AMEND MULTIYEAR CONTRACTS WITH
HEAD MEN’S BASKETBALL COACH, URBANA

Action: Approve Amendments to Employment Contract and Professional Services Contract

Funding: Operating Revenue and Corporate Contracts, Division of Intercollegiate Athletics

In May 2003, the Board of Trustees approved the appointment of Bruce Weber to serve as Head Men’s Basketball Coach from April 30, 2003, through April 29, 2008. The employment contract provided compensation for base salary, radio and television appearances, and summer camp services. The board also approved a professional services agreement with Coach Bruce Weber Basketball Enterprises for educational, public relations, consulting, and promotional activities to be provided by Coach Weber. Coach Weber’s base salary is funded by operating revenue in the Division of Intercollegiate Athletics; his radio and television broadcasting services are funded by broadcast revenue; his summer camp services are funded by camp revenue; and his educational, public relations, consulting, and promotional activities are supported by corporate contracts.

In June 2004, the Board of Trustees approved a first amendment to the employment contract to extend the terms of the contract through April 30, 2009, and
increase Coach Weber’s compensation. The board also approved extending the agreement with Coach Bruce Weber Basketball Enterprises through April 30, 2009.

The Chancellor at Urbana recommends amending Coach Weber’s employment and professional services contracts to extend the term of the contracts by two additional years, through April 30, 2011. His base salary would remain unchanged at $200,000 and his additional annual compensation would increase from $350,000 to $500,000, resulting in a total annual compensation increase from $550,000 in 2004-05 to $700,000 for 2005-06.

The Chancellor also recommends establishment of a deferred compensation account with an initial deposit of $100,000 by April 30, 2006, and $200,000 per year for each year thereafter during the remaining term of the contract. Coach Weber will be entitled to receive the accumulated $1,100,000 plus accumulated income or losses on investments if he is still employed as Head Men’s Basketball Coach at the University of Illinois at Urbana-Champaign on April 30, 2011.

In addition, the Chancellor recommends a one-time payment of $100,000 as a signing incentive for exceptional performance.

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.

Funds are available from operating revenue and corporate contracts in the Division of Intercollegiate Athletics at Urbana-Champaign.

The President of the University concurs.