

**DRAFT CSFO CONTRACT
(Revised March 12, 2012)**

**EMPLOYMENT CONTRACT
(CHIEF SCHOOL FINANCIAL OFFICER)**

THIS CONTRACT is made by and between the BESTPLACE BOARD OF EDUCATION (hereinafter referred to as "BOARD" or "THE BOARD") and MACK A. LEAR (hereinafter referred to as "LEAR" or "the CSFO").

WITNESSETH that, in accordance with action taken by the BOARD on the _____ day of _____, _____, the BOARD hereby appoints MACK A. LEAR as the CSFO of the Bestplace Board of Education, and LEAR agrees to accept such appointment, subject to and in consideration of the mutual covenants, terms, and conditions set forth herein.

SECTION 1. TERM OF CONTRACT.

- A. **Initial Term.** The CSFO shall be employed for a period of ____ (____) years, beginning on the first day of July, _____, and ending on the thirtieth day of June, _____ upon and subject to the terms and conditions set forth herein.
- B. **Renewal or Extension.** This Contract may be renewed or extended at any time upon such terms as may be established by mutual agreement of the BOARD and the CSFO. Any such Contract shall be in writing and executed by both parties.
- B. [*Alternate*] **Renewal.** This Contract shall be automatically renewed for an additional term of one (1) year beyond the last day of the current term of appointment, unless the BOARD provides not less than ninety days' written notice to the CSFO of its decision not to renew the Contract at the expiration of the current contract term.

SECTION 2. CHIEF SCHOOL FINANCIAL OFFICER'S DUTIES AND RESPONSIBILITIES.

The CSFO's principal duties and responsibilities shall be to serve as CSFO of the Bestplace Board of Education in accordance with the laws of the State of Alabama, the rules and regulations of the Alabama State Department of Education, and the rules, regulations, and policies and procedures of the Bestplace Board of Education and to

DRAFT CSFO CONTRACT
(Revised March 12, 2012)

perform such other duties and services as may be assigned to him from time to time by the BOARD or as are included within the approved job description for the position of CSFO.

SECTION 3. CERTIFICATE. LEAR shall hold a valid Alabama certificate and other such credentials as may be required to serve as CSFO under governing statute, regulation, or Board policy.

SECTION 4. COMPENSATION. As compensation for the services to be provided by the BOARD under this Contract, the CSFO shall be paid the following compensation and other benefits:

- A. Salary.** The CSFO's base annual salary shall be _____ Dollars (\$_____) per annum, payable in equal monthly installments on the first regular payroll following the rendering of service. Any predetermined expense allowance shall be paid concurrently with the CSFO's regular compensation.
- B. Salary Increase.** On January 1 [*Alternate: July 1*], _____ [*insert beginning date for second year of contract*], and each January 1 [*Alternate: July 1*] thereafter during the term of this Contract, the CSFO's base salary shall increase by _____ percent (____%) per annum. [*Alternate: based upon the CSFO's receiving a satisfactory annual evaluation by the Board.*] In addition to the foregoing, in any year in which the Alabama Legislature enacts a pay raise for all public school teachers, the salary of the CSFO will concurrently increase by an equivalent percentage and by any additional amount that may be approved by the BOARD in response or conjunction with such legislation. The BOARD further retains the right to adjust the CSFO's annual salary upward during the term of this Contract, as an amendment hereto, without such adjustment constituting a new Contract or extending the length of this Contract. Unless this Contract is terminated under Section Six (6) hereof, the compensation or the benefits of the CSFO provided for herein shall not be reduced during the term of the CSFO's employment.
- C. Expenses.** Except as provided otherwise in Section 4. C. above, the BOARD shall reimburse the CSFO for all reasonable and necessary expenses actually incurred by the CSFO while engaged in school business on behalf of the BOARD. Such payments shall be supported by itemized and verified vouchers and submitted for approval in accordance with BOARD policy and procedures.

DRAFT CSFO CONTRACT
(Revised March 12, 2012)

- D. Health Insurance.** The CSFO shall be permitted to participate in BOARD sponsored and subsidized health (medical) insurance programs and other supplemental medical, dental, and vision coverage to the same extent and on the same terms and conditions as such coverage is made available to BOARD employees generally.

[*Alternate:* In addition, the BOARD shall pay the CSFO's premiums for individual employee coverage and for family coverage for all other supplemental medical, dental, and vision coverage which the BOARD makes available to its employees. The BOARD shall also pay on behalf of the CSFO the full amount necessary for the CSFO to obtain family hospitalization insurance and major health plan coverage through the PEEHIP program. For the purposes of this provision, "family coverage" shall be defined according to the terms of the respective policy of insurance.]

