



SETTLEMENT AGREEMENT AND GENERAL RELEASE

This Settlement Agreement and General Release (“Agreement”) is entered into by and between the BOARD OF EDUCATION (“Board”) of the PALO ALTO UNIFIED SCHOOL DISTRICT (“District”) and DONALD AUSTIN, ED.D. (“Employee”) (collectively “the Parties”).

WHEREAS, Employee is currently employed as a certificated management employee of the District serving in the position of Superintendent;

WHEREAS, on June 3, 2025, the Parties executed an Employment Agreement (“Contract or “June 3, 2025 Contract”), governing Employee’s employment as the Superintendent for the District;

WHEREAS, in lieu of the Board exercising its authority pursuant to Section 10(d) of the Contract, the Parties agree to the terms set forth below;

WHEREAS, the Board’s action is not based on Employee’s performance as Superintendent, as his performance has resulted in satisfactory or better performance evaluations in every year of his employment as Superintendent, but was based on the majority of the Board’s determination that the best interests of the District and Employee are served by exercising the Board’s option to terminate the Employment Agreement; and

WHEREAS, the Board desires to facilitate and accept Employee’s separation for purposes of concluding his services to the District.

NOW, THEREFORE, IT IS AGREED by and between the Parties as follows:

1. SEPARATION

- a. Employee shall immediately tender his voluntary and irrevocable letter of separation effective June 30, 2026 (the “Separation Date”). Said separation letter shall be attached hereto as Exhibit “A” and incorporated herein by this reference as an integral part of this Agreement and shall be included in Employee’s personnel file. As of the Separation Date, there will be a mutual separation between Employee and the District pursuant to Cal. Code Regs. Title 22, Section 1256-1(e)(4), and Employee will no longer be an employee of the District.
- b. Employee acknowledges that submission of said separation is a voluntary act, that there was no coercion by the District, and that he has had full opportunity to discuss with representation the impact of said separation, as well as the significance of the terms and conditions of this Agreement. Employee further acknowledges his separation is immediately deemed accepted by the District, is irrevocable and not subject to being set aside by any judicial or administrative action, none of which shall be instituted by Employee.



- c. The Parties have agreed to the substantive terms of joint public statement that will be released by District after the execution of this Agreement.

2. ASSIGNMENT FOR REMAINDER OF 2025-2026 SCHOOL YEAR

The District and Employee have agreed that Employee will be assigned to the position of "Superintendent Emeritus," effective upon full execution of this Agreement through June 30, 2026. In this advisory capacity, Employee shall remain reasonably available to the Acting Superintendent and the President of the Board of Education for consultation via telephone or written communication. Upon request of the Acting Superintendent and the Board President, Employee may provide institutional knowledge, historical context, and guidance regarding matters arising during his tenure as Superintendent, including topics requiring background familiarity with prior Board actions, negotiations, strategic initiatives, and other District matters.

Employee shall not serve in an executive, supervisory, fiduciary or operational role, shall not exercise administrative authority, and shall not represent the District unless specifically authorized in writing by the Board President. The Parties acknowledge that the purpose of this assignment is to ensure continuity of knowledge and to make Employee's experience reasonably accessible during the transition period. Employee will continue to receive his usual salary, and health & welfare benefits pursuant to the June 3, 2025 Contract.

3. CONSIDERATION

a. Settlement Payment

In consideration for the promises and representations contained herein and subject to the adherence to the terms of this Agreement, and pursuant to Paragraph 10(d) of the June 3, 2025 Contract, upon Employee's separation on June 30, 2026, the District shall pay to Employee a lump sum of \$421,272.00 (four hundred twenty-one thousand, two hundred seventy-two dollars), as a settlement payment, subject to the deductions identified below, and subject to the disbursement schedule identified as follows:

- i. One check payable to Donald Austin in the amount of \$331,272.00 reportable on an IRS Form W-2 to be paid on or before August 1, 2026.
- ii. One check payable to Donald Austin in the amount of \$90,000.00 reportable on an IRS Form W-2 to be paid on or before January 15, 2027.

The Parties understand and agree that this settlement payment represents employee earnings and is therefore subject to normal and usual payroll deductions, including those for federal and state taxes, etc., but shall not constitute creditable compensation under STRS for the purposes of retirement contributions. Employee may submit an amended W-4 form to the District to change his withholding allowances within ten (10) working days of his execution of this Agreement. Employee shall bear all employee tax consequences of the payments provided by and issued under this Agreement.



b. Health & Welfare Benefits

Pursuant to Government Code section 53261, District agrees that it shall continue to pay all premium costs for all such health, vision and dental insurance plans for Employee and his spouse until June 30, 2027.

