

Board Meeting
December 14, 2018

AMEND MULTIYEAR CONTRACT WITH
HEAD VARSITY MEN'S FOOTBALL COACH, URBANA

Action: Amend Multiyear Contract with Head Varsity Men's Football Coach

Funding: Non-Appropriated Institutional Funds in the Division of Intercollegiate Athletics Operating Budget

On March 16, 2016, the Board of Trustees approved the appointment of Lovie L. Smith, as Head Varsity Coach, Football, Division of Intercollegiate Athletics, Urbana-Champaign. The appointment was for a six-year term, beginning on March 7, 2016, and ending on January 31, 2022. The Board also approved Mr. Smith's anticipated total annual compensation for each year of the term, including a description of Mr. Smith's base salary and an annual increment for television, radio, education, public relations, and promotional activities.

On September 8, 2016, the Board of Trustees approved altering the terms of Mr. Smith's employment agreement to reallocate distribution of Mr. Smith's previously approved total compensation by reducing his compensation in years five and six of the term while making commensurate increases in years two and three of the term.

The Chancellor, University of Illinois at Urbana-Champaign, and Vice President, University of Illinois now recommends a second amendment to Mr. Smith's employment contract to extend the term by two additional years, through January 31,

2024, in accordance with the compensation schedule below.

| Year | Base Salary | Additional Compensation | Total |
|-----------------------|--------------------|--------------------------------|--------------|
| 02/01/2019-01/31/2020 | \$1,000,000 | \$3,000,000 | \$4,000,000 |
| 02/01/2020-01/31/2021 | \$1,000,000 | \$3,000,000 | \$4,000,000 |
| 02/01/2021-01/31/2022 | \$1,000,000 | \$3,000,000 | \$4,000,000 |
| 02/01/2022-01/31/2023 | \$1,000,000 | \$3,000,000 | \$4,000,000 |
| 02/01/2023-01/31/2024 | \$1,000,000 | \$3,000,000 | \$4,000,000 |

Other significant terms and conditions of Mr. Smith's original employment agreement remain in effect or will be appropriately amended to reflect the extension of the term. These include setting forth instances in which he may be terminated for cause, including, but not limited to, failure to perform his responsibilities, conduct that brings the University into disrepute, or violations of laws, policies, or governing rules. The amended employment agreement will also continue to provide for the payment of liquidated damages throughout the term of employment in the event Mr. Smith is terminated without cause, subject to mitigation if he obtains other employment following termination. Similarly, Mr. Smith will pay to the University liquidated damages in the event he resigns his employment prior to the conclusion of his term.

Funding is provided from non-appropriated institutional funds in the Division of Intercollegiate Athletics operating budget.

The Board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes*, *The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

The President of the University concurs.