- E. Retirement.** The CSFO shall be eligible to participate in any other retirement, benefit, insurance, or other employee plans offered by the BOARD to its employees, and the CSFO shall be entitled to the same matching contribution or Board-provided benefits referable to such plans as are provided to other Board employees. [Additional custom retirement provisions may be inserted here.]

- F. Vacation.** The CSFO shall be entitled to receive fifteen (15) days of paid vacation per contract year. Unused vacation days may be carried over from year to year, and, at the end of the term of the Contract, the CSFO shall be entitled to be paid for any unused vacation days on the basis of a daily rate calculated by dividing the CSFO's annual base salary by two hundred forty (240). [*Alternate:* The accrued balance of unused vacation leave shall not exceed thirty days.]

- G. Leave.** The CSFO shall be entitled to receive such personal leave, sick leave, other types of leave, and paid holidays as are provided to full-time, twelve-month certificated Board employees, and, to the extent not expressly provided for herein, to receive such benefits as are generally accorded certificated employees of the Board.

The following provisions may be appropriate but are not considered essential:

DRAFT CSFO CONTRACT
(Revised March 12, 2012)

H. Professional Development. The CSFO shall be allowed to attend, at BOARD expense, all [*Alternate:* up to (insert number)] statewide professional development meetings and conferences for CSFOs and at least one national conference per year, if so requested by the CSFO. The BOARD shall pay directly or shall reimburse the CSFO for reasonable travel, lodging, and meal expenses, and for conference, seminar, or meeting registration fees, if any, incurred by the CSFO (but not any family member or guest of the CSFO) attending these meetings, conferences, or seminars. Such reimbursement shall be supported by appropriate documentation. The BOARD shall pay any cost incurred by the CSFO in maintaining such licensure as may be required by the BOARD as a condition of the CSFO's employment. The BOARD shall pay dues required for the CSFO's membership in the following professional associations:

1. Alabama Association of School Business Officials (AASBO);
2. _____;
3. _____.

I. Vehicle Allowance. The BOARD shall provide the CSFO a stipend of _____ dollars (\$_____) per month as an automobile allowance. The CSFO shall be responsible for all expenses related to the operation of his automobile within Bestplace City/County, except that the BOARD shall reimburse the CSFO for out-of-county travel expenses related to school system business on the same terms and at the same rate other Board employees are reimbursed for such expenses. The vehicle allowance shall be deemed a part of the CSFO's base salary for the purpose of determining tax liabilities and retirement contributions, but shall not be deemed a part of base salary for purposes of calculating pay raises due the CSFO or aggregate compensation due the CSFO in the event of a unilateral termination of employment under Section 6. C. hereof.

[*Alternate*] **Board to Provide Vehicle.** The BOARD shall furnish an automobile for use by the CSFO while conducting official business and the CSFO's personal use. The BOARD shall be responsible for all expenses, including maintenance, gasoline, and oil for such vehicle. The BOARD shall cover the automobile under the BOARD's automobile liability policy in accordance with the limits of coverage stated therein. The CSFO shall be responsible for payment of any income taxes to the IRS attributable to the CSFO's personal use of said automobile.

DRAFT CSFO CONTRACT
(Revised March 12, 2012)

J. Technology. The BOARD shall provide the CSFO with the following communications equipment or technology resources:

1. Cellular telephone;
2. Notebook computer;
3. Tablet computer;
4. Other such devices and communication equipment as are made available to members of the senior administrative staff or to school principals.

Actual and reasonable expenses associated with the use and operation of such devices and equipment, including any expenses attributable to incidental personal use, shall be paid or reimbursed by the BOARD.

SECTION 5. EVALUATION. The BOARD shall establish a structured annual performance evaluation process for the CSFO. If no evaluation method or process for Chief School Financial Officers is prescribed by Alabama law or regulation, the parties agree to use a mutually agreeable method of evaluating the CSFO's job performance. If, based on the evaluation, the BOARD determines that the performance of the CSFO is unsatisfactory in any respect, it shall specify in writing the areas of unsatisfactory performance and inform the CSFO in writing of such deficiencies at least three (3) days in advance of any meeting to discuss the evaluation. The CSFO shall be provided an opportunity to respond to and specifically address any areas of identified unsatisfactory performance.

SECTION 6. TERMINATION OF CONTRACT.

