

**MONTANA BOARD OF REGENTS OF HIGHER EDUCATION**  
**Policy and Procedures Manual**

SUBJECT: PERSONNEL

Policy 711.1 – Employment Contracts (Non-faculty)

**Adopted: June 1, 2006; Revised November 17, 2017; Revised September 12, 2019**

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**Board Policy:**

**A. Delegation of Authority:**

The Board of Regents, pursuant to its constitutional authority to supervise and manage the Montana University System (MUS), hereby delegates to the Commissioner of Higher Education the authority to approve employment contracts offered to contract professional personnel, contract administrative personnel and athletic coaches. MUS employment contracts in this policy cover non-faculty professional employees who are not on the MUS Staff Compensation Plan, and administrators who are not covered by a Board of Regents employment contract as provided in Regents Policy 711.2.

**B. Accountability:**

1. Campuses shall submit the terms and conditions of tentative MUS employment contracts to the Commissioner. Presidents are authorized to coordinate the submitted items on behalf of affiliated campuses. The submitted information should identify the employee's name, position title, department or program, proposed salary, position funding source, date of hire, and proposed duration of the contract. Upon the Commissioner's approval, the appropriate campus executive officer shall be authorized to sign the approved contract into a binding agreement.
2. The Commissioner will prepare an annual report to the Board of Regents in November summarizing the status and trends of MUS employment contracts.
3. Salaries will be administered in accordance with guidelines approved by the Board.
4. In all cases for new and continuing employees, salary levels and guidelines shall be established with a goal of maintaining a balance between recruiting a high-quality workforce and recognizing the reality of scarce salary resources.
5. Montana University System employment contracts and letters of appointment (section E) may include a notation that makes employment contingent upon continuation of external funding. If anticipated funding is not forthcoming, an employee hired through a contract or letter of appointment with such notation may be terminated at any time during the expected term of the contract upon 15 working days written notice.

**C. Eligibility:**

1. Employees eligible for hire through an MUS employment contract are non-faculty professional and administrative employees who perform work that is autonomous in nature or involves policy-making authority.
2. Tenure track faculty, student employees, classified employees, employees covered by a collective bargaining agreement, and employees covered by a Board of Regents employment contract (Policy 711.2) are excluded from this policy.
3. Not all positions exempt from the overtime provisions of state and federal wage statutes are appropriate for MUS employment contracts, however, positions must be exempt from the overtime regulations to be eligible for MUS employment contracts.
4. Eligibility for an MUS employment contract is not determined solely on the basis of the employee's job title or his/her supervisor's job title. Relevant factors include job duties and responsibilities, decision-making authority, and the essential business needs of the employer.
5. Athletic coaches and athletic directors are not subject to Section D ("terms and conditions"), but rather, are subject to the terms and conditions of their individual employment contract as approved by the Commissioner.

**D. Terms and conditions:**

1. The maximum term of a contract is one year.

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2. Except in situations involving termination for cause or loss of funding for the position, professional and administrative employees hired through MUS employment contracts shall be given written notice of intent not to renew their contracts at least thirty (30) days prior to expiration during the first year of employment; three (3) months prior to expiration during the second year of employment; or five (5) months prior to expiration during the third or subsequent years of employment with the institution.

In the event the initial term of employment contract for a newly hired employee is for less than six (6) months, the employee shall be entitled to at least thirty (30) days written notice of non-renewal prior to expiration in both the first and second years of employment. Such employee will be entitled to at least three (3) months notice prior to expiration during the third year, and five (5) months prior to expiration during the fourth or subsequent years of employment.

3. Initial contracts for the hiring of a new vice president, provost, vice chancellor or two-year college dean may be for a term of up to two years, after which no subsequent contract term may exceed the one-year maximum. Other positions may be considered for an initial contract term of longer than one year in duration at the discretion of the board.

**E. Letters of Appointment:**

1. A Letter of Appointment is an employment contract issued to administrative employees or professional employees whose appointments are temporary and/or funded through means not available from year to year. Non-tenurable faculty members are also eligible for a Letter of Appointment. In all cases, the appointment is for the fixed term specified in the Letter of Appointment, not to exceed one year. Employees hired through a Letter of Appointment have no right to continuous employment beyond the fixed term of the letter. The eligibility requirements articulated in Section C of this policy also apply to Letters of Appointment.
2. Letters of Appointment may include a notation that makes employment contingent upon continuation of funding. If anticipated funding is not forthcoming, an employee hired through a Letter of Appointment with such notation may be terminated at any time during the expected term of the contract upon 15 working days written notice.
3. Except in situations involving termination for cause or lack of funding, employment of employees hired by a Letter of Appointment automatically ends without notice at the end of the specified term.
4. Campuses shall submit to the commissioner by October 1 each year a list containing the names, positions, dates of employment, and salaries of all employees employed through a letter of appointment in the previous 12 months.
5. Aside from the annual report referenced in part E4 above, campuses are not required to submit terms and conditions of a Letter of Appointment contract to the Commissioner for prior approval.

No agent of the Board of Regents or Montana University System executives may make commitments or promises to any employee to extend employment beyond the maximum term authorized in this policy. Any such promises, whether written, oral or implied, are invalid and unenforceable.

**History:**

Item 26-016-R0380, Employment Contract, Professional and Administrative Employees, Montana University System, March 10, 1980 as revised December 16, 1983, January 22, 1993, May 16, 1996, September 19, 1996, and November 19, 1998. Policy replaced by Item 131-116-R0506, Employment contracts and pay guidelines for non-faculty administrators and professionals, approved by the Board of Regents June 1, 2006. Revised per item 177-103-R1117, November 17, 2017. Revised per item 184-105-R0919, September 12, 2019.