN Child Count for funding purposes. The Minnesota disability level for which the student is assigned must be agreed upon by representatives of the resident and receiving district. If the request to transfer is granted and the disability level is agreed upon, the receiving district will provide the services for the student to receive a free appropriate public education at the agreed rate of the disability level, in addition to the tuition rate set out in this agreement.

3. A request to transfer a student in need of special education or special education and related services may be granted only if the receiving district:

- a) Upon receipt of an interstate enrollment application, obtains copies of all relevant student education records on the student applying to transfer from the resident district;
- b) Completes a review of those relevant student education records; and
- c) Directly communicates with the student's parent or guardian and representatives of the resident district regarding the student's special education or special education and related services' needs.

4. If the receiving district confirms, based on the records review and communications with the student's parent or guardian and representatives of the receiving district, that it can provide an appropriate instructional program and facilities, including transportation, if necessary, to meet the needs of the student, it may proceed to approve the application. If the receiving district determines that it is not able to make that confirmation, the receiving district shall initiate an individual education program team meeting consisting of representatives from both the resident and receiving districts and the student's parents or guardians to determine whether the receiving district can provide appropriate instructional program, facilities and transportation, if necessary. Parents or guardians have the right to use IDEA's procedural safeguards to challenge this decision

5. A request to transfer a student in need of special education or special education and related services may be denied only if the application will result in overcrowding of the class, grade level or school building in which the student is to enroll, or if an individual education program team consisting of representatives from the resident and receiving districts and the student's parents or guardian determine that the receiving district cannot provide an appropriate instructional program and facilities, including transportation, to meet the student's needs.

6. For each student in need of special education or special education related services, the resident school district will be invited to take part in an Individual Education Plan IEP

meeting. If it is determined that an out-of-district (that is, out-of-receiving-district) placement is needed for the student, the resident school district will be solely responsible for the education, related services and all expenses for that student.

7. The IEP team consisting of representatives from the resident and receiving districts and the student's parents or guardian shall also determine whether the student in need of special education requires transportation as a related service. If so, the resident district shall provide or ensure the provision of transportation within the boundaries of the resident district, and the receiving district shall provide or ensure provision of transportation within the boundaries of the receiving district.

I – Secondary Students' Eligibility to Participate in Interscholastic Athletics. I – The eligibility of a resident student of Minnesota attending an Iowa school district in grades 9 and above to compete in varsity-level interscholastic athletics on behalf of the Iowa school district is to be determined according to the open enrollment transfer rule in 281—Iowa Administrative Code rule 36.15(4).

Part II.

*Attendance of Individual Students **from Iowa to Minnesota** Pursuant to Parental Choice [See Appendix B]*

II – Procedure. A resident student of Iowa may attend a contiguous Minnesota school district pursuant to this Part of the agreement if the student resides closer to the appropriate Minnesota attendance center than to any appropriate attendance center in the student's district of residence and if there is an agreement between the boards of the two affected school districts consistent with the reciprocal agreement approved by both the Iowa Department of Education and the Minnesota Department of Education.

The agreement reached between the local school boards is not required to be filed with the Iowa or Minnesota Secretary of State, but is a public document and must be made available to any person requesting a copy.

II – Finances. The Iowa district of residence shall pay to the Minnesota district an amount of tuition to be agreed upon by MN DOE and Iowa DOE, which must equal the lower tuition rate of the affected school districts in the previous school year. For purposes of this part, "tuition rate" for an Iowa school district means the maximum tuition rate pursuant to Iowa Code, Section 282.24, for the previous school year, and "tuition rate" for a Minnesota school district for fiscal years 2016 and later means the district's general education revenue for the previous fiscal year as defined in Minnesota Statutes, Section 126C.10, subdivision 1, excluding location equity revenue, basic skills revenue, extended time revenue, transportation sparsity revenue and 4.66 percent of basic revenue, divided by the district's adjusted pupil units and multiplied by the pupil unit weighting factor as defined in Minnesota Statutes, section 126C.05, subdivision 1 for the grade level in which the student is enrolled. For fiscal year 2015, "tuition rate" for a Minnesota school district means 97 percent of the tuition rate computed for fiscal year 2016.

