

**SUNNYVALE SCHOOL DISTRICT**  
Santa Clara County, California

**CONTRACT OF EMPLOYMENT FOR DISTRICT SUPERINTENDENT**

The following is a contract ("Contract") between the Governing Board of the Sunnyvale School District, ("the Board") and **Michael Gallagher, Ed.D.** ("the Superintendent"). This Contract supersedes the Contract of Employment entered into on June 22, 2023, which covered the period from July 1, 2023 through June 30, 2026.

**1. TERM.**

Each year of this Contract shall be from July 1 through and including the following June 30. On an annual basis and following the annual evaluation under section nine (9) below, provided the "Overall Assessment" contained in the Superintendent's annual evaluation states that he is performing at least at a "satisfactory level," the Board shall consider whether to extend the term of employment hereunder for an additional year, with the effect that the remaining term after extension shall be three (3) years.

Having received a satisfactory evaluation for the 2023-2024 school year, the Board hereby extends the term of the existing 2023-2026 Contract of Employment and employs, and the Superintendent hereby accepts the position of District Superintendent for a term of three (3) years, commencing on July 1, 2024 and ending on June 30, 2027 unless terminated earlier as provided by the terms of this Contract or as permitted or required by law.

If the Board elects not to renew or extend the term of this Contract, this Contract shall remain in full force and effect until the expiration of this Contract pursuant to its terms. The Board shall notify Superintendent in writing of its decision to not renew this Contract no later than January 1, 2027 (or January 1 of the final year of this Contract if the term is extended pursuant to this section 1).

The Superintendent shall notify in writing each member of the Board on or before December 1, 2025 (or December 1 of the final year of this Contract if the term is extended pursuant to this section 1) of the Board's obligation under this section 1 regarding nonrenewal of this Contract. If, upon provision of the December 1 notice by the Superintendent, the Board fails to provide the Superintendent with the January 1 notice of non-renewal as set forth in this section 1, this Contract shall automatically renew for a term of one (1) year upon the same terms and conditions.

**2. COMPENSATION.**

**A. Salary.** For the year 2024-2025, the annual salary of the Superintendent shall be \$394,563 effective July 1, 2024 as provided on Step 5 of the Certificated Superintendent 2024-2025 Salary Schedule ("Step Increments Schedule"), payable in twelve equal installments. The full monthly pay is \$32,880.25. and the daily rate of pay is \$1801.66. For the year 2025-2026 any salary increase shall be determined by the Board, subject to the "Overall Assessment" evaluation provision in this paragraph. It is agreed that the salary paid to the Superintendent for each of the subsequent years of this Contract shall not be less than the first year, nor less than the amount dictated by section 2.B, provided however, that such salary shall be reduced by the same proportion as reductions which may occur in certificated management employees' salaries. Any salary

increase for the 2025-2026 and/or 2026-2027 fiscal years will be implemented if the "Overall Assessment" contained in the Superintendent's annual evaluation states that he is performing at least at a "satisfactory level."

**B. Salary Increment Steps.** The Superintendent shall advance one step increment each year of this Contract (on July 1) to begin July 1, 2025. One step increment shall be equal to 3% of the Superintendent's salary during the prior Contract year. The dollar amount of this step increment is already included within the annual salary set forth in section 2(A) above for 2024-2025 contract year.

### **3. SUPERINTENDENT'S DUTIES:**

**A. General Duties:** The Superintendent shall be the Chief Executive Officer of the District and shall serve as Secretary to the Board. The Superintendent shall perform duties of his office as prescribed by law, this Contract and a job description which may be adopted and/or amended by the Board at any time. All powers and duties which may lawfully be delegated to the Superintendent are to be executed in accordance with the policies adopted by the Board. Such acts which may require ratification by the Board shall be referred to the Board at the earliest possible opportunity by the Superintendent. The Board, individually and collectively, shall channel criticisms, complaints and suggestions called to the Board's attention which, in the opinion of the Board may require action, to the Superintendent for study and recommendation.

**B. Personnel Matters:** The Superintendent shall have authority to organize, reorganize and assign administrative and supervisory staff which in his judgment best serves District, subject to the approval of the Board. The responsibility for selection of personnel shall be vested in the Superintendent and his staff, subject to approval of employment by the Board. Placement of non-administrative and non-supervisory personnel shall be vested in the Superintendent and his staff.

