

**EMPLOYMENT AGREEMENT
(Chief Business Officer)**

This Agreement is made between the Board of Education of the Palo Alto Unified School District (“Board”) and Catherine Mak (“Employee”) in accordance with Education Code section 35031.

1. Term

The Board hereby agrees to employ Cathy Mak commencing July 1, 2011, and ending June 30, 2014, upon the terms and conditions set forth below. The parties shall consider renewal for an additional term of three (3) years. This agreement shall be placed on the agenda of the governing board at least 45 days in advance of its expiration for possible action to renew for an addition term of three (3) years.

2. Duties and Responsibilities

Employee shall perform all duties and exercise all powers as prescribed by all applicable laws, rules, and regulations of the State of California and the District. The power and duties of the CBO shall be executed in accordance with applicable policies adopted by the Board and under the direction of the Superintendent. Employee shall report directly to the Superintendent.

3. Salary

a. Base Salary. The annual 2011-12 salary of the Employee shall be One Hundred Sixty-Three Thousand Four Hundred Thirty-Three Dollars (\$168,513). Salary shall be payable in monthly installments, with the District making the required contributions for PERS, Unemployment Insurance, and Workers’ Compensation. Based upon a satisfactory or better performance evaluation, the Employee shall be granted the same percentage salary increases as are granted on the management salary schedule. Any other salary adjustment may be made by mutual agreement of the Board, Superintendent, and Employee.

b. Stipends. In addition to the Base Salary above, the Employee shall be entitled to receive an annual stipend of \$1,982 for each Masters Degree she has obtained for a maximum of two such stipends and an annual stipend of \$1,982 for a doctorate degree she has obtained. Based upon a satisfactory or better performance evaluation, the Employee shall be granted the same increase to this stipend as granted on the management salary schedule.

c. Career Increments. After three (3) years at the top step of the attached salary schedule, the Employee shall be entitled to receive a career increment of \$2,626. After six (6) years at the top step of the attached salary schedule, the Employee shall be entitled to receive a career increment of \$2,626. After ten (10) years at the top step of the attached salary schedule, the Employee shall be entitled to receive a career increment of \$2,626. After fifteen (15) years at the top step of the attached salary schedule, the Employee shall be entitled to receive a career increment of \$2,626. After twenty (20) years at the top step of the attached salary schedule, the Employee shall be entitled to receive a career increment of \$2,626. Each

career increment shall be contingent upon receiving a satisfactory performance evaluation for the period immediately proceeding. Based upon a satisfactory or better performance evaluation, the Employee shall be granted the same increase to these career increment as granted on the management salary schedule.

4. Fringe Benefits

Employee shall receive the same health and welfare benefits and life insurance as provided for other active administrative personnel.

5. Positive Work year

Employee shall be required to render two hundred and twenty-four (224) days of service per year. Employee shall submit a proposed work year calendar to the Superintendent for his approval.

6. Holidays

Employee shall receive the holidays as provided to other administrative personnel.

7. Sick Leave and Other Leaves

The Employee shall be permitted to carry forward any sick leave previously earned in the State of California and shall continue to accrue sick leave at the rate of one (1) days per month during the term of this Agreement.

8. Transportation/Expense Allowance

Employee shall receive an allowance of four hundred fifty dollars (\$450.00) per month as reimbursement for use of her personal vehicle for District business. This allowance may be reviewed annually at the recommendation of the Superintendent and approval of the Board. Employee shall be reimbursed for mileage outside a radius of 50 miles of the District according to the rate of reimbursement for other administrative personnel.

Employee shall be reimbursed for all actual expenses incurred in the performance of her duties, including attendance at meetings, conferences, etc., as may be permitted by either Board policy or with the prior approval of the Superintendent. A per diem rate of \$50 per day may be claimed to cover the cost of meals and miscellaneous expenses other than hotels, parking, travel, and tolls for one (1) or more days outside of the District.

9. Professional Fees

The District shall pay for annual dues or fees for the Employee's membership in professional associations related to her duties as the parties may mutually agree.