c. Additional Terms

i. Housing

Pursuant to Paragraph 6(b) of the June 3, 2025 Contract, Employee rents the District-owned property located at [REDACTED] Palo Alto, California while employed and is required to vacate the premises within 30 days of termination or cessation of his employment, unless agreed to otherwise in writing by Superintendent and the Board. The Parties have agreed that Employee will vacate the property on or before April 30, 2026. In the event Employee vacates and surrenders possession of the property prior to April 30, 2026, the District shall provide a prorated refund of any prepaid rent covering the period following the date the premises are vacated and keys are returned. Proration shall be calculated on a per diem basis using the monthly rental amount in effect at the time of vacancy. All other terms and conditions of tenancy not inconsistent with this Agreement shall remain in effect through the date possession is surrendered.

ii. Expense Reimbursement

Pursuant to Paragraph 7 of the June 3, 2025 Contract, Employee is entitled to expense reimbursement. Parties agree that Employee will remain entitled to the reimbursement while serving as Superintendent Emeritus or June 30, 2026, whichever is later.

i. Outside Activities

Pursuant to Paragraph 6(b) of the June 3, 2025 Contract, Employee is permitted to undertake outside activities including consulting, university teaching, speaking, and writing. Parties agree that Employee may undertake said professional activities while serving as Superintendent Emeritus, including those activities that may be performed for compensation provided the activities do not interfere with the Employee's duties or violate the District's conflict of interest code.

ii. Employment References

Employee agrees to direct all future employment reference requests to either the Board President or the Acting Superintendent/Deputy Superintendent, who shall provide only Employee's dates of employment, Employee's position at the time of resignation, and the fact that Employee resigned from employment unless otherwise authorized by Employee. The District is not



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responsible or liable for inquiries prompted by Employee, or made on Employee's behalf, to any other District employees, officers, board members, or agents. Nothing in this Agreement shall prevent Employee from requesting a Board member or any District employee to provide a voluntary "personal letter of reference," which shall be expressly stated as such, based on his/her experience with Employee.

iii. Return of District Property

Employee agrees to return all equipment, keys, books, records, and any and all other District property, which may be in his possession within five (5) business days of his Separation Date. The Parties shall arrange a mutually convenient date and time for Employee to return any District property that may be in his possession and to obtain his personal property, if any, from the District.

4. MUTUAL COMPROMISE

The Parties' actions under this Agreement are solely the product of a compromise of any potential conflicting claims of the Parties, and are made in consideration of Employee's execution of the releases contained herein and other various acts, including, but not limited to, the submission of his separation for purposes of concluding his services to the District. The Parties' actions under this Agreement shall not be considered in any way an admission of any liability or wrongdoing by Employee, the Board, the District, its employees, or any agents, representatives, attorneys, successors, or assigns of either party.

5. GENERAL RELEASES

- a. In consideration of the promises and representations contained herein, Employee hereby releases the Board, the District, and each of its officers, trustees, employees, agents, successors and assigns of and from any and all claims, known or unknown, which may exist at the time of execution of this Agreement, and waives any claim to monetary damages that may arise therefrom.
- b. The aforementioned claims specifically include, but are not limited to, all loss, liability, damages, charges, complaints, demands, and causes of action arising directly or indirectly out of the employer-employee relationship between the Parties and for any other reason, and shall specifically include all causes of action and any claims under (1) Title VII of the Civil Rights Act of 1964, (race, color, religion, sex and national origin discrimination); (2) the Americans with Disabilities Act; (3) 42 U.S.C. Section 1981 (disability discrimination); (4) 29 U.S.C. Section 621-634 (age discrimination); (5) 29 U.S.C. Section 206(d)(i) (equal pay); (6) the Educational Employment Relations Act; (7) the National Labor Relations Act; (8) the California Constitution; (9) the United States Constitution, including the First, Fifth, and Fourteenth Amendments; and (10) The California Fair Employment and Housing Act (discrimination based upon race, color, national origin, ancestry, physical or mental disability, medical condition, religion, marital status, sex, sexual orientation



or age), (11) the Ralph M. Brown Act (Cal. Gov't. Code sections 54950 – 54963), and any claims for money damages associated therewith. This list is expressly understood by the Parties not to be all-inclusive, and Employee knowingly executes this agreement with the expressed intent of releasing the District from any and all claims and causes of action, past or present, to the greatest extent allowable under the law.

