**HEAD OF SCHOOL EMPLOYMENT CONTRACT**

It is hereby agreed by and between the Board (hereinafter the “Board”) of <SCHOOL NAME> (hereinafter “Academy”), a non-profit organization registered under the laws of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and under IRS code 501(c)(3), and <NAME> (hereinafter the “Headmaster”) that the Board, as recorded in the official minutes of the meetings of the Board held on <MONTH, DAY, YEAR>, has and does hereby continue the employment of Headmaster pursuant to the terms and conditions set forth in this Headmaster’s Employment Contract (“Contract”):

1. Duties and Performance

1.01 The Headmaster shall be responsible and report to the Board, shall faithfully perform his duties as prescribed by Board policy and bylaws, and as may be assigned by the Board, and shall comply with the job description, if any, for his position, all Board performance goals, policies and directives, as well as city, state and federal law, rules and regulations as they exist or may hereafter be created or amended. Headmaster will perform all tasks necessary and appropriate to be done as Head of School. Upon direction by the Board, the employment duties of Headmaster may be modified or clarified, notwithstanding the provisions of this Contract. While the Board does not seek to expand its role in the operations of the Academy, the Board does charge the Headmaster with the responsibility of keeping the Board fully and promptly informed on the operations of the Academy so that the Board may make all its decisions based upon a full understanding of the Academy’s operational needs, performance capabilities and financial viability.

1.02 The Headmaster owes the Academy a fiduciary duty of loyalty, fidelity and allegiance to act at all times in the best interests of the Academy. To that end, the Headmaster shall devote his full time, skill, labor and attention exclusively to his employment as Headmaster during the term of this Contract and shall not engage in any form of outside employment, paid or unpaid, without the express, prior written consent of the Board.

1.03 The Board or a duly appointed Head Support and Evaluation Committee (“HSEC”) thereof shall evaluate the performance of the Headmaster at least annually in the month of October, or at such time as established by Board policy, and convey the outcome of the evaluation to the Headmaster in writing. Headmaster shall participate in the establishment of specific performance indicators, which shall be set out at least annually in writing, together with the evaluation. The HSEC will meet with Headmaster as needed to continually assess progress of, and provide support and resources for, the Headmaster in meeting such performance indicators.

1.04 The Board acknowledges that support of the position held by the Headmaster is essential to the smooth and effective operation of the Academy, and agrees to exercise its best efforts to convey such support publicly.

1.05 The Headmaster acknowledges that support of the Board is equally essential to the smooth and effective operation of the Academy, and agrees to exercise his best efforts to convey such support publicly.

1.06 All Parties acknowledge the benefit to the Academy to maintain the confidentiality of Board discussions, including but not limited to interaction with the Headmaster.

1. Term

2.01 The effective date of this Contract is July 1, <YEAR> (hereinafter the “Effective Date”).

2.02 Any amendments to this Contract shall only be effective based upon the mutual agreement of the Headmaster and the Board, and must be stated in writing.

2.03 Unless amended or terminated in accordance with Section IV, this Contract shall be automatically extended for <NUMBER> one-year terms. The first one-year term of this Contract shall begin on July 1, <YEAR> and expire June 30, <YEAR>. The second one-year term shall begin on July 1, <YEAR> and expire June 30, <YEAR>. The last and third term of this Contract shall begin on July 1, <YEAR> and expire June 30, <YEAR>.

2.04 The Board must notify Headmaster in writing by January 1, <YEAR> of its intent to renew or not renew Headmaster’s contract after which the Board’s Head Support and Evaluation Committee will negotiate the compensation factors for the renewal period. In the event the Board does not renew the Headmaster’s Contract and fails to notify Headmaster of its intent not to renew his Contract by January 1, <YEAR>, Headmaster is entitled to one full year of compensation and benefits beyond the last day of Headmaster’s contract.

