

Board Meeting
March 16, 2016

APPOINT HEAD VARSITY COACH, FOOTBALL, URBANA

- Action:** Approve Appointment of Head Varsity Coach, Football, Division of Intercollegiate Athletics
- Funding:** Non-Appropriated Institutional Funds in the Division of Intercollegiate Athletics Operating Budget

The Interim Chancellor, University of Illinois at Urbana-Champaign and Vice President, University of Illinois recommends the appointment of Lovie L. Smith, as Head Varsity Coach, Football, Division of Intercollegiate Athletics, Urbana-Champaign.

The Director of the Division of Intercollegiate Athletics, Joshua H. Whitman, following consultation with and approval of the Interim Chancellor, requested Mr. Smith to serve as “Head Varsity Coach, Football--Designate” effective March 7, 2016, in anticipation of seeking Board of Trustees approval for Mr. Smith’s appointment as Head Varsity Coach, Football at the March 16, 2016, Board of Trustees meeting.

A contract is proposed for Mr. Smith for a six-year term through January 31, 2022. Mr. Smith’s total annual compensation during the first two years of the term, through January 31, 2018, will be \$2,000,000 (prorated for the first year), comprised of an annual base salary of \$600,000 and an annual increment for television, radio, education, public relations, and promotional activities of \$1,400,000. In year three of the term, between February 1, 2018 and January 31, 2019, Mr. Smith’s total annual

compensation will be \$3,000,000, comprised of an annual base salary of \$800,000 and an annual increment for television, radio, education, public relations, and promotional activities of \$2,200,000. In year four of the term, between February 1, 2019 and January 31, 2020, Mr. Smith's total annual compensation will be \$4,000,000, comprised of an annual base salary of \$1,000,000 and an annual increment for television, radio, education, public relations, and promotional activities of \$3,000,000. During years five and six of the term, between February 1, 2020 and January 31, 2022, Mr. Smith's total annual compensation will be \$5,000,000, comprised of an annual base salary of \$1,300,000 and an annual increment for television, radio, education, public relations, and promotional activities of \$3,700,000. Mr. Smith will receive additional compensation of \$1,000,000 if he remains continuously employed as Head Varsity Coach, Football through the end of the 2018 football season, including the post-season. Mr. Smith will also receive additional compensation of \$1,000,000 if he remains continuously employed as Head Varsity Coach, Football through the end of the 2021 football season, including the post-season. Mr. Smith will be eligible for annual performance incentive compensation based on achievement of goals established by and at the discretion of the Director of Intercollegiate Athletics. Goals will derive from athletic and academic achievements, including conference championships, post-season appearances, conference and national coaching awards, increases in game attendance, and team academic performance. The maximum amount of performance incentive compensation for which he could be eligible on an annual basis is \$1,000,000.

Other significant terms and conditions of Mr. Smith's employment, which will be negotiated and included in the employment agreement, will include reimbursement of moving expenses, use of two courtesy vehicles, a country club membership, and standard benefits with contributions and benefit amount based upon the base salary where relevant. Mr. Smith's employment agreement will set 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 employment agreement will also provide for the payment of liquidated damages 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.

He succeeds William J. Cubit.

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 concurs with this recommendation.

(A biosketch follows.)

LOVIE L. SMITH

Education

University of Tulsa, Oklahoma, B.S., 1980

Professional or Other Experience

Big Sandy High School, Texas, 1980, Defensive Coordinator

Cascia Hall Preparatory School, Tulsa, Oklahoma, 1981-82, Assistant Defensive Backs
and Wide Receivers Coach

University of Tulsa, Oklahoma, 1983-86, Linebackers Coach

University of Wisconsin-Madison, 1987, Linebackers Coach

Arizona State University, Tempe, 1988-91, Linebackers Coach

University of Kentucky, Lexington, 1992, Linebackers Coach

University of Tennessee, Knoxville, 1993-94, Defensive Backs Coach

The Ohio State University Main Campus, Columbus, 1995, Defensive Backs Coach

St. Louis Rams, Missouri, 2001-03, Defensive Coordinator

Chicago Bears, Illinois, 2004-12, Head Coach

Tampa Bay Buccaneers, Florida, 1996-2000, Linebackers Coach; 2014-16, Head Coach