The tuition rate is subject to renewal annually in accordance with the provisions of this agreement. The same tuition rate applies to all students in the same grade level residing in a Minnesota district and enrolling in an Iowa district under Part I or residing in

the same Iowa district and enrolling in the same Minnesota district under this Part. The determination of which is the lower rate must be determined on a grade-by-grade basis.

II – Transportation. Unless the affected school districts agree to the contrary, transportation of a resident student of Iowa attending a contiguous Minnesota school district is the sole responsibility of the student's parent or guardian. If the affected school districts create a transportation agreement, the amount shall not be less than the lower cost per mile for yellow school buses for the previous year of the two affected school districts.

II – Students with Disabilities

1. The provision of special education and related services under this agreement shall be pursuant to the Individuals with Disabilities Education Act (IDEA) 20 USC § 1400 et. Seq., its regulations, 34 C.F.R. Part 300, the statutes and rules of the state of Minnesota, the policies and procedures of the Minnesota Department of Education, and the policies and procedures of the attending local Minnesota school district ("LEA"). If an Iowa resident student has an Individual Education Program ("IEP"), the attending LEA (in consultation with the parents) must provide the child with a Free Appropriate Public Education (including services comparable to those described in the child's IEP from the previous public agency), until the new public agency (1) conducts an evaluation pursuant to §§ 300.304 through 300.306 (if determined to be necessary by the receiving public agency, and (2) develops, adopts, and implements a new IEP if appropriate, that meets the applicable requirements in §§ 300.320 through 300.324 and under Minnesota Standards. The procedural safeguards (including but not limited to mediation, state complaints, and due process complaints) of Minnesota shall apply. The Iowa resident district shall be responsible for paying the costs, as defined in paragraph (2) of this section, of special education and related services for each resident child with a disability who is served by the attending LEA.

2. For purposes of this agreement an Iowa student, accepted to attend an Minnesota district, as specified in paragraphs 3-6, will be maintained on the sending district's Child Count for funding purposes. The disability level for which the student is assigned must be agreed upon by representatives of the resident and receiving district. If the request to transfer is granted and the disability level is agreed upon, the receiving district will provide the provisions for the student to receive a free appropriate public education for the student in need of special education or special education related services at the agreed rate of the disability level, in addition to the tuition rate set out in this agreement.

3. For a request to transfer a student in need of special education or special education and related services, the following information must be transmitted to and determined by receiving district:

- a) Upon receipt of an interstate enrollment application, copies of all relevant student education records on the student applying to transfer from the resident district;
- b) Completes a review of those relevant student education records; and
- c) Directly communicates with the student's parent or guardian and representatives of the resident district regarding the student's special education or special education and related services' needs.

4.A Minnesota LEA may deny a request to transfer to a receiving district based only on the reasons allowed in Minnesota Statutes, section 124D.04, including deadlines missed, statute enrollment has been reached, grade is closed district-wide by board action, or student denied because of expulsion reasons. If the receiving district confirms, based on the records review and communications with the student's parent or guardian and representatives of the receiving district, that it can provide an appropriate instructional program and facilities, including transportation, if necessary, to meet the needs of the student, it may proceed to approve the application. If the receiving district determines that it is not able to make that confirmation, the receiving district shall initiate an individual education program team meeting consisting of representatives from both the resident and receiving districts to determine whether the receiving district can provide appropriate instructional program, facilities and transportation, if necessary.

5. A request to transfer a student in need of special education or special education and related services may be denied only if the application will result in overcrowding of the class, grade level or school building in which the student is to enroll, or if an individual education program team consisting of representatives from the resident and receiving districts determine that the receiving district cannot provide an appropriate instructional program and facilities, including transportation, to meet the student's needs.

6. For each student in need of special education or special education related services, the resident school district and student's parents or guardian will be invited to take part in an Individual Education Plan (IEP) meeting. If it is determined that an out-of-district (that is, out-of-receiving-district) placement is needed for the student, the resident school district will be solely responsible for the education, related services and all expenses for that student.

