

Board Meeting  
May 21, 2009

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

**Action:** Approve Amendments to Employment Agreement and Professional Services Agreement, Urbana

**Funding:** Restricted Funds Operating Budget, 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 agreement 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 agreement 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.

In July 2005, the Board of Trustees, in recognition of Coach Weber's outstanding performance, approved a second amendment to the employment agreement to extend the terms of the contract through April 30, 2011, and increase Coach Weber's compensation by \$150,000. In addition, the Board approved the establishment of a deferred compensation account with an initial contribution of \$100,000, and \$200,000 annual contributions thereafter. The Board also approved extending the professional services agreement with Coach Bruce Weber Basketball Enterprises through April 30, 2011.

In May 2006, the Board of Trustees approved a third amendment to Coach Weber's employment agreement and professional services agreement to extend the terms of both agreements by one additional year, through April 30, 2012. The Board also approved an increase in Coach Weber's compensation for radio, television, and other promotional events from \$500,000 to \$600,000.

In July 2007, a fourth amendment to Coach Weber's employment agreement and a fourth amendment to his professional services agreement were executed. These amendments altered the payments under the employment agreement so that the annual amount paid to Coach Weber for radio and television appearances was reduced from \$450,000 to \$420,000. The amount of this reduction, \$30,000, increased the amount paid to Coach Bruce Weber Basketball Enterprises under the professional services agreement from \$150,000 to \$180,000.

The Chancellor at Urbana now recommends amending Coach Weber's employment agreement and professional services agreement to:

- extend the terms of both agreements by three additional years, through April 30, 2015;
- increase Coach Weber's base pay from \$200,000 to \$405,000 effective May 1, 2009;
- increase Coach Weber's compensation for radio, television, and other promotional events from \$600,000 to \$645,000 effective May 1, 2009; AND
- increase Coach Weber's compensation for radio, television, and other promotional events from \$645,000 to \$895,000 effective January 15, 2010.

The proposed increases would mean that Coach Weber's total annual compensation, including the \$200,000 annual contribution to the deferred compensation account, would increase from \$1,000,000 to \$1,250,000 effective May 1, 2009, and to \$1,500,000 effective January 15, 2010.

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.

No State funds will be used to enhance the original contract. Funds are available from operating revenue, broadcast revenue, and corporate contracts within the Division of Intercollegiate Athletics.

The President of the University concurs.