

Board Meeting
July 13, 2006

AMEND MULTI-YEAR CONTRACT WITH DIRECTOR OF DIVISION OF
INTERCOLLEGIATE ATHLETICS, URBANA

Action: Approve Fourth Amendment to Multi-Year Contract with Director of Division of Intercollegiate Athletics at Urbana-Champaign

Funding: Institutional Operating Funds, Division of Intercollegiate Athletics

Ronald E. Guenther has been employed as Director of the Division of Intercollegiate Athletics at Urbana-Champaign under single year and multi-year contracts since July 1, 1992. Most recently, on January 17, 2002, the Board of Trustees approved a third amendment to his employment contract to extend Guenther's contract through August 20, 2006.

The Chancellor at Urbana recommends a fourth amendment to Mr. Guenther's employment contract to extend the term of the contract through January 1, 2009. Mr. Guenther's current salary will increase from \$410,000 to \$500,000 effective July 14, 2006. Thereafter, the Chancellor will meet with Guenther prior to August 15, 2007, and prior to August 15, 2008, to evaluate Guenther's performance, and may recommend an adjustment to Guenther's annual rate of salary, which will be processed in accordance with normal procedures for salary adjustments for academic professional employees of the University.

In addition, in consideration for Guenther remaining as Director of Intercollegiate Athletics for the University of Illinois and forgoing opportunities for retirement or employment elsewhere, the University will pay to Guenther as a retention incentive the lump sum of \$250,000 on or before January 15, 2009, provided Guenther continues his employment with the University of Illinois and continues performing the duties of Director of the Division of Intercollegiate Athletics through December 31, 2008.

Funds are available in the Institutional Operating Funds Budget of the Division of Intercollegiate Athletics.

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 Vice President for Administration and the University Counsel concur.

The President of the University concurs.