7. The IEP team consisting of representatives from the resident and receiving districts and the student's parents or guardian, shall also determine whether the student in need of special education requires transportation as a related service. If so, the resident district shall provide or ensure the provision of transportation within the boundaries of the resident district, and the receiving district shall provide or ensure provision of transportation within the boundaries of the receiving district.

II – Secondary Students' Eligibility to Participate in Interscholastic Athletics. A resident student of Iowa attending a contiguous Minnesota school district in grades 9 and above is a transfer student, and such student's eligibility to compete in varsity-level interscholastic athletics on behalf of the Minnesota school district is to be determined according to the rules of the Minnesota High School Activities Association.

Part III

Sharing agreements between Iowa and Minnesota school districts for students in discontinued secondary school grades

III – Procedure. If there is an agreement between the boards of the two affected school districts and approved by both the Iowa Department of Education and the Minnesota Department of Education, school districts may enter into sharing agreements involving groups of students with a contiguous school district in the adjoining state.

The agreement reached between the local school boards is not required to be filed with the Iowa or Minnesota Secretary of State, but is a public document and must be made available to any person requesting a copy.

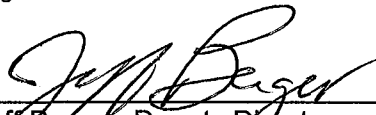
The Iowa school district involved must document its efforts to engage in a sharing agreement with other contiguous Iowa school districts prior to any agreement with the Minnesota school district.

III – Finances. Funding for these agreements shall be through tuition reimbursement. The tuition rate shall be the same as that computed under Parts I and II of this agreement for the two affected school districts. The tuition rate shall be recalculated annually in accordance with the provisions of this agreement.

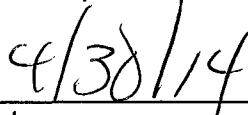
III – Transportation. The agreement between districts can address transportation issues.

III – Students with disabilities. Dependent on where the student is receiving educational services, the provisions in Part I and II of this agreement apply.


Signatures.



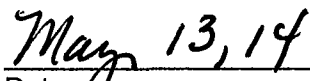
Jeff Berger, Deputy Director
Iowa Department of Education



Date



Dr. Brenda Cassellius, Commissioner
Minnesota Department of Education



Date

APPENDIX A

Iowa Code section 282.8 (Attending school outside state.)

The boards of directors of school districts located near the state boundaries may designate schools of equivalent standing across the state line for attendance of both elementary and high school pupils when the public school in the adjoining state is nearer than any appropriate public school in a pupil's district of residence or in Iowa. Distance shall be measured by the nearest traveled public road. Arrangements shall be subject to reciprocal agreements made between the chief state school officers of the respective states. Notwithstanding section 282.1, arrangements between districts pursuant to the reciprocal agreements made under this section shall establish tuition and transportation fees in an amount acceptable to the affected boards, but the tuition and transportation fees shall not be less than the lower average cost per pupil for the previous school year of the two affected school districts. For the purpose of this section average cost per pupil for the previous school year is determined by dividing the district's operating expenditures for the previous school year by the number of children enrolled in the district on the third Friday of September of the previous school year. A person attending school in another state shall continue to be treated as a pupil of the district of residence in the apportionment of the current school fund and the payment of state aid.

Iowa Code section 282.7(3) (Attending school outside state under Whole Grade Sharing)

A school district may negotiate an agreement for attendance of its pupils in a school district located in a contiguous state subject to a reciprocal agreement by the two state boards in the manner provided in this subsection. Prior the negotiating an agreement with the school district in the contiguous state, the board of directors shall file a written request with the state board of education for a determination whether the school district in the contiguous state meets requirements substantially similar to those required for accredited or approved school districts in this state and the school district receives or has available services equivalent to those that would be provided in this state by an area education agency. The school district shall also obtain approval by the department of education of the sharing proposal, before the agreement becomes effective. Six months before making the request for approval, the district shall request a feasibility study from the department of education. If the state board of this state and the corresponding state board in the contiguous state agree that the school districts of their respective states meet substantially similar requirements and have substantially similar services available to the school district, and if the Iowa department of education approves the proposed contract, the two state boards may sign a reciprocal agreement for attendance of their pupils in the school district of the other state, subject to the agreement signed between the boards of directors of the two districts. A school district that negotiates an agreement with a school district in a contiguous state under this subsection is not eligible for supplementary weighting under section 257.11 as a result of that agreement.