**C. Administrative Functions:** The administration of instruction and business affairs shall be lodged with the Superintendent and administered by him with the assistance of his staff. The duties of the Superintendent as Chief Executive Officer shall include, but not be limited to the following:

- i. Review, supervise and execute all policies adopted by the Board and make appropriate policy recommendations to the Board;
- ii. Assure that all regulations related to evaluation of District employees are enforced;
- iii. Advise the Board about financial and budgetary issues, including sources of funds that might be available to implement present or contemplated District programs;
- iv. Assume responsibility for making and maintaining records and reports required by law;
- v. Endeavor to maintain and improve professional competence by all available means, including membership in appropriate professional

associations and attendance at professional meetings, as approved by the Board;

- vi. Establish and maintain positive community, staff and Board relations;
- vii. Recommend to the Board District goals and objectives for the ensuing school year and at other times initiated by the Board or the Superintendent;
- viii. Serve as liaison to the Board with respect to all matters of employer/employee relations and make recommendations to the Board concerning these matters;
- ix. Perform such duties as are conferred upon, or delegated to, Superintendents under the Education Code of California;
- x. Unless unavoidably detained, or with prior Board approval to be absent, attend all regular, special, and closed session meetings of the Board, with the exception of those closed sessions in which the Board discusses matters related to the Superintendent's employment.

#### **4. SERVICE AND VACATION.**

It is agreed that the Superintendent shall be required to render twelve (12) months of full and regular service to the District during each annual period covered by this Contract encompassing two hundred and nineteen (219) days of service annually, except that he shall be entitled to twenty-six (26) days annual vacation with pay, exclusive of holidays defined in sections 37220, 37221, and 37222 of the Education Code.

Any accrual of vacation days hereunder shall not exceed sixty (60) days at any time. A maximum of twenty (20) days may be converted to a cash payment on annual basis at the Superintendent's request based on his per diem rate effective at that time. In the event of termination of this Contract, the Superintendent shall be entitled to compensation for unused vacation days up to a maximum of sixty (60) days at the per diem rate effective at that time. "Per diem" shall be defined to mean the "daily rate of pay" described in section 2.A. above.

#### **5. BENEFITS.**

The Superintendent shall be eligible to participate, but is not required to participate, at his own expense, in the insurance plans (medical, dental and vision) made available by the Board to District employees pursuant to section 22119.2 (b)(3) of the Education Code and section 125 of the Internal Revenue Code. This voluntary participation, at his own expense, shall include the right to receive the same insurance plans (medical, dental and vision) that are made available by the Board to the dependents of District employees, for the Superintendent's dependent(s) who participated in these insurance plans prior to the date of this Contract. The Superintendent's and his dependent(s)' eligibility for such medical, dental and vision benefits shall continue for five years from the effective date of retirement, at District expense, regardless of age.

The Superintendent shall receive a fully-paid term life insurance program, with a benefit amount of one hundred thirty-five thousand dollars (\$135,000). The proceeds of this policy are to go to the beneficiary named by the Superintendent. This policy will be solely owned

and solely chosen by the Superintendent and he will name his own beneficiary or beneficiaries. The District will have no incidence of ownership or collateral assignment interest in the policy. The Superintendent must pay current income tax on the amount of the premium paid by the District.

The Superintendent shall also receive a fully-paid disability insurance program having the same benefit terms and conditions applicable to other multiple-year contract employees. Should negotiations with employee groups result in any changes in benefit contributions or coverage by the District, the Board and the Superintendent shall meet and review the provisions of this section to determine if any revisions are to be recommended to the Board.

If any provision of retiree health and welfare benefits are deemed to be discriminatory, invalid, void, or unenforceable, then the District shall notify the Superintendent of the matter and the Superintendent shall purchase the benefits for him and his dependent(s) eligible for such plans (medical, dental, and vision) and the District shall reimburse for the plans minus applicable taxes.