- A. Mutual Agreement.** This Contract may be terminated at any time by mutual written agreement of the parties on such terms as may be specified in such agreement.
- B. Termination by Death, Retirement, or Disability.** This employment Contract shall be automatically terminated by (a) retirement of the CSFO, or (b) death of the CSFO. In the event a disability prevents the CSFO from discharging his duties as CSFO, the BOARD may terminate this Contract without further obligation to the CSFO by written notice to the CSFO after the CSFO has exhausted such accumulated sick and other leave as may be available. If a question exists concerning the capacity of the CSFO to return to his duties after a period of illness

DRAFT CSFO CONTRACT
(Revised March 12, 2012)

or disability, the Board may require as a precondition to such return that the CSFO provide medical or clinical certification that he is fully capable of performing his duties and responsibilities as CSFO. If such certification is deemed insufficient by the BOARD, the BOARD may require the CSFO to submit to a medical or clinical examination to be performed by an appropriate licensed physician or clinician chosen by the BOARD. Such examination shall be at the expense of the BOARD and the results of the examination shall be kept confidential by the BOARD.

C. Unilateral Termination.

1. **By the CSFO.** The CSFO may terminate this Contract for any reason by providing not less than ninety (90) days' written notice to the BOARD prior to the effective date of termination. Such notice shall be provided to the Superintendent of the BOARD by certified mail, return receipt requested, or by hand delivery. If the CSFO provides notice of termination as set forth herein, the BOARD shall pay him any compensation and maintain any benefits due under this Contract through the effective date of termination, and shall pay the CSFO any compensation for accrued but unused vacation and sick days that may be due under the provisions of section 4. G. hereof. No other compensation or benefits shall be due the CSFO.

2. **By the Board.** The BOARD may terminate this Contract without cause and at its sole discretion upon giving LEAR not less than seven (7) days' written notice of such action, which shall be approved by the BOARD at a duly noticed public meeting. In the event of unilateral termination by the BOARD, the BOARD shall pay LEAR as severance pay the aggregate base salary and benefits that he or she would have received under this Contract, reduced to present value, including any known or objectively ascertainable salary increases that would have been realized from the effective date of termination to the last day of the term of this Contract of any accrued but unused vacation leave authorized under section 4. G. hereof. The parties acknowledge the uncertainty and difficulty of calculating the total value of other elements of the CSFO's benefits hereunder. In order to avoid conflict regarding such a determination, the parties agree that the annual value of all such benefits (i.e., perquisites that are not part of (1) the CSFO's base salary, (2) known or objectively ascertainable salary increases, and (3) accrued but unused vacation leave) is [*insert dollar amount*]for purposes of this provision. In the event of a unilateral termination by the BOARD, that

DRAFT CSFO CONTRACT
(Revised March 12, 2012)

sum shall be adjusted according to the remaining Contract term, added to the aggregate payout, and factored into the present value determination.

- D. Discharge for Cause.** The BOARD may discharge during the term of this Contract the CSFO for cause. "Cause" as used herein shall mean incompetency, immorality, misconduct in office, neglect of duty, a conviction or plea of guilty or *nolo contendere* to a felony or a crime involving moral turpitude or any other misfeasance, malfeasance, nonfeasance, or breach of duty that evidences a lack of fitness or inability on the part of the CSFO to discharge the functions and duties of the position. "Cause" does *not* include the reporting of financial or other irregularities or otherwise discharging in good faith the CSFO's obligations as prescribed by law, regulation, or applicable professional standards. Notice of the BOARD's intent to discharge the CSFO for cause, including the specific grounds or charges that are the basis for the proposed termination, must be given to the CSFO in writing. The CSFO shall be entitled to respond to such charges in a hearing before the BOARD. Said hearing shall be held only after reasonable advance notice to the CSFO and shall not (except by written agreement of the CSFO) be held less than thirty (30) days after the written notice of proposed termination is provided to the CSFO. The CSFO may be represented by legal counsel at said hearing and shall have the right to present testimony and evidence, cross examine witnesses, and call his or her own witnesses. Upon a majority vote of the BOARD following said hearing that cause exists for the termination of the CSFO's employment, and as of the date of the termination decision, the BOARD'S obligations under this Contract shall cease. The BOARD shall thereafter promptly notify the CSFO that his employment has been terminated. The hearing process set forth herein shall be without prejudice to the right of the CSFO to invoke or pursue such other remedies relating to his discharge as may be available to him under law.