III. Compensation and Benefits

3.01 Subject to the terms and conditions set forth herein, Headmaster shall be paid as an exempt employee, as defined by the employee policies of the Academy. Effective July 1, <YEAR>, the Headmaster will receive a gross salary per pay period of <MONTHLY SALARY> (<ANNUAL SALARY> annualized) through June 30, <YEAR>. Effective July 1, <YEAR>, the Headmaster will receive a gross salary per pay period of <MONTHLY SALARY> <ANNUAL SALARY> annualized) through June 30, <YEAR>. Effective July 1, <YEAR>, the Headmaster will receive a gross salary per pay period of <MONTHLY SALARY> (<ANNUAL SALARY> annualized) through June 30, <YEAR>. All salary shall be subject to withholdings as allowed and/or required by law. Such salary shall be paid in 12 equal monthly installments in accordance with the regular pay periods maintained by the Academy.

3.02 The Headmaster shall be entitled to receive reimbursement of reasonable and necessary expenses incurred in conducting the official business of the Academy, as established by Board policy and/or the Academy’s employee policies and procedures, and as anticipated by the Internal Revenue Code, as may be amended from time to time, for legitimate discretionary business expenses, not otherwise reimbursable pursuant to the Academy’s employee policies. The IRS deems the plan “accountable” and non-taxable. All such expenditures shall be submitted in writing with all receipts attached to the Board President (or Head Support Committee, if so delegated by the Board) for approval before payment. Headmaster shall maintain a ledger with receipts detailing each amount spent and setting out the specific use of the monies, along with the date and amount. Headmaster will be reimbursed up to the amount stated by check within 30 days of submission of approved invoices for “covered expenses” to the Business Manager. Covered expenses include: fuel expenses for Headmaster’s vehicle, cell phone expense, business-related travel, entertainment and professional development expenses.

3.03 In summary, and subject to the foregoing terms, the Academy will pay Headmaster based on the following annualized schedules, during the term of this Agreement.

Year 1 Year 2 Year 3

Annual Base Salary

( 5% increases years 2 & 3) <SALARY> <SALARY> <SALARY>

Annual Business Expense Reimbursement

(Non-taxable) <$$$$> <$$$$> <$$$$>

Total Compensation Package

(Before Incentives):

3.03 The Academy shall provide gratis tuition and enrollment fees for Headmaster’s children to attend the Academy. Headmaster is required to enroll all of his school-age children at the Academy, unless and until the Headmaster receives a written waiver from the Board to the contrary. Such waiver must be adopted by a majority of a quorum of the Board in accordance with Board bylaws.

3.04 The Headmaster shall be entitled to <# OF DAYS> of paid leave for professional development during each annual term of this Contract. The Headmaster shall provide a report to the Board of the benefit of all professional development courses and events attended and the cost of same in advance of his participation.

3.05 The Headmaster shall receive a maximum of <# OF DAYS> days paid time off during each annual term of this Contract for use as Headmaster sees fit for his vacation. Such paid time off must be scheduled and approved in advance by making the anticipated time off known to the Board President (or HSEC, if so delegated by the Board) in writing at least two weeks in advance. Time off shall not be arbitrarily denied. The Headmaster shall set his time off at a time that will not be disruptive to the operations of the Board or the Academy and such leave shall be governed by the Academy’s employee policies and procedures, and as may be amended from time to time. Paid time off shall not carry over from term to term hereof and will be lost if not used each contract year.

3.06 Unpaid time off may not be taken without the express prior approval of the HSEC and/or the Board.

3.07 Headmaster shall receive a one-time payment of <$$$$> within 30 days of issuance of re-accreditation certification.

3.08 Headmaster shall receive an enrollment bonus of <$$$$> per month so long as enrollment meets or exceeds <TOTAL DESIRED ENROLLMENT> students and an additional monthly bonus increase of <$$$$> per month for every <#> students added above <TOTAL DESIRED ENROLLMENT>. Bonus does not compound. Bonus is paid after the month and only when the enrollment exceeded the base enrollment figure for the entire month (or partial month at the beginning and end of the school year).

