

**BUSINESS AFFAIRS AND HUMAN RESOURCES COMMITTEE
JANUARY 4, 2012**

BOISE STATE UNIVERSITY

SUBJECT

Boise State University requests approval to increase the base compensation for its head football coach

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 increase the base salary of Head Football Coach Chris Petersen. The University currently has a five year employment agreement with Mr. Petersen through January 2016. Following this last season, the University negotiated terms for a new five year employment agreement with Mr. Petersen through January 2017 to include a base compensation package of \$2,000,000 in the first year.

IMPACT

The University will bring to the Board at its regularly scheduled February meeting a new five year employment contract. The final terms will allocate the compensation package between salary, royalty payments, deferred compensation and retirement benefits. The contract will also include new performance-based incentives for both academic and athletic performance of the University's football team.

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

STAFF COMMENTS AND RECOMMENDATIONS

In February 17, 2011, the Board approved a \$35,000 increase to Mr. Petersen's base salary, bringing it up to \$1,175,000.

Mr. Petersen's annual compensation schedule, not including supplemental pay for performance, is currently as follows:

Contract Year Ending	Regular Compensation	Deferred Compensation	Total Guaranteed Compensation	Longevity Incentive	TOTAL
1/31/2012	\$1,175,000	\$250,000	\$1,425,000	\$200,000	\$1,625,000
1/31/2013	\$1,275,000	\$250,000	\$1,525,000	\$100,000	\$1,625,000
1/31/2014	\$1,375,000	\$250,000	\$1,625,000	\$100,000	\$1,725,000
1/31/2015	\$1,475,000	\$250,000	\$1,725,000	\$100,000	\$1,825,000
1/31/2016	\$1,575,000	\$250,000	\$1,825,000	\$100,000	\$1,925,000

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The University seeks approval for a \$375,000 increase in Mr. Petersen's base compensation.

BOARD ACTION

I move to approve the request by Boise State University to increase the base compensation for Chris Petersen to \$2,000,000 for the 2012-2013 year, and to bring to the Board an amended employment contract for approval at the February 2012 Board meeting.

Moved by _____ Seconded by _____ Carried Yes _____ No _____