

FLATHEAD VALLEY COMMUNITY COLLEGE

AGENDA ITEM IV *

IV. COLLEGE ISSUES

- President Employment Agreement*

BACKGROUND:

The Board of Trustees will consider and act on the employment contract for Dr. Deborah Kish Stephan, who has been selected as the next President of Flathead Valley Community College. Dr. Stephan brings extensive leadership experience in higher education, including her current role as President of Hillsborough College's Brandon Campus. Her background includes significant achievements in strategic planning, financial management, and community engagement, which align with the institutional priorities for presidential leadership.



President Employment Agreement

This President Employment Agreement ("Agreement") between the Flathead Valley Community College Board of Trustees ("Board") and Deborah Kish Stephan ("President") shall be effective as of the date of full execution by both parties ("Effective Date").

The Board hereby agrees to employ Dr. Stephan as President of Flathead Valley Community College (the College) and Dr. Stephan hereby accepts such employment for a term commencing January 1, 2027, and ending June 30, 2030 (Initial Term), upon the terms and conditions contained herein.

1. DUTIES

The President agrees to perform the duties of President, consistent with the terms of this Agreement and subject to the provisions of Montana law, and to comply with the policies adopted by the Board in performance of her duties, and other duties as assigned by the Board consistent with her position as President. With prior notice to the Board, the President may engage in other income generating activities provided they do not interfere with her duties and responsibilities as President or cause a conflict of interest with the College. Any income from the President's outside activities shall be hers and will have no effect on her compensation or benefits under this Agreement.

The Board shall formally evaluate and appraise the performance of the President annually in a closed, executive session unless the President waives her right of privacy in her performance. The formal annual evaluation shall occur in the month of December of each academic year and will be based upon progress on the achievement goals determined by the Board with input from the President at the beginning of the one-year evaluation period. The President shall be provided a written evaluation and assessment reasonably related to (i) the mutually agreed upon goals; and (ii) the then-current position description of President. President may provide a written self-assessment, at her election, for the Board's consideration as part of the evaluation process.

2. COMPENSATION

- A. The annual salary for the first eighteen (18) months of the President's employment is Two Hundred Fifty Thousand Dollars (\$250,000.00) less applicable withholdings and deductions, payable in accordance with the College's normal payroll cycle for senior administrators. Beginning with the 2029 fiscal year (July 1, 2028), the annual salary will be increased by not less than that offered to other employees. In no case, will the annual salary be decreased. Any increase to the President's compensation shall be deemed incorporated into the terms of the Agreement and shall not be considered a separate contractual arrangement requiring a new agreement.

- B. In addition to the annual salary, the President is entitled to receive the employee benefit package as outlined on the attached Exhibit A, which is fully incorporated into this Agreement. President will also be reimbursed up to Ten Thousand Dollars (\$10,000) to cover moving expenses, upon the submission of receipts.
- C. The Board and President shall negotiate in good faith, to reach resolution on or before May 1 of each year during the Term, the salary for the President's compensation for the subsequent year of this Agreement, but in no event shall the salary and benefits provided for in this section be less than those for the current year.
- D. The College will annually contribute \$30,000 to the optional retirement plan(s) of the President's choice. The College further agrees to contribute the full employer share for the College and 75% of the President's share to the applicable Montana state retirement system. The first \$30,000 contribution will be pro-rated.
- E. The President shall receive \$30,000 annually as a retention incentive payable in accordance with the College's normal payroll cycle. The first \$30,000 incentive will be pro-rated.

3. TERM

The parties intend this Agreement to operate as a **three and one half year employment agreement**. Beginning on June 30, 2028, the term of this Agreement may automatically be extended by one (1) additional year so that, immediately following each annual renewal thereafter, three (3) years remain in the contractual term. Any increase to the term of this Agreement shall be deemed incorporated into the terms of the Agreement and shall not be considered a separate contractual arrangement requiring a new agreement.

4. TRANSPORTATION AND EXPENSES

- A. The Board will provide the President with a vehicle leased by the College, to be selected by the President, and pay all operational costs of the vehicle, including but not limited to insurance, fuel, upkeep and maintenance of said vehicle for the President or a licensed driver approved by the President. The College will replace the vehicle every three years. The President shall maintain a mileage log for personal use to be taxable income to her in accordance with IRS regulations. Additionally, the President will be provided with reimbursement for transportation and all reasonable business-related expenses as may be required in the performance of official duties under the provisions of this Agreement.
- B. The College shall pay for memberships in professional organizations that the Board and the President mutually agree are essential in carrying out her duties. The College shall reimburse the President for pre-approved expenses incurred in her attendance at a total of not more than two out-of-state, professional conferences annually.
- C. The President shall be provided technological support, including high-speed internet access, computers, software and equipment to assist the President in working away from the campus of the College. The President will be provided funds for professional development

and discretionary business-related expenses that the President and the Board consider useful in her position, subject to any applicable documentation of expenses required by the College.

