



MINUTES
Montana Board of Regents
Conference Call Meeting
October 30, 2009
12:15 – 12:47 PM

Friday, October 30, 2009

The Board convened at 12:15 PM.

Roll call indicated a quorum present.

Regents Present: Stephen M. Barrett, Chair, Clayton Christian, Vice Chair, Lynn Hamilton, Lila Taylor, Janine Regent Pease, Todd Buchanan, and Robert Barnosky, all by phone; Commissioner of Higher Education Sheila Stearns, *ex officio*. Governor Brian Schweitzer, *ex officio*, was represented by Dan Villa by phone. Superintendent of Public Instruction Denise Juneau, *ex officio*, was excused.

Sites represented by phone were: Office of the Commissioner of Higher Education (OCHE), UM-Missoula, UM-Helena COT, MSU-Bozeman, MSU-Billings, MSU-Northern, and the Office of the Governor.

Authorization for Hire – MSU President (Dr. Waded Cruzado)

Chairman Steve Barrett opened by noting that the meeting was for a significant event: the hiring of a new president of MSU-Bozeman. He thanked the search committee and noted the success of the search, in terms of its attracting nearly sixty highly qualified candidates and the completion of its work in five months rather than the seven to twelve months which is the norm. Chairman Barrett said that the search team was able to select its first choice and was then able to reach an agreement with that candidate.

Chairman Barrett then explained the process for the discussion of the terms of employment between Dr. Cruzado and the Board of Regents. He clarified that the initial contract term proposed is two-and-a-half years, as opposed to the standard two years, since the contract is starting mid-year. Chairman Barrett added that the terms also include a tenured faculty appointment, disability and life insurance, a deferred compensation supplement still being developed, a residence and vehicle according to policy, and club memberships consistent with current practice.

Regent Clay Christian, Chairman of the Search Committee, moved that the commissioner of higher education be authorized to complete and execute an employment contract with Dr. Cruzado at an annual base salary of \$280,000 and to include other terms as set forth in the agenda items B – H and that the commissioner be authorized to negotiate with the MSU Foundation to develop the deferred compensation benefit and that Dr. Cruzado be authorized to accept that benefit as part of her compensation package.



MONTANA UNIVERSITY SYSTEM

Regent Christian stated that Dr. Cruzado was chosen because of her qualifications and capabilities and what she will bring to Montana State University and to its students. He said Dr. Cruzado had the overwhelming support of the search committee and of the regents. He said the proposed \$280,000 salary was reached after review of a market analysis completed by Director of Labor Relations Kevin McRae. The analysis compares MUS salaries to surrounding states and peer states, as well as by percentage to other Montanans. He noted that, while the \$280,000 salary still leaves Montana behind other states, it moves Montana closer to those other campuses. While we are paying less, he said, this amount can be justified. Regent Christian told the board that Dr. Cruzado has indicated the \$280,000 is acceptable to her. He added that Dr. Cruzado received other offers which would have paid substantially more, indicating her commitment to MSU. Regent Christian stated that the search committee did the best job they could and he recommended passage of the item.

There was no comment from the public or from the campuses.

Regent Hamilton asked whether the deferred compensation agreement would be between the foundation and the Board of Regents or the campus. Chairman Barrett responded that MT Tech entered into such an agreement 15 years ago and it is a common practice in other states. He said the agreement will be between the foundation and Dr. Cruzado and that the contract will need to meet IRS requirements. Regent Christian added that regents policy gives authorization for an employee to accept such compensation. The board concurred in its appreciation for the foundation's support.

Regent Buchanan noted that enthusiasm is high in Bozeman and he complimented the process and Dr. Cruzado. Regent Barnosky said he was excited by the potential but, as a student, had some concern about the salary offer at a time of campus budget reductions. Regents Pease and Taylor spoke in favor of the candidate and the process.

Motion passed 7-0.

Public Comment (on matters not on the agenda): None

The meeting adjourned at 12:47 PM.

Posted on

Approved by the Board of Regents on

Date

Date

Sheila M. Stearns
Commissioner of Higher Education
and Secretary to the Board of Regents

Stephen Barrett
Chair, Board of Regents