APPENDIX B

Minnesota Statutes, Section 124D.04

OPTIONS FOR ENROLLING IN ADJOINING STATES.

Subdivision 1. Options for enrollment in adjoining states.

Minnesota pupils and pupils residing in adjoining states may enroll in districts in the other state according to:

- (1) section 124D.05, subdivision 2; or
- (2) this section.

Subd. 2. Pupils in Minnesota.

A Minnesota resident pupil may enroll in a district in an adjoining state if the district to be attended borders Minnesota.

Subd. 3. Pupils in adjoining states.

Except as provided under an agreement with an adjoining state under section 124D.041, a non-Minnesota pupil who resides in an adjoining state in a district that borders Minnesota may enroll in a Minnesota district if either the board of the district in which the pupil resides or state in which the pupil resides pays tuition to the district in which the pupil is enrolled.

Subd. 4. Canadian pupils.

A pupil who resides in Canada may enroll in a Minnesota district if the province in which the pupil resides pays tuition to the district in which the pupil is enrolled. A pupil may enroll either full time or part time for all instructional programs and shall be considered eligible for all other purposes for all other programs offered by the district. The tuition must be an amount that is at least comparable to the tuition specified in section 124D.05, subdivision 1. A district may accept funds from any international agency for these programs.

Subd. 5. Procedural requirements.

Except as otherwise provided in this section, the rights and duties set forth in section 124D.03 apply to Minnesota pupils, parents, and districts if a pupil enrolls in a nonresident district according to this section.

Subd. 6. Tuition payments.

(a) In each odd-numbered year, before March 1, the commissioner must agree to rates of tuition for Minnesota elementary and secondary pupils attending in other states for the next two fiscal years when the other state agrees to negotiate tuition rates. The commissioner must negotiate equal, reciprocal rates with the designated authority in each state for pupils who reside in an adjoining state and enroll in a Minnesota district. The rates must be at least equal to the tuition specified in section 124D.05, subdivision 1. If the other state does not agree to negotiate a general tuition rate, a Minnesota school district may negotiate a tuition rate with the school district in the other state that sends a pupil to or receives a pupil from the Minnesota school district. The tuition rate for a pupil with a disability must be equal to the actual cost of instruction and services provided. The resident district of a Minnesota pupil attending in another state under this section must pay the amount of tuition agreed upon in this section to the district of attendance, prorated on the basis of the proportion of the school year attended.

(b) Notwithstanding paragraph (a) and subdivision 9, if an agreement is reached between the state of Minnesota and an adjoining state pursuant to section 124D.041, the provisions of section 124D.041 and the agreement shall apply to all enrollment transfers between Minnesota and the adjoining state, and provisions of paragraph (a) and subdivision 9 shall not apply.

Subd. 7. Transportation of students.

(a) The agreement under subdivision 6 with each state must specify that the attending district in each state transport a pupil from the district boundary to the school of attendance.

(b) Notwithstanding paragraph (a), the districts of residence and attendance may agree that either district may provide transportation from a pupil's home or agreed-upon location to school. Transportation aid for Minnesota students eligible for aid must be paid only for transportation within the resident district.

Subd. 8. Effective if reciprocal.

This section is effective with respect to any bordering state upon enactment of provisions by the bordering state that the commissioner determines are essentially similar to the provisions for Minnesota pupils in this section.

Subd. 9. Appeal to commissioner.