10. Evaluation

The Superintendent shall develop a format for evaluation of the Employee and shall complete a written performance evaluation of the Employee each year prior to June 30 during the term of this Agreement. The evaluation shall relate to the job description of the Employee and the goals and objectives of the District and the Employee for that year.

In the event the Employee receives a less than satisfactory evaluation for either the 2011-2012 and/or the 2012-2013 school year, this Agreement will not be renewed and the process described in section 12, subsection c of this Agreement will not apply.

11. Changes in Agreement

This Agreement may be modified or amended by written mutual consent of the Superintendent, Board of Education, and the Employee. Any such modification or amendment shall become effective pursuant to its terms and conditions.

12. Termination of Agreement

This Agreement may be terminated before its expiration date for each or any of the following bases:

a. This Agreement may be terminated at any time by mutual consent of the parties. Employee shall notify the Superintendent if she becomes a finalist for another position prior to interviewing as a finalist;

b. At the Board's option if it determines that the Employee has materially breached the terms of this Agreement or has neglected to perform her duties under it. A material breach of the Agreement would include, but is not limited to, engaging in immoral conduct, unprofessional conduct, fraud, dishonesty, or refusing to follow the direction of the Board. Prior to exercising this option, the Board shall give the Employee written notice of its intention, with a statement of the specific acts or omissions that give rise to the proposed action. No action shall be taken on a proposed termination for material breach until the Employee has had an opportunity to meet with the Board to be heard by way of explanation or defense. The Employee may be represented by counsel at that meeting, at her own expense. Any decision to terminate for material breach shall be effective upon the date determined by the Board.

c. If the Employee performs in an unsatisfactory manner as determined by the Superintendent and the Board, the Board may give written notice to the Employee that unless her performance improves within six (6) months, she will be terminated. The written notice shall contain a detailed statement of the unsatisfactory performance. The Employee shall be given the opportunity to be heard by way of explanation or defense. Should the Employee's performance be deemed unsatisfactory by the Superintendent after six (6) months, the Employee agrees to relinquish any further claims against the District including any claims under this agreement in return for a payment of any annual salary and benefits due under this Agreement or six (6) months' salary and benefits, whichever is less. In no event shall there be

pay for accrued sick leave. Sick leave credit for retirement purposes shall be implemented in accordance with applicable provisions of the Education Code.

d. The District may elect not to renew this Agreement for any reason by providing written notice in accordance with paragraph 13 below.

e. District may also terminate this Agreement unilaterally and without cause. The District, for consideration of this right to terminate, shall pay for the remainder of the unexpired contract not to exceed six (6) months, a monthly sum equal to the difference between the Employee's salary in effect during her last month of service and the amount she earns during the same period after the effective date of termination. As a condition of this payment, the Employee must file a written statement listing her earnings for that month with the Superintendent. Failure to file the statement by the last day of each month shall result in the District having no duty to pay for that month.

13. Notice of Termination of Expiration of Agreement

Should the Board decide not to re-employ the Employee upon the expiration of this Agreement, it shall notify her not later than March 15, 2014.

14. Applicable Law

This Agreement is subject to all applicable laws, rules and regulations of this District and the State of California.

IN WITNESS WHEREOF the signatures are affixed to this Agreement as the full and complete understanding of the relationship between the parties.

BOARD OF EDUCATION
PALO ALTO UNIFIED SCHOOL DISTRICT

DATED: _____

Melissa Baten-Caswell, Board President

DATED: _____

Kevin Skelly, Superintendent

I hereby accept this offer of employment and agree to comply with the conditions thereof, and to fulfill all the duties of employment as Chief Business Officer of the Palo Alto Unified School District.

DATED: _____

Catherine Mak

CHIEF BUSINESS OFFICER'S SALARY SCHEDULE

Placement on this salary schedule and movement on the steps shall be at the discretion of the Superintendent, based on experience and performance.

Step 1	Step 2	Step 3	Step 4	Step 5
\$152,664	\$156,481	\$160,393	\$164,403	\$168,513