- c. This Agreement shall not serve to waive or release the District from any workers' compensation claims or any other claims or statutory obligations expressly excluded herein.
- d. For and in consideration of the commitments and representations contained herein, the District for itself and on behalf of its legal and other representatives, agents, claimants, beneficiaries, successors, and assigns, hereby fully and expressly irrevocably and absolutely releases and forever discharges Employee, and as applicable, his respective legal and other representatives, agents, claimants, beneficiaries, successors and assigns of and from any and all claims, charges, demands, actions at law or in equity, suits, grievances, or other proceedings, judicial, administrative or otherwise, debts, attorney's fees, expert witness fees, costs, damages, expenses, rights to contribution, and remedies of any nature whatsoever, known or unknown, suspected or unsuspected, fixed or contingent, which may exist at the time of execution of this Agreement, and waives any claim to monetary damages that may arise therefrom.
- e. The Parties understand and agree that this release extends, to the extent permitted by law, to all claims of every nature whatsoever, and it is understood and agreed that all rights under section 1542 of the Civil Code of the State of California are hereby expressly waived. Section 1542 of the Civil Code referred to herein reads as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

The Parties, being expressly aware of Civil Code Section 1542, understand and agree that this Agreement is in full accord, satisfaction, and discharge of any claims by either Party and that this Agreement has been executed with the express intention of effectuating the legal consequences provided in California Civil Code section 1541: to wit, the extinguishment of all obligations as herein described.

6. AGE DISCRIMINATION

The Age Discrimination in Employment Act of 1967 ("ADEA") makes it illegal for an employer to discharge any individual or otherwise discriminate with respect to the nature and privileges of



an individual's employment on the basis that the individual is age forty or older. The Older Workers Benefit Protection Act ("OWBPA"), 29 USC. §§ 626, et seq., further augment the ADEA and prohibit the waiver of any right or claim under the ADEA unless the waiver is knowing and voluntary. By entering into this Agreement, Employee acknowledges that he is knowingly and voluntarily, for just compensation in addition to anything of value to which Employee was already entitled, waiving and releasing any rights he may have under the ADEA and/or OWBPA. Employee further acknowledges that he has been advised and understands, pursuant to the provisions of the ADEA and OWBPA, that:

- a. This waiver/release is written in a manner understood by Employee.
- b. Employee is aware of and has been advised of his rights under the ADEA and OWBPA, of the legal significance of his waiver of any possible claims he currently may have under the ADEA, OWBPA, or similar age discrimination laws, as stated herein.
- c. Employee is entitled to a reasonable time of at least twenty-one (21) days within which to review and consider this Agreement, and the waiver and release of any right he may have under the ADEA, the OWBPA, or similar age discrimination laws, but he may, in the exercise of his own discretion, sign or reject this Agreement at any time before the expiration of the twenty-one (21) days.
- d. The waivers and releases set forth in this Agreement shall not apply to any rights or claims that may arise under the ADEA and/or OWBPA after the effective date of this Agreement.
- e. Employee is advised that he should consult with an attorney prior to executing this Agreement, and acknowledges he has had an opportunity to discuss this waiver and release with, and to be advised with respect thereto, by an attorney of his choice, and confirms that he does not need any additional time within which to review and consider this Agreement.
- f. Employee has seven (7) days following the Parties' full and complete execution of this Agreement to revoke the waivers contained in this section. Employee understands that the right of revocation set forth in this section applies only to the release of claims under the ADEA. If Employee elects to revoke this waiver of ADEA claims, the Board will have the option to: (i) enforce this Agreement in its totality, excluding any waiver of ADEA claims, or (ii) rescind the entire Agreement.
- g. This Agreement shall not be effective until the expiration of the seven (7) day revocation period set forth in the preceding paragraph.

7. REPRESENTATION

Each Party acknowledges that he/it has carefully read this Agreement and has been provided the opportunity to be advised fully by independent counsel of his/its own choice throughout all of the negotiations which preceded the execution of this Agreement, and that each party has duly



executed this Agreement with the full consent and approval of such independent counsel. Each party acknowledges that the only promises made to induce him/it to sign this Agreement are those stated herein. Having been fully advised and informed, each party voluntarily enters into this Agreement, including Employee's waiver of rights.

8. COSTS AND ATTORNEY FEES

Each party shall bear its own costs and attorneys' fees in relation to this matter.

9. COVENANT NOT TO SUE

(a) To the extent permissible by law, Employee hereby covenants not to sue or initiate against any other party to this Agreement or any person or entity described in this Agreement, any action or proceeding, or to participate in same, individually or as a member of a class, under any policy, contract, law or regulation, federal, state or local, pertaining in any manner whatsoever to the subject of this dispute, including but not limited to Employee's employment with the District, and arising from any fact or circumstance known at the time of execution of this Agreement.

(b) In the event that Employee does file or causes to be filed any action, suit, claim, complaint or proceeding in violation of this Covenant Not to Sue, he hereby states and agrees that this Agreement shall constitute a complete and total defense to any such action, suit, claim, complaint or proceeding.