[*Alternate* (for CSFOs who wear more than one "hat")]: The parties acknowledge that LEAR also performs functions and duties for the BOARD separate and apart from those of the CSFO under different titles and job descriptions ("non-CSFO employment"), but that LEAR's compensation and benefits are not segregated by title or job function. Accordingly, if LEAR's appointment as CSFO expires or is terminated by one of the methods prescribed herein, and unless the BOARD concurrently acts to terminate or modify the terms and conditions of LEAR's employment with respect to his non-CSFO employment, the parties agree to enter into good faith negotiations for the purpose of establishing the terms and conditions of LEAR'S non-CSFO employment so as to fairly and reasonably

**DRAFT CSFO CONTRACT
(Revised March 12, 2012)**

reflect the nature and extent of his reduced (or any additional) responsibilities following expiration or termination of his employment as CSFO. The total salary, compensation, and benefits that would have been due LEAR as CSFO shall remain in effect during such negotiations. However, if the parties are unable to reach agreement regarding the terms and conditions of LEAR's continued non-CSFO employment within sixty (60) days from the date LEAR's appointment as CSFO expired or was terminated, the BOARD may take such employment action with regard to LEAR's non-CSFO employment as it deems appropriate, subject to any rights and requirements that may be conferred or imposed by statute, regulation, or board policy. However, nothing herein shall be construed to prohibit the BOARD from terminating or modifying LEAR's employment in any non-CSFO capacity at any time to the extent and in the manner otherwise permitted by law.

The following provision may be appropriate but is not considered essential:

- E. RETURN TO POSITION [for CSFOs appointed from within the school system]** The parties acknowledge that LEAR served in the position of [*insert position*] with the BOARD prior to accepting the position of CSFO. Should this Contract be permitted to expire or be terminated by one of the methods prescribed herein, and unless the Board concurrently acts to terminate or modify the terms and conditions of LEAR's employment with respect to his non-CSFO employment, LEAR shall be entitled to return to a position with the school system comparable to the position he last held and with such tenure or nonprobationary status as may have been earned in the previously held position at the time of LEAR's appointment as CSFO. The salary for such position shall not be lower than the salary last earned by LEAR as a BOARD employee prior to accepting the position of CSFO, as adjusted by any general or step increases that would have been applied to such salary while LEAR was serving as CSFO. However, nothing herein shall be construed to prohibit the BOARD from terminating or modifying LEAR's employment in any non-CSFO capacity at any time to the extent and in the manner otherwise permitted by law.

SECTION 7. BOND. The CSFO shall obtain a bond in such form and amount as is required by Alabama law. The premium for such bond will be paid by the BOARD.

SECTION 8. INDEMNITY. The BOARD agrees that it shall defend, hold harmless, and indemnify the CSFO against, from, and for any and all demands, claims, suits,

DRAFT CSFO CONTRACT
(Revised March 12, 2012)

actions, legal proceedings, judgments, costs, expenses, fees, and pecuniary liabilities of any kind that may be brought against or imposed on the CSFO in his individual capacity, provided that the conduct, act, or omission for which the CSFO is sought to be held liable occurred or arose while the CSFO was acting within the line and scope of his employment and within his authority as CSFO. In no case shall individual board members be personally liable for indemnification of the CSFO hereunder, nor shall the BOARD's obligation to indemnify the CSFO extend to or include criminal actions or proceedings or any fine, penalty, restitution, or pecuniary liability associated with misappropriation of funds on the part of the CSFO. The obligations and provisions of this section shall survive and remain in full force and effect notwithstanding the cancellation, termination, or expiration of this Contract, and shall survive this Contract. In addition, the CSFO shall be provided not less than the same type and amount of general liability, errors and omissions, and directors and officers insurance that is provided to the Superintendent of Education, members of the BOARD, or any other administrative official employed by the BOARD.

SECTION 9. AMENDMENT, MODIFICATION, OR WAIVER. This Contract shall not be amended, modified, or waived, except in writing authorized, agreed upon, and executed by the CSFO and the BOARD.

SECTION 10. COMPLETE AGREEMENT. This Contract embodies the entire agreement between the parties hereto and cannot be varied except by written agreement of the undersigned parties. The provisions of this Contract, and any changes made hereto pursuant to any section of the Contract, supersede any previous Contracts or understandings between the parties, whether oral or in writing, and will control in the event of a conflict with any other Contracts or understandings that the parties may have entered into.

SECTION 11. SEVERABILITY. If during the term of this Contract it is found that part of the Contract is illegal and must be severed from the Contract, the remainder of the Contract shall remain in force, unless the severance causes the remainder of the Contract to fail in its essential purpose.

SECTION 12. CHOICE OF LAW. This Contract shall be construed and enforced according to the laws of the State of Alabama.