1. Conditions of Separation

4.01 The Board may terminate this Contract and discharge the Headmaster for good cause, at any time during the Contract term without any obligation to pay any unearned salary or benefits. Good cause shall include, but not be limited to, the following circumstances as determined by a vote of a majority of a quorum of the Board at a meeting held in accordance with the Academy’s bylaws:

1. Headmaster has committed a material breach of the duties and responsibilities referenced herein, including but not limited to, the failure to timely meet the specific performance indicators as set forth annually in writing, or in the Board’s estimation has not performed the required duties and responsibilities referenced herein or in specific performance indicators, in a competent fashion. Before termination, the Board must provide Headmaster with at least <# OF MONTHS> days advance written notice specifically setting out the Board’s interpretation of how Headmaster has refused or failed to perform such duties and responsibilities and how the Headmaster shall correct such refusal or failure, and Headmaster must have refused or failed to satisfactorily correct such refusal or failure to perform or competently perform said duties and responsibilities.

(b) Headmaster has committed gross misconduct or violated any fiduciary duty (including any undisclosed conflict of interest) owed to the Board or the Academy.

(c) Headmaster is convicted of a felony, or a misdemeanor involving moral turpitude, involving actions taken in his individual capacity (as opposed to discretionary actions taken on behalf of the Academy and as part of his exercise of authority granted to him as Headmaster), or is charged with a crime that pursuant to Texas law prevents him from fulfilling his duties herein, or which in the Board’s estimation would result in a material impact on the reputation of the Academy, if Headmaster were allowed to continue in such position.

(d) Good cause shall also include a unanimous vote of “no confidence” from the full Board at a meeting held in accordance with the Board bylaws.

In the event the Headmaster breaches this Contract or is terminated for other good cause, as defined herein, the Academy, in addition to all other applicable remedies, may cease all forms of compensation and benefits immediately.

4.02 In the event the Board elects to terminate this Contract prior to the expiration of any one-year term of this Contract for any reason other than those stated in Subsection 4.01, the Headmaster is entitled to one full year of compensation and benefits at his then existing level less withholding as required by law.

4.03 Headmaster is free to submit a resignation effective at the end of this Contract and at any time prior to the execution of a new contract that supersedes this Contract. The Headmaster shall give the Board at least 90 days written notice in the event he intends to resign from employment with the Academy. The Board agrees that it will not take any retaliatory action injurious to the Headmaster as the sole result of such resignation. In the event the Headmaster resigns, the Academy, in addition to all other applicable remedies, may cease all forms of compensation and benefits effective the date of the resignation, or the date that Headmaster ceases performing his duties and responsibilities as referenced herein.

4.04 Notwithstanding the provisions of Section 4.03, the Board may agree to accept less than 90 days notice of resignation. Further, the Board, with or without good cause, may accelerate the resignation and separation date. Notice of the Board’s decision to accelerate the separation date shall be provided promptly to the Headmaster and so long as the Headmaster is employed, salary and benefits shall be paid in accordance with the terms of this Contract, but in no event shall the acceleration of the resignation result in the Headmaster being employed for or receiving less than the equivalent of 90 days salary and benefits, if notice of resignation is given as required herein.

4.05 Notwithstanding any of the above provisions, if the Board determines in good faith that the Headmaster has become unable to perform the essential functions of the job with or without reasonable accommodation, as those terms are interpreted in accordance with the Americans with Disabilities Act (“ADA”) and any amendments and the regulations thereto, the Board may give the Headmaster written notice of its intention to terminate the Headmaster’s employment. In such event, Headmaster's employment with the Academy shall terminate effective on the 30th day after the Headmaster’s receipt of notice of intent to terminate, provided that, within the 30 days after such receipt, the Headmaster shall not have returned to full-time performance of the essential functions of the job with or without reasonable accommodation. For purposes of this Agreement, the Headmaster shall be deemed to be a “key employee” as defined by the Family Medical Leave Act (“FMLA”), and shall be afforded all rights and protections afforded by the FMLA, any amendments thereto, and the case law and regulations interpreting FMLA.

