



Retention Bonus Policy

I. Purpose

To help ISANA retain qualified employees, build institutional knowledge and promote stability and continuity throughout the organization, ISANA will pay a retention bonus to Eligible Employees for continued employment during the Retention Period (as defined herein), subject to the terms and conditions set forth in this Retention Bonus Policy ("Policy").

II. Effective Date

This Policy shall be effective as of July 1, 2021 ("Effective Date") and shall expire no later than June 30, 2022. The retention period for purposes of this Policy will begin as of the Effective Date and will remain in effect for twelve (12) months thereafter ("Retention Period").

III. Eligible Employees

All active employees who have been employed with ISANA for a minimum one year as of the Effective Date of this Policy (i.e., employment began as of July 1, 2020 or earlier), who were impacted by the salary freeze approved by the ISANA Board of Directors June 16, 2020, remain in continuous employment with ISANA for the entire Retention Period, and meet all of the following requirements are eligible to receive the retention bonus pursuant to this Policy:

- The employee's performance has been satisfactory, as determined in ISANA's sole discretion, from the Effective Date through the end of the Retention Period, including but not limited to, at the time of each installment payment.
- The employee is actively employed by ISANA on the last day of the Retention Period, and at the time of each installment payment.
- The employee has not given notice of their intent to resign from employment on or before the last day of the Retention Period.
- The employee is not terminated for cause or otherwise not actively performing his/her job duties on behalf of ISANA on or before the last day of the Retention Period. Termination for cause shall be determined in ISANA's sole discretion, and shall include, but is not limited to, (i) any violation of ISANA policy or agreements (ii) an act of willful misconduct or gross negligence in performing assigned duties; and/or (iii) the attempted or actual appropriation confidential information or trade secrets of ISANA.



The eligibility of any employee for the retention bonus shall be within ISANA's CEO or his/her designee's sole discretion. Payment of any bonus under this Policy is subject to approval by ISANA's CEO, and no person shall have any claim to be granted or receive any bonus that has not received such approval.

III. Retention Bonus Amount

ISANA will pay Eligible Employees a retention bonus in an amount equal to the difference in wages or salary the Eligible Employee would have earned during the 2020-2021 school year (but for the salary freeze approved by ISANA's Board of Directors on June 16, 2020) and the amount the Eligible Employee was actually paid (exclusive of stipends). The retention bonus is subject to applicable tax withholdings and authorized deductions. The calculation of the amount the Eligible Employee would have been paid will be prorated based on the portion of the 2020-2021 school year the Eligible Employee actually worked (for exempt employees) and the total amount of hours the employee actually worked (for non-exempt employees) exclusive of overtime hours.

As an example, if an exempt employee's salary remained at \$60,000, but would have been adjusted to \$62,000 for the entire school year but for the pay freeze and the employee worked 50% of the employee's scheduled hours during the 2020-2021 school year due to an unpaid leave of absence, ISANA will calculate the retention bonus as follows:

The amount the employee would have earned prorated at 50% (\$31,000) less the amount actually earned (\$30,000) for a total retention bonus in the gross amount of \$1,000 subject to applicable tax withholdings and authorized deductions.

By way of further example, if a non-exempt employee worked 1,600 hours at \$15.00/hr (for a gross total amount of \$24,000) during the 2020-2021 school year but the employee would have received a pay increase to \$16.00/hr but for the pay freeze (for a total of \$25,600), the employee's retention bonus will be \$1,600 less regular tax withholdings and authorized deductions.

The calculation of the retention bonus amount for all Eligible Employees shall be approved by ISANA's CEO or his/her designee's and is final upon approval. If the CEO is eligible for a retention bonus, the amount shall be determined and approved by ISANA's Board of Directors.

IV. Payment of Retention Bonus



INNOVATIVE, SOCIALLY AWARE, NETWORK OF ACHIEVERS

ISANA Academies - A Network of Tuition-Free Public Charter Schools

An employee's total retention bonus will be paid in three separate and equal installment payments in accordance with ISANA's payroll practices following the pay periods ending on September 30, 2021, January 31, 2022 and June 15, 2022. The employee's right to any or all of the installment payments is conditioned on the employee's continued employment with ISANA on the date the retention bonus payment is to be paid, in addition to the other eligibility requirements set forth herein. Payroll taxes shall be withheld from said payments in accordance with all applicable federal, state and local laws.

If an employee is on an unpaid leave of absence as of the date of any installment payment, the employee will receive a pro rata share of the retention bonus in proportion to the amount of time the employee actually worked in the preceding period. For instance, if an otherwise Eligible Employee is on an unpaid leave of absence at the time of the installment payment following the pay period ending on January 31, 2022, the employee will receive a pro rata portion of the installment amount based on the hours actually worked between October 1, 2021, and January 31, 2022.

V. At-Will Employment

This Policy does not alter the at-will nature of employment between ISANA and the employee. This Policy does not limit the right of ISANA to terminate an employee at any time, with or without notice and with or without cause.

VI. Amendment or Termination

ISANA reserves the right to amend or terminate this Policy at any time by action of its CEO due to budgetary constraints or as necessary.