

Upcoming Deadlines for Renewal and Nonrenewal of Administrator Contracts

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Wisconsin law requires school boards to contract in writing with certain administrators and provides specific statutory procedures for the renewal or nonrenewal of these contracts. The renewal or nonrenewal of contracts must be accomplished by certain statutory deadlines; if not, the contracts automatically renew. It is important for boards to meet these statutory deadlines and to consider other terms in the contract, employee handbook, or board policy that may affect these deadlines. This FYI will briefly discuss these contract issues.

ADMINISTRATOR CONTRACTS

Wisconsin Statute Section 118.24 (the administrator contract renewal statute) discusses the employment and contracts of school district administrators, business managers, and school principals and their assistants. The contracts of personnel administrators and supervisors, curriculum administrators, and their assistants are also governed by Section 118.24, but only if the positions perform administrative duties exclusively. If an administrator falls within one of the categories above, the school board must have a written employment contract with the administrator and must file this contract with the school district clerk. There is no standard form contract or mandated language in such contracts.

If the position does **not** fall within one of the categories above, the position is not governed by Section 118.24 and the individual is not entitled to a contract under this statute. However, in some cases, even if the employee is not entitled to a contract under Section 118.24, the district may have provided a contract to an

employee which incorporates the statute. In that case the board should comply with Section 118.24. Districts officials should carefully review any positions and review any applicable board policies, handbooks, or other documents related to each position.

DURATION OF CONTRACTS

Administrators covered by Section 118.24 may be issued employment contracts for a term that does not exceed two years. The duration of contracts and the expiration date may vary from contract to contract. Contracts are usually either one year or two years in duration.

Contracts often identify the dates by which the contract will begin and end. For example, a contract may state as follows: "This contract shall cover a period of two (2) years beginning on July 1, 2022, and ending on June 30, 2024." Most administrator contracts end on June 30; however, the contract may end on another date. The expiration date of a contract term is a critical component regarding renewal/nonrenewal because deadlines are calculated from the termination date.

EXTENSION OF CONTRACT

Section 118.24 specifically states that "[a] contract for a term of 2 years may provide for one or more extensions of one year each." Based on this language, boards may include an extension clause in two-year contracts, but are not required to do so. Such extension provisions are **not** permitted by statute in contracts that are less than two years.

It is important to distinguish extension of a contract from renewal of the contract. Extension of a contract extends the contract for one year, and often any decision to extend the contract occurs around the middle of a two-year contract. Such extension is dependent on the specific contract language. For example, such extension language for a July 1, 2023, to June 30, 2025, contract may state as follows: "This contract may be extended on July 1, 2024, for an additional one (1) year (from July 1, 2025, to June 30, 2026) if the Board notifies the administrator in writing on or before June 15, 2024, that the contract is to be extended at the end of the then current two-year term." Extension language may differ from contract to contract. Any extension becomes the new contract expiration date for purposes of Section 118.24.

Section 118.24 does not provide specifics on what actions must occur for the contract to be extended. In the example above, the board must take action to notify the administrator in writing about the extension by a date certain. However, alternative language could permit an automatic extension at a specific date, unless the board acts to stop the automatic extension prior to that date. The parties will need to negotiate and be aware of the exact actions necessary for any extension.

RENEWAL/NONRENEWAL OF CONTRACT

Section 118.24 includes requirements related to the renewal and nonrenewal of administrator contracts. District officials need to be aware of the end date of such contracts and must plan many months in advance to ensure that action is taken to either renew or nonrenew such contracts.

Failure to take such action may result in automatic renewal of such contracts. The statute includes an automatic renewal provision, which states that, if a board fails to renew or nonrenew a contract, the contract will be renewed for a period of two years. Even a contract shorter than two years will be renewed for a period of two years if proper notice of nonrenewal is not given.

School boards considering **nonrenewal** of an administrator contract must be aware of specific statutory timelines for the board to take action and issue notices.