## **6. EXPENSES**

- A. The Superintendent shall be reimbursed for all reasonable expenses incurred on behalf of the District in accordance with applicable rules, regulations and policies of the Board regarding approval and documentation.
- B. In addition to section (A) above, consistent with Education Code section 44033 and notwithstanding any contrary Board Policy or Administrative Regulation, the Superintendent is required to possess and maintain an automobile to be used for travel in the performance of his regularly assigned duties throughout the District and the County of Santa Clara, for which he will receive a flat monthly car allowance of five hundred and thirty five dollars (\$535).
- C. In addition to section (B) above, the District shall reimburse the Superintendent at the District-approved mileage rate in accordance with Board Policy for travel on District business beyond 50 miles outside of Santa Clara County.
- D. The Board supports the concept of life-long learning and encourages the professional growth of the Superintendent through attendance at professional conferences, seminars, and meetings at local and state levels subject to approval by the Board. The expense of such attendance as well as maintenance of membership in appropriate professional organizations, including annual dues or fees associated with membership in two associations (state or national), and the Sunnyvale Rotary Club, shall be at District expense, excluding any costs paid for or reimbursed by the sponsoring agency. Such professional meetings may include those associated with ACSA, AASA, CSBA, and CASBO. The Board encourages the Superintendent to maintain and improve his professional competence by all available means including subscription to appropriate periodicals, the cost of which shall be at District expense.
- E. The District may pay for other professional resources and activities as may be requested by the Superintendent, subject to Board approval. One such resource shall be a mentor or coach for so long as the Board and Superintendent deem it appropriate.
- F. The District shall provide the Superintendent a \$600 annual stipend for the purchase of a cellular telephone service in his name and, in addition, provide a laptop

computer according to the same policy and practice that applies to other management employees. The District acknowledges that personal use of such items has been and will continue to be permitted.

**7. OUTSIDE PROFESSIONAL ACTIVITIES.**

By prior approval of the Board, the Superintendent may undertake for consideration outside professional activities, including, but not limited to, consulting, speaking, and writing, so long as such outside professional activities do not, in the Board's sole judgment, interfere with the Superintendent's performance of his duties. The Superintendent's outside professional activities shall not occur during work hours, but may be done on vacation time. In no event will the Board be responsible for any expenses attendant to the performance of such outside activities.

**8. IN-LIEU DAYS.**

The number of working days required of the Superintendent each year hereunder (219) shall be reduced by six (6) days for evening meetings and activities, or weekend activities required of the Superintendent. All such meetings and activities shall be used by the Superintendent to reduce the number of working days only within the school year in which such meetings/activities occur. The benefits provided pursuant to this section shall not accrue from year to year; if the Superintendent does not utilize this section of the Contract to reduce the number of working days in a particular year, the unused days shall not carry over to a subsequent year; rather a new six days allotment shall commence in such subsequent year.

**9. EVALUATION.**

The Superintendent's performance under this Contract shall be evaluated annually by the Board no later than September 1, pursuant to policies adopted by the Board.

**10. BOARD-SUPERINTENDENT RELATIONS:**

- A. The Superintendent will work with the Board in developing and maintaining a spirit of cooperation and teamwork in which the Board will accept responsibility for formulating and adopting policy and for taking action on matters which, by law, require Board action. Administrative responsibility and commensurate authority for administering the school system will be delegated by the Board to the Superintendent.
- B. The Board recognizes that it is a collective body and each Board member recognizes that his/her power as a Board member is derived from the collective deliberation and action of the Board as a whole in a duly constituted meeting. Individual Board members will not give direction to the Superintendent or any staff member regarding the management of the District or the solution of specific problems. It is agreed that the Board, individually and collectively, will refer promptly to the Superintendent for study and recommendation, criticism, complaints and suggestions brought to the attention of the Board or any member thereof.
- C. The Board shall provide the Superintendent with periodic opportunities, at least twice a year, to discuss Board-Superintendent relationships as they relate to the Board's productivity and the effectiveness of the Superintendent's leadership. As a part of

this process, when it is deemed necessary by either the Board or the Superintendent, an outside advisor may be retained to facilitate this process.

- D. The Board will hold the Superintendent accountable to manage the District consistent with the approved policies which establish what it expects the schools to accomplish. It is through Board policy and official Board action that the Board gives direction to the District.
- E. The Superintendent will be held responsible for recommending, establishing, and implementing programs and services, and for managing the District to meet the Board's expectations as established by Board policy. The Board, by exercising its governance and policy-making role, can be assured that it determines what it is the District should accomplish and whether, in fact, the District is accomplishing it.

#### **11. NOTIFICATION OF OUTSIDE APPLICATION.**

In the event the Superintendent applies for a position with another employer, he shall inform the Board in writing of the fact of such application as nearly simultaneously as possible with his mailing or delivery of such application to the other employment. The Board shall keep such information confidential. Failure by the Superintendent to provide the information required by this section shall render the remainder of this Contract null and void.