If a Minnesota school district cannot agree with an adjoining state on a tuition rate for a Minnesota student attending school in that state and that state has met the requirements in subdivision 8, then the student's parent or guardian may request that the commissioner set a tuition rate for the student. The Minnesota district must pay the amount of tuition the commissioner sets.

Minnesota Statutes, Section 124D.05

ATTENDING SCHOOL IN ANOTHER STATE; SEVERANCE PAY.

Subdivision 1. Attending school in another state.

Any person under 21 years of age residing in any district not maintaining a secondary school who has successfully completed the elementary school may, with the consent of the board of such district, attend any secondary school of a district in an adjoining state willing to admit the person, if the secondary school is nearer to the place of residence than any established secondary school in Minnesota, the distances being measured by the usual traveled routes. Any tuition charged by the district so attended must be paid to the district attended by the district in which the person resides. This tuition must not be more than (a) the district charges nonresident pupils of that state, (b) the average maintenance cost exclusive of transportation per pupil unit in average daily membership in the school attended, nor (c) the tuition rate provided for in section 123A.488, subdivision 2.

Any pupil attending a secondary school in an adjoining state for whom tuition is paid from district funds is entitled to transportation services in accordance with Minnesota Statutes.

Subd. 2. Tuition.

A board of a district maintaining a secondary school may by a majority vote provide for the instruction of any resident pupil attending an elementary school, a middle school, or a secondary school in a district in an adjoining state. Any charge for tuition or transportation by the district in the adjoining state must be paid by the resident district. The pupil must be considered a pupil of the resident district for the purposes of state aid.

Subd. 2a. Exception.

Notwithstanding subdivisions 1 and 2, if an agreement is reached between the state of Minnesota and an adjoining state pursuant to section 124D.041, the provisions of section 124D.041 and the agreement shall apply to all enrollment transfers between Minnesota and the adjoining state, and provisions of subdivisions 1 and 2 to the contrary, including provisions relating to tuition payments, shall not apply.

Subd. 3. Severance pay.

A district must pay severance pay to a teacher who is placed on unrequested leave of absence by the district as a result of an agreement under this section. A teacher is eligible under this subdivision if the teacher:

(1) is a teacher, as defined in section 122A.40, subdivision 1, but not a superintendent;

(2) has a continuing contract with the district according to section 122A.40, subdivision 7.

The amount of severance pay must be equal to the teacher's salary for the school year during which the teacher was placed on unrequested leave of absence minus the gross amount the teacher was paid during the 12 months following the teacher's termination of salary, by an entity whose teachers by statute or rule must possess a valid Minnesota teaching license, and minus the amount a teacher receives as severance or other similar pay according to a contract with the district or district policy. These entities include, but are not limited to, the district that placed the teacher on unrequested leave of absence, another district in Minnesota, an education district, an intermediate school district, a service cooperative, a board formed under section 471.59, a state residential academy, the Perpich Center for Arts Education, a vocational center, or a special education cooperative. These entities do not include a district in another state, a Minnesota public postsecondary institution, or a state agency. Only amounts earned by the teacher as a substitute teacher or in a position requiring a valid Minnesota teaching license shall be subtracted. A teacher may decline any offer of employment as a teacher without loss of rights to severance pay.

To determine the amount of severance pay that is due for the first six months following termination of the teacher's salary, the district may require the teacher to provide documented evidence of the teacher's employers and gross earnings during that period. The district must pay the teacher the amount of severance pay it determines to be due from the proceeds of the levy for this purpose. To determine the amount of severance pay that is due for the second six months of the 12 months following the termination of the teacher's salary, the district may require the teacher to provide documented evidence of the teacher's employers and gross earnings during that period. The district must pay the teacher the amount of severance pay it determines to be due from the proceeds of the levy for this purpose.

A teacher who receives severance pay under this subdivision waives all further reinstatement rights under section 122A.40, subdivision 10 or 11. If the teacher receives severance pay, the teacher must not receive credit for any years of service in the district paying severance pay prior to the year in which the teacher becomes eligible to receive severance pay.

The severance pay is subject to section 465.72. The district may levy annually according to section 126C.43 for the severance pay.