- Preliminary notice of nonrenewal must be given in writing by registered mail to an administrator at least five months prior to the expiration of the contract. For example, for a contract that has a duration of July 1, 2022, to June 30, 2024, any preliminary notice of nonrenewal must be given on or before Wednesday, January 31, 2024.
 - There is no statutory standard for nonrenewal of such contracts. Some contracts may set forth a specific standard within the contract itself, such as a "cause" standard. Alternatively, board policy, employee handbooks, or the district's grievance policy may create a standard for nonrenewal.
 - Preliminary notice should state that the board is considering nonrenewal of the contract and that the board took action at a meeting to issue preliminary notice. The notice should also state that, if the administrator files a written request with the board within seven days after receiving such notice, the administrator has the right to a hearing

before the board prior to being given written final notice of nonrenewal. It is advisable for the notice to inform the administrator how exactly the administrator should file a request for a hearing.

- Any written request from the administrator must include a statement requesting either a private or public hearing before the board. If a hearing is requested, the administrator may also request the reasons upon which the board is considering nonrenewal. If requested, the board must furnish such reasons in writing before the hearing.
- Final notice of nonrenewal must be given in writing at least four months prior to the expiration of the contract. For a contract that has a duration of July 1, 2022, to June 30, 2024, any final notice must be given on or before Thursday, February 29, 2024. If such final notice of nonrenewal is not given, the contract then in force will be renewed for an additional two years.

School boards considering **renewal** of an administrator contract must be aware of specific timelines for the board to take action and issue notices.

- Notice of renewal of the contract must be given in writing to an administrator at least four months prior to the expiration of the contract. For example, for a contract that has a duration of July 1, 2022, to June 30, 2024, any notice of renewal must be given on or before Thursday, February 29, 2024. If such notice of renewal is not given, the contract then in force will be renewed for an additional two years.
- Any administrator who receives notice of renewal or who does not receive notice of renewal at least four months before the contract expiration must accept or reject the contract in writing on or before a date three months prior to the contract expiration. For a contract that has a duration of July 1, 2022, to June 30, 2024, the administrator must accept or reject the contract on or before Sunday, March 31, 2024.

ADDITIONAL CONSIDERATIONS ON RENEWAL / NONRENEWAL

The board must take action on any notice. Also, the notice must be from the board, although the board can delegate authority to an administrator to provide the notice, as required by the statute. The preliminary notice must be sent by registered mail in writing. Registered mail is different than certified mail, so make sure to use the correct method. For all other notices, best practice is for an administrator to hand deliver any notice and have a copy signed and dated by the

administrator to confirm receipt. In general, school officials can require an administrator to meet with them to deliver this notice. If hand delivery is not feasible, alternative methods may be used to send the notice. School districts should consult their legal counsel for special situations.

The statute states that no administrator may be employed or dismissed except by a majority of the full membership of the board. The decision to renew or nonrenew a contract must be made by a majority vote of the full membership of the school board. Therefore, for a seven-member board, four members must vote in favor of any such decision to renew or nonrenew a contract, regardless of the number of members attending the meeting. To assure compliance, any such action should be by roll call vote.

Also, if an administrator files a request for a hearing, it is important for any school board to remember that such a hearing is a "meeting" of the board, and therefore, subject to the Open Meetings Law. The structure of such meetings depends on many factors, including any standards that are applicable to such a nonrenewal as set forth in board policy, employee handbook, or district grievance procedure. A board should also consider whether any constitutional due process requirements must be met during any hearing. Boards should consult with legal counsel on this issue.

The statute also states that "[n]othing in this section prevents the modification or termination of an employment contract by mutual agreement of the parties." In this respect, the parties could mutually agree on whether to enter a future contract or not. If the parties want to agree to different terms under a future contract, such mutual modification of the contract can be undertaken, and legal counsel should be consulted as appropriate on such modifications. Such mutual modification should occur prior to any nonrenewal deadlines if the changes are intended to be effective for a subsequent contract term.

Conclusion

The individual administrator contract is one of the more important documents in the district that defines the terms and conditions of employment for administrators. Our School Law Practice Group can help school districts with these issues and will continue to provide updates on these important matters.

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accuracy. The use of the materials does not establish an attorney-client relationship, and Boardman & Clark LLP recommends the use of legal counsel on specific matters.

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