#### **12. MEDICAL EXAMINATIONS.**

If at any time the Superintendent is diagnosed with a medical condition that affects the Superintendent's ability to perform the essential functions of the position, the Superintendent shall notify the Board President of such, and, if appropriate, engage in the interactive process with the Board or its representative. Nothing herein shall be deemed to waive the physician/patient privilege which the Superintendent shall have with any physician with whom the Superintendent consults for purpose of this paragraph. As part of this process, the Board may order, and the Superintendent shall undergo a physical examination to be performed by a physician selected by the Board.

A written report of such examination with a statement regarding the Superintendent's physical and/or mental ability to perform his regular duties shall be provided by the physician directly to the Superintendent and the Board (via the Board President). The costs of said examination shall be absorbed by the Board to the extent such cost is not covered under any health and welfare plan which the Superintendent may elect to purchase under the District's section 125 plan.

#### **13. SEVERABILITY.**

If any provision in this Contract is held to be invalid, void, or unenforceable, the remaining provisions shall, nevertheless, continue in full force and effect without being impaired or invalidated in any way unless the provision determined to be invalid is a material element of this Contract.

#### **14. APPLICABLE LAW.**

This Contract is subject to all applicable laws of the State of California, to the rules and regulations of the State Board of Education, and to the lawful rules and regulations of the Board of Education of the District. Said laws, rules and regulations in effect as of the date

of execution of this Contract, and those enacted thereafter, are hereby made a part of the terms and conditions of this Contract.

#### **15. ENTIRE CONTRACT AND MODIFICATION.**

This Contract contains the entire agreement and understanding between the parties, and supersedes all prior agreements, representations and understandings of the parties. There are no oral understandings, terms or conditions, and neither party has relied on any representation, expressed or implied, not contained in this Contract. This Contract may be changed only by mutual written agreement of the parties hereto; provided however, if the Superintendent wishes to terminate this contract, he shall give the Board written notification of such intent at least 45-calendar days in advance of such termination date.

#### **16. TERMINATION OF CONTRACT.**

This Contract may be terminated pursuant to any of the six (6) different processes provided below. "Termination" does not include notice of non-reelection/non-reemployment of the Superintendent and resulting expiration of this Contract by its own terms, as provided in section 1 above.

- A. Mutual Agreement: This Contract may be terminated at any time upon terms and condition mutually agreed to by the Superintendent and the Board, provided that any cash settlement shall not exceed the amount specified in section (B) below.
- B. Unilateral Termination by the Board: The Board may unilaterally terminate this Contract at any time. In the event of such termination, the District shall pay to the Superintendent twelve (12) months salary or the salary due for the remainder of this Contract, whichever is less. Severance pay under the terms of this section shall not be greater than twelve (12) months salary. For purposes of this Contract, the term "salary" shall include only the Superintendent's regular monthly base salary (section 2A above) and shall not include the value of any other stipends, reimbursements or benefits received under this Contract. All payments made pursuant to this termination without cause provision shall be subject to applicable payroll deductions and shall be treated as compensation for state and federal tax purposes. No payments made pursuant to this early termination provision shall constitute creditable service or creditable compensation for retirement purposes. Payments made pursuant to this termination without cause provision shall be considered as final settlement pay and shall not count for any retirement purpose; accordingly, no deductions shall be made for retirement purposes. The parties agree that any damages to the Superintendent that may result from the Board's early termination of this Contract cannot be readily ascertained. Accordingly, the parties agree that the payments made pursuant to this termination without cause provision, constitutes reasonable liquidated damages for the Superintendent, fully compensates the Superintendent for all tort, contract and other damages of any nature whatsoever, whether in law or equity, and does not result in a penalty. The parties agree that the District's completion of its obligations under this provision constitutes the Superintendent's sole remedy to the fullest extent provided by law. Finally, the parties agree that this provision meets the requirements governing maximum cash settlements as set forth in Government Code section 53260, et seq.
- C. Termination for Alleged Material Breach of Contract: In the event the Board alleges that the Superintendent has committed a material breach of this Contract and seeks to terminate this Contract prior to its expiration, but not pursuant to sections (A) or

(B) above, it shall serve on the Superintendent a reasonably detailed statement of charges which the Board claims to constitute said material breach. Concurrently with the statement of charges, the Board shall serve on the Superintendent a notice of hearing; such hearing shall occur no sooner than 30 days following service of said notice.

