

BUSINESS AFFAIRS AND HUMAN RESOURCES COMMITTEE
FEBRUARY 17, 2011

BOISE STATE UNIVERSITY

SUBJECT

Request to approve merit based adjustments to the contract payments to Head Football Coach Chris Petersen

REFERENCE

April 22, 2010 Approval of a New Employment Agreement and Addendum with Chris Petersen and Related Changes to the Deferred Compensation Plan

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Section II.H.

BACKGROUND/DISCUSSION

Boise State University is requesting approval to make two merit-based supplemental payments to Head Football Coach Chris Petersen.

Last year the University entered into a five year employment agreement with Mr. Petersen. This year the University has negotiated an adjustment to that agreement with Mr. Petersen. The University will bring a new multi-year agreement for Board approval at a future meeting. In the meantime, the University is requesting Board approval for two merit-based payments to Mr. Petersen in addition to his current contract.

IMPACT

The two payments are as follows:

First, to make a one-time payment of \$50,000 in addition to his contract based additional pay based upon performance. Under the current contract, Mr. Petersen is entitled to receive \$75,000 in additional pay based upon performance. The new amount would be \$125,000.

Second, to increase his base salary by \$35,000. The current contract salary for February 1, 2011 to January 31, 2012 is \$1,140,000 and will be raised to \$1,175,000 with this addition.

As with all payments under this employment agreement, no state funds are used and these amounts are paid only from media, public appearance fees, donations and other non-state funds.

STAFF COMMENTS AND RECOMMENDATIONS

Under the five year contract approved by the Board last year, Mr. Petersen is entitled to additional pay based upon performance in the amount of \$75,000 because Boise State finished in a three-way tie for the conference championship.

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The University proposes to increase the one-time additional pay by \$50,000, bringing the total to the same amount that would have been paid under the contract if the team had participated in any one of the five BCS bowl games.

BOARD ACTION

I move to approve the request by Boise State University to make the following payments to Chris Petersen:

- (1) A one-time payment in the amount of \$50,000 based upon performance; and
- (2) An increase to his base salary in the amount of \$35,000.

These revisions shall be incorporated into an amended multi-year employment agreement between BSU and Chris Petersen, to be approved by the Board at a later date.

Moved by _____ Seconded by _____ Carried Yes _____ No _____