10. CONFIDENTIALITY/DISCLOSURE

The Parties acknowledge and agree that the terms and provisions of this Agreement were made in confidence and shall remain confidential to the greatest extent possible under the law. Neither party shall knowingly disclose or cause or allow to be disclosed, privately or publicly, any of the terms or provisions of this Agreement to any person or entity, except as necessary to comply with disclosure per statute (including the California Public Records Act), lawful subpoena or court order, or in the event that legal proceedings are commenced to enforce any obligations of a party hereto. Nothing in this Agreement precludes Employee from consultation with or disclosures to legal counsel, labor representatives, financial/tax advisors, and immediate family members. Nothing in this Agreement precludes the Board from consultation with or disclosures to legal counsel, the District's executive officers, or any labor commission, or similar regulatory authority.

11. NON-DISPARAGEMENT

(a) Except as provided herein, Employee agrees he will not publicly or privately criticize, denigrate or disparage the District, its Board of Education, the individual members of the Board of Education, its programs, or any of its employees after the date of this Agreement. Nothing herein shall affect the application of Government Code section 12964.5(b)(1)(B) on any term set out herein and statements made of the nature permitted by that section shall not be precluded. This section shall not preclude Employee from testifying under oath in any judicial proceeding, including in a court of law or deposition, about matters pertaining to the administration of the District, its programs, and operations.



(b) The District, its Board of Education, and the individual members of the Board of Education agree they will not publicly or privately criticize, denigrate or disparage Employee. This section shall not preclude former or existing employees of the District from testifying under oath in any judicial proceeding, including in a court of law or deposition, about matters pertaining to the administration of the District, its programs, and operations.

12. FUTURE COOPERATION

If requested by the District, Employee agrees to provide reasonable availability and cooperate with the District and its counsel following the Separation Date in connection with any claim, dispute, negotiation, investigation, or proceeding involving Employee and the District, in which the Employee was directly and substantially involved during employment, at an hourly rate of five hundred dollars (\$500.00) (or pro-rata for partial hours) for such services, plus reimbursement of reasonable, pre-approved expenses, including travel. Payment shall be made within 15 days of invoice. Such cooperation shall be requested with at least 5 business days' advance written notice, shall not unreasonably interfere with Employee's personal or professional commitments, and shall be limited to a maximum of 15 hours per month unless otherwise mutually agreed. Employee shall have the right to decline requests that are unreasonable in timing, scope, and/or burden.

13. INTEGRATION, MODIFICATION, CONSTRUCTION, CAPTIONS, AND SEVERABILITY

(a) This Agreement constitutes the entire agreement between the Parties, and there exist no other agreements, warranties or representations other than those expressly mentioned herein. This Agreement is the final and complete expression of the understandings of the Parties.

(b) This Agreement may only be amended by written instrument signed by the Parties and shall be construed under and governed by the laws of the State of California, without regard for its conflict of law provisions.

(c) This Agreement shall be interpreted as if each party contributed equally in the drafting and construction of all of the language and each of the terms herein.

(d) The captions and headings used in this Agreement are for convenience only and shall not be interpreted to limit or affect in any way the meaning of the language or terms contained herein.

(e) If any part of this Agreement is held to be illegal, invalid or unenforceable by a court of competent jurisdiction, the remaining parts of this Agreement shall remain in full force and effect, with such illegal, invalid or unenforceable parts severed from this Agreement.

14. EXECUTION

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and together will constitute a binding and enforceable agreement as if all Parties had executed the same copy hereof. Facsimile and digitally scanned copies and signatures shall be deemed originals.

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15. DEFEND AND INDEMNIFY

Consistent with Government Code sections 825, 995 and 995.2, Employee may request defense and indemnification for any and all acts Employee took within the scope and course of his employment.

16. BOARD APPROVAL

This Agreement shall not be binding upon the District until ratified by a vote of the Board of Education at a duly noticed meeting thereof. In the event the Board does not ratify the agreement then all releases and waivers executed by the Parties shall be null and void.

The undersigned declare that they have read this document consisting of ten (10) typewritten pages, plus the attached Exhibit A, and understand its terms and freely enter into this final settlement.

APPROVED AND ACCEPTED:

DATED: 2/20/2026

DocuSigned by:
Don Austin
13E7E759FFB0420

Dr. Donald B. Austin

DATED: 2/20/2026

Signed by:
Shounak Dharap
002454318EC54AA

Shounak Dharap, President, GOVERNING BOARD OF THE
PALO ALTO UNIFIED SCHOOL DISTRICT



PALO ALTO
UNIFIED SCHOOL DISTRICT

IRREVOCABLE LETTER OF SEPARATION

Governing Board of the Palo Alto Unified School District
25 Churchill Avenue
Palo Alto, CA 94306

Re: Irrevocable Letter of Separation

To the Governing Board of Education:

I, Dr. Don Austin, hereby submit my voluntary separation, effective June 30, 2026. I understand that separation is for the purpose of concluding my services to the District, and is deemed valid and binding upon acceptance by the Board President or designee. This notice may be acted upon immediately.

DATED: 2/20/2026

DocuSigned by:
Don Austin
13E7E750FEB0420

DR. DONALD B. AUSTIN