- i. The hearing shall be held before the Board in closed session. The President of the Board shall preside over the hearing, unless the Board in its discretion elects to appoint another member of the Board to preside, or a non-member to serve as a hearing officer. The presiding officer shall determine how and in what fashion the hearing will proceed; he/she may seek the advice of all parties in this regard.
  - ii. The Superintendent shall have the right to be represented by counsel at the hearing, and the District shall pay the reasonable fees and costs of said counsel. The Superintendent shall have a reasonable opportunity to fully respond to all matters raised in the statement of charges and shall have the opportunity to introduce documentary evidence in his own behalf.
  - iii. If after considering all material presented, the Board determines to terminate this Contract based on a material breach thereof, the Board shall submit a written decision to the Superintendent setting forth the reasons therefor.
- D. Termination for Unlawful Fiscal Practices. Notwithstanding any other provision of this Contract to the contrary, if the Board believes, and subsequently confirms through an independent audit, that the Superintendent has engaged in fraud, misappropriation of funds, or other illegal fiscal practices, then the Board may immediately terminate the Superintendent solely upon written notice to the Superintendent and the Superintendent shall not be entitled to any compensation of any nature, whether as cash, salary payments, health benefits, or other non-cash settlement as set forth above. If the Superintendent elects to contest the Board's determination in this regard, the Superintendent may request a hearing before an administrative law judge who shall determine the amount of the cash settlement in accordance with the requirements of Government Code section 53260(b) existing at the time of execution of this Contract.
- E. Termination for Abuse of Office. Notwithstanding any other provision of this Contract, and as mandated by Government Code section 53243 et seq., if the Superintendent is convicted of a crime constituting "abuse of office," the Superintendent shall reimburse the District to the fullest extent mandated by Government Code section 53243 et seq. (i.e. for paid leave, criminal defense expenditures, or any cash settlement).
- F. Disability: Should the Superintendent be unable to serve in his position due to physical and/or mental condition, and upon expiration of the Superintendent's sick leave and disability entitlement as provided by statute or Board policies, after submission of a written evaluation by a licensed physician selected by the Board, which evaluation indicates the Superintendent's inability to carry out the duties of the position of Superintendent, this Contract may be terminated by the Board.

**17. RETIREMENT.**

As described in Section 5 above, the Board agrees to assume 100% of the cost of any health, dental, and vision program in which the Superintendent and his dependent(s) were enrolled pursuant to this Contract during the year prior to retirement, for a period of five years following the effective date of retirement, regardless of age. If the District changes its health, dental, or vision carrier, the retired former Superintendent will also be changed to the new carrier.

**18. NO LIABILITY.**

The District shall have no liability for any tax and/or retirement system treatment of any amounts paid to the Superintendent under this Contract. The Superintendent agrees to hold harmless, defend and indemnify the District concerning any taxes or penalties that may result therefrom.

DATED: 6/20/24

GOVERNING BOARD OF THE SUNNYVALE SCHOOL DISTRICT

By Michelle Magist

By [Signature]

By Bridget Watson

By [Signature]

By [Signature]

I hereby accept this offer of employment and agree to comply with the terms and conditions of this Contract and to fulfill all the duties of the Superintendent of the Sunnyvale School District.

Date of Acceptance: 6/20/24

[Signature]  
Michael Gallagher, Ed.D., Superintendent

Ratified in a public meeting of the Governing Board on June 20, 2024.

**Sunnyvale School District**

**CERTIFICATED  
Superintendent  
2024-2025 SALARY SCHEDULE**

<b>STEP</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
<b>SALARY</b>	\$350,564	\$361,081	\$371,913	\$383,071	\$394,563	\$406,400	\$418,592

219-day work year (12 months)

Longevity Provision:

To reward and retain effective leadership, the Superintendent shall receive a 3% longevity salary increase after an additional 2 complete years following a complete year of service at Step 7. The Superintendent shall receive a second 3% longevity salary increase, for a cumulative total of 6% of Step 7, upon completing four years of service at Step 7. The Superintendent shall receive a third 3% longevity salary increase, for a cumulative total of 9% of Step 7, upon completing six years of service at Step 7. All longevity steps are contingent on the Superintendent receiving an overall satisfactory evaluation for the immediate past two consecutive years of service.