4.06 The Headmaster's employment shall terminate automatically upon death of the Headmaster.

4.07 Although the Academy expects to operate the Academy during the term of this Agreement, it is possible that certain future events may necessitate involuntary reduction of staff or the closing of the Academy. Certain future events shall include, but not be limited to, Acts of God, war, civil commotion or unrest, or an unexpected reduction in student enrollment. Further and notwithstanding anything herein to the contrary, the obligations of the Academy herein are subject to and contingent upon continued funding of the Academy at a level at least equal to that budgeted as of the Effective Date of this Contract, during the term of this Contract or any extension thereof. In the event of an unexpected reduction in student enrollment or a shortfall in funding (including acts of fraud and embezzlement) or other such conditions occur, the Headmaster is expected to immediately inform the Board of such conditions or that such conditions may be pending. In the event of discontinuation of such level of funding for the Academy, this Contract shall be terminable by the Academy, in accordance with the general employment termination policies of the Academy. This Contract may be terminated by the Academy under this clause by giving written notice to the Headmaster as soon as practicable.

4.08 If the Academy is required to comply with any unanticipated standards, regulations, resolutions, settlements, state or federal laws, rules, regulations, rulings or plans, and compliance results in a material change in the Academy’s financial obligations and funding sources, the Board may, upon giving ninety (90) days written notice of such intention, be entitled to renegotiate the salary provisions of this Contract and the Parties shall amend the Contract accordingly.

1. General Terms

5.01 This Contract has been executed and delivered within the State of Texas and the rights and obligations of the Parties hereunder shall be construed and enforced in accordance with, and governed by, the laws of the State of Texas.

5.02 This Contract is performable in Nueces County, Texas, where the Parties agree venue is proper in the event of a dispute.

5.03 This Contract shall not be amended, modified or waived, in whole or in part, unless done so in writing and signed by all Parties.

5.04 This Contract contains the entire agreement of the Parties hereto, and as of the Effective Date, supersedes all other agreements, either written or oral, between the Parties hereto regarding the subject matter herein, and there are no other agreements, promises, representations, terms, conditions, or other matters, either written or oral, relating to the subject matter to the Contract which are not included herein. If any one provision of the Contract is deemed invalid, all other contractual provisions remain valid.

5.05 Notice as required herein must be in writing, even if the provision hereof does not specify that writing is required. Written notice shall be provided by hand delivery in person, certified mail or electronic means, so long as receipt thereof can be established. Any Party may waive the right to receive notice as set out herein, but only by a dated and executed writing plainly stating that the length of time notice must be given is expressly waived. Notice to the Board shall be effective when presented to the Chairperson of the Board.

5.06 When this Contract refers to “days,” that term shall mean calendar days, unless this Contract expressly states otherwise.

5.07 The Parties waive their right to a jury trial and agree to arbitrate any dispute of this Contract in a confidential binding arbitration proceeding presided over by a certified Peacemaker or other trained mediator upon which they jointly agree. All demands for arbitration must be made in writing and noticed as required herein. The Parties must first submit the dispute to mediation with a certified Peacemaker or other trained mediator upon which they jointly agree. Costs of arbitration shall be borne by the Academy, save and except the Headmaster shall pay up to a maximum of $500 of the initial costs of mediation and arbitration, when demand is made by the Headmaster.

EXECUTED THIS \_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_, <YEAR> in <CITY OR COUNTY>, <STATE> by:

**Board of Directors, <SCHOOL NAME>**

**By:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**<NAME>, As Chairperson and Authorized Agent**

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**<NAME>, Headmaster**