

## Head of School Contract: Sample\*

THIS AGREEMENT, made and entered into by and between the Board of Trustees as the duly authorized agent of the XYZ School, a not-for-profit corporation in the state of ("the School"), and \_\_\_\_\_ (the "Educator").

WHEREAS, the School and the Educator ("the Parties") desire to enter into a formal agreement under the terms of which the School employs the Educator for the period specified below NOW, THEREFORE, the parties hereto mutually promise, covenant and agree as follows:

1. **EMPLOYMENT:** The school employs the Educator to be its head of school and the Educator agrees to be employed as head of school and agrees to fulfill the responsibilities of such position as described herein for the period of time commencing July 1, 20\_\_ and ending June 30, 20\_\_, unless extended or sooner terminated, all as hereinafter provided.
2. **TITLE, RESPONSIBILITIES, AND AUTHORITY OF THE HEAD OF SCHOOL:** The Educator is the School's chief administrative officer. His/her title will be head of school. The Educator's responsibilities and authority include, without limitation by the specification thereof, the following:
  - Executing and administering the policies of the School, as set by the Board of Trustees.
  - Hiring, evaluation, and termination, as necessary, of all other employees of the School.
  - Overseeing of the external operations of the school, such as admissions and recruitment, marketing, fund-raising, and relations with constituents.
  - Overseeing of the financial operations of the school and the maintenance of its facilities and grounds.
  - Overseeing of the program of the school, academic and extra-curricular.
  - Overseeing of the disciplinary program of the school, including serving as final court of appeal for disciplinary action related to any student or employee.
  - Assessing the effectiveness of the various operations and programs of the school, and reporting thereof to the Board of Trustees.
  - Modeling the mission and philosophy of the school.

The Educator shall be an *ex-officio* non-voting member of the Board of Trustees and of each committee established by the Board of Trustees.

The Educator shall devote his/her full time to fulfilling the responsibilities of the office of head of school and shall not engage in any other gainful occupation without the prior consent of the Board of Trustees.

3. **COMPENSATION:** As consideration for all services to be rendered, the School shall compensate the Educator as follows:
  - a. **Salary:** For the period of this contract, cash remuneration will be the following:
    - Salary: \$\_\_\_\_\_ for Year 1 (July 1, 20\_\_ until June 30, 20\_\_).
    - In years 2-3 of this contract, the salary will be at a minimum the sum noted above plus an annual increase in the amount of cost of living (COL) + 1.5%, with a floor of \_\_\_\_% increase, the COL portion of the increase determined by the rate of the Consumer Price Index increase (CPI) as reported in *Wall Street Journal* on June 1 of each year.
    - Annual performance bonus, if warranted in the judgment of the Board of Trustees.
  - b. **Benefits:** Those benefits standard for all the School's salaried employees (i.e., faculty and administrative staff), as indicated in the School's Employee Handbook (all non-taxable benefits unless otherwise noted):
    - Life Insurance, Disability Insurance, General Liability Insurance as is standard to the industry (e.g., life @ 2 times salary to maximum of \$75,000; short-term disability self-insured at full salary, with long-term disability kicking in thereafter at 2/3rds salary).
    - Health Insurance: Premiums for the Educator and his/her dependents, paid \_\_%, same as all employees. If the Educators spouse works and is eligible for health insurance, he/she is not covered.

- Leave: 1 day per month of leave for any reason (sick days, personal days, jury duty, military duty, etc.), non-accruable beyond each school year.
- Vacation: 4 weeks during summer, plus 15 days during school holiday periods.
- Pension: TIAA/CREF, with % contributed by school matched by % contributed by employee, plus provision for a salary reduction agreement (SRA) up to the maximum allowable by the law.
- Housing: Provided on campus by the school as a condition of employment. (Or... Housing allowance in the annual amount of \$\_, a taxable benefit).
- Tuition remission: Tuition remission for the children of the Educator to attend the School, according to the terms available to all salaried employees.

c. Perquisites: (All non-taxable benefits unless otherwise noted.)

- School vehicle with all maintenance and usage costs, (Or reimbursement for use of personal vehicle on school business in the amount of \$\_per year plus mileage costs.)
- Discretionary budget: \$\_per year annual budget.
- Travel/Professional Development Allowance: \$\_per year to attend meetings and conferences (e.g., ISACS, NAIS, etc.), for professional development, for recruitment of staff, solicitation of donors, etc. Reimbursement for spousal travel to accompany the Educator is also permitted within the budget. (Spousal travel is a taxable benefit unless the spouse is also conducting school business.)
- Scholarship Assistance: \$\_\_\_\_/year for tuition and related fees (for self or any family member at any primary, secondary, or undergraduate degree-granting institution). (Taxable benefit.)
- Family membership at \_\_\_\_\_for purposes of school entertainment and networking.
- Dues for membership at one civic club of the Educator's choice (e.g., Rotary, Kiwanis, etc.).
- Transition Expenses: Payment for up to \_\_\_ trips to the community for the purpose of effecting personal and School business. Payment, with prior approval of the chair of the Board of Trustees, for moving expenses, up to \$\_\_\_\_\_.