5. INDEMNIFICATION

The College will defend and hold President harmless from any and all liability, loss, damage, cost or expense which she may hereafter incur, suffer, or be required to pay resulting from any claim, litigation, administrative proceeding or other legal action brought against the President attributed to her acting within the scope of her duties on behalf of the College or in the performance of her duties for the College including, but not limited to, attorneys' fees in accordance with the provisions of Montana law. The provisions of this paragraph shall survive the termination of this Agreement and conclusion of President's employment.

6. TERMINATION OF AGREEMENT

- A. The Board reserves the right to terminate this Agreement and dismiss President at any time for good cause upon a majority vote of the Board. For purposes of this Agreement, "good cause" is defined as stated in Section 39-2-903(5), MCA.
- B. Any time the Board acts to dismiss the President for cause, the Board shall keep all matters relating to such dismissal confidential, to the extent permitted by law, and shall, except as hereinafter provided, provide the President with fourteen (14) calendar days' prior written notice and an opportunity for a hearing before the Board.
- C. The Board reserves the right to terminate this Agreement without cause upon 180 days' prior written notice. If this Agreement is terminated under this subsection, President shall be paid her salary and benefits for the remainder of the Term of the Agreement.
- D. In the event of accident or illness of whatsoever kind or nature, if the President is unable to perform her essential duties and functions, with or without a reasonable accommodation, by reason of illness or disability for a period of four (4) consecutive months, the Board may terminate this Agreement. In the event of such termination, President shall be entitled to all compensation and benefits due under Section 2.C. and as provided by the benefit plans of the College.
- E. The President may terminate this Agreement without cause at any time by giving the Board not less than 180 days' advance written notice of her intention to terminate this Agreement and stating therein the date such termination shall be effective.

7. GENERAL TERMS AND CONDITIONS

- A. **MODIFICATION OF AGREEMENT.** Any modification of this Agreement shall be binding only if evidenced in writing signed by each party or in the case of the College, an authorized representative of the Board.
- B. **NO WAIVER.** The failure of either party to this Agreement to insist upon the performance of any of the terms and conditions of this Agreement, or the waiver of any breach of any of the terms and conditions of this Agreement, shall not be construed as waiving any such terms and

conditions, but the same shall continue and remain in full force and effect as if no such forbearance or waiver had occurred.

- C. ENTIRE AGREEMENT. This Agreement contains the complete agreement concerning the terms of employment between the parties and shall supersede all other agreements between the parties. The parties stipulate that neither of them has made any representations with respect to the subject matter of this Agreement, or any representations inducing the execution and delivery of this Agreement, except such representations as are specifically set forth in this Agreement and each party acknowledges that it has relied on its own judgment in entering into this Agreement.
- D. EFFECT OF PARTIAL INVALIDITY. The invalidity of any section of this Agreement or portion thereof will not and shall not be deemed to affect the validity of any other provision. If any section or portion thereof is held to be invalid, the parties agree the remaining portions or provisions shall remain in full force and effect.
- E. COUNTERPARTS. This Agreement may be executed in counterparts. Each counterpart is an original, and all together constitute one and the same instrument.
- F. DISPUTE RESOLUTION. The parties agree that if any dispute arises concerning this Agreement they will first attempt in good faith to resolve the dispute. If such efforts are unsuccessful, the parties agree that they will submit the dispute to binding arbitration before one arbitrator in accordance with the Employment Arbitration Rules and Mediation Procedures of the American Arbitration Association ("AAA") then in effect. The AAA shall provide a list of three arbitrators. Within ten (10) days of receipt thereof, each party shall strike one. The President shall strike first and notify the College of such choice within ten (10) days of marking of the list and the College shall strike next. The arbitrator must base her decision upon this Agreement and shall not have power to modify, add to or ignore terms of the Agreement. The written decision of the arbitrator shall be final and conclusive upon both parties and may be entered in any court having competent jurisdiction. The parties shall share equally the administrative fees of the arbitrator. The parties agree to pay their own attorney's fees and costs, which the arbitrator shall not have authority to otherwise apportion or assign.
- G. EFFECT OF MONTANA LAW AND BOARD POLICY. All laws of the State of Montana, in relation to the College, and the administration and conduct of the College thereof, are by special reference made a part hereof. All regulations and policies of the College, to the extent that they are not inconsistent with the terms of this Agreement, shall be regarded as a part of this Agreement and are hereby incorporated into this Agreement.

In witness whereof, the parties hereto have subscribed their names upon the date as hereinafter written.

Deborah Kish Stephan, President

Date

Callie Langohr, Chair, Board of Trustees, FVCC

Date

Holly Metzger, Clerk of the District, FVCC

Date

Exhibit A

President Employment Agreement Salary Package and Benefits

The President is entitled to receive the following employee benefits: insurance, disability benefits, retirement plan contributions, and other benefits that are provided for employees of the College under state law and the policies of the College. The College shall pay the cost of all group health, disability and mandatory life insurance benefits for the President.

- Vacation Leave – 15 days per year
- Sick Leave – 12 days per year
- Personal Days – 10 days per year
- Paid Holidays
- 403(b) match up to 7%
- Montana Teachers' Retirement – 9.47%