4. EVALUATION: Annually, or more frequently upon the mutual agreement of the parties hereto, the Trustees shall evaluate the performance of the Educator as head of school based upon the responsibilities set forth herein and such other criteria as may be developed mutually between the parties hereto. Prior to June 30 of each year, the results of such evaluation will be reviewed with the Educator. To the extent practical, goals and objectives for the succeeding year will be linked to such evaluation.

5. EXTENSION OF CONTRACT: At the expiration of the initial period ending June 30, 20\_\_ and at the expiration of each two year period thereafter, this agreement will automatically renew for additional two year periods with such modifications in the compensation and terms as the parties shall agree.

6. TERMINATION:

a. Without Cause: Without giving any cause therefore, either the Trustees or the Educator may terminate this agreement effective as of any June 30 by giving written notice of such termination at least nine months prior to the June 30 as of which such termination shall be effective. The Educator shall remain available to serve as head of school through the June 30 effective date of such termination. After notice of such termination is given by the Educator or the Trustees, the Board of Trustees may relieve the Educator of his or her responsibilities as head of school at any time, provided, however, the School shall continue to pay the full compensation, reimbursements and the full benefits provided for herein until the Educator commences other full-time employment or begins to receive compensation in connection with such employment or until the effective date of such termination, whichever shall first occur.

b. With Cause: This agreement may be terminated for just cause by the Trustees at any time without notice. "Just cause" shall be: (i) the failure or refusal by the Educator to carry out the policies of the School as adopted by the Board of Trustees or the responsibilities assigned in Section 2 of this contract having been given thirty (30) days written notice by the board of such failure or refusal and having failed to carry out those policies or perform those responsibilities within that time period; (ii) moral turpitude on the part of the Educator. (iii) commission by the Educator of a felony, fraud, embezzlement, or act of deceit, dishonesty or significant deception; willful violation of a law or regulation that subjects the school to liability for such violation; behavior that significantly impairs the reputation of the school; gross negligence or willful misconduct in fulfilling her duties.

Prior to the termination of this agreement for just cause, the Educator shall be given a statement setting forth the cause for termination and the Educator shall be entitled to a hearing before the Board of Trustees concerning such termination. After such hearing the Trustees shall inform the Educator of their decision in writing regarding his termination. The Educator shall have 30 calendar days following his receipt of written notice of such adverse finding to seek review of the Trustees decision through Alternative Dispute Resolution proceedings (ADR). Failure to seek review within the time provided shall be deemed a waiver by the Educator of any rights to contest the decision of the Trustees, which shall thereupon become final and the Educator shall have no further claim or recourse. Pending any review of a decision by the Trustees to terminate this agreement for cause, the Trustees may suspend the Educator from all duties as head of school, but with no change in compensation, reimbursements and benefits. Once the decision to terminate this agreement becomes final, all compensation and benefits provided for herein shall terminate immediately.

c. Disability or Death: In the event that the Educator becomes disabled so as to be unable to perform adequately as head of school, he or she shall be entitled to additional sick leave until the first to occur of: (a) the expiration of six months time, or (b) the inception of coverage by his long term disability policy. Disability shall be determined by mutual agreement of the parties hereto or, if agreement cannot be reached, by the Chairman of the Board of Trustees. Disability shall be a cause for termination of this agreement and the provisions of paragraph 7 shall apply. In the event of the death of the Educator during the term of employment, the School shall pay to the estate of the Educator the salary for the remaining time within the school year of the contract during which death occurred and permit the benefits of the Educator to apply to the surviving spouse of the Educator, if any, for that same time period.

7. APPLICABLE LAW AND ALTERNATIVE DISPUTE RESOLUTION PROCEEDINGS: This agreement and the employment of \_\_\_\_\_ as head of school of the School shall be governed by the laws of the state of \_\_\_\_\_. Any dispute, claim or controversy concerning either this agreement or the employment of the Educator as head of the School shall be resolved in accordance with the rules of Alternative Dispute Resolution. Any decision reached through such proceedings shall be final and binding and shall be to the exclusion of any other remedies whatsoever.

IN WITNESS WHEREOF, the undersigned have executed this agreement as of the day and year first set forth above.

By \_\_\_\_\_, Chairperson of the Board of \_\_\_\_\_ School.

Date Presented: \_\_\_\_\_.

By \_\_\_\_\_, The Educator. Date Accepted: \_\_\_\_\_.

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\* Please be advised that this is a template recommended contract. One size does not fit all. We recommend you consider the utilization of unique features where needed. An example of a unique feature would be a sliding scale buy-out option.

Author: ISACS. Contract reviewed by Leo Athas, ISACS Legal Counsel, 910 West Van Buren, Suite 500, Chicago, IL 60607, 312-226-3355 ext. 242