

Board Meeting
March 12, 2020

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

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

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

On May 11, 2017, the Board of Trustees approved the appointment of Bradley Underwood as Head Varsity Coach, Men's Basketball, Division of Intercollegiate Athletics, Urbana-Champaign. The initial appointment was for a six-year term, beginning on March 18, 2017, and ending on April 30, 2023. The Board also approved Mr. Underwood's anticipated compensation for each year of the term, including a description of Mr. Underwood's base salary and an annual increment for television, radio, public relations, and promotional activities. The Board also approved the ability for Mr. Underwood to earn additional performance incentive compensation for achieving specific academic and athletic performance goals as determined in advance by the Director of Athletics. Full standard benefits on the same terms as provided by the University to all professional employees, with contributions and benefit amount based upon the base salary where relevant, were provided to Mr. Underwood.

The Chancellor, University of Illinois at Urbana-Champaign, and Vice President, University of Illinois now recommends an amendment to Mr. Underwood's

employment contract, to extend the term by three additional years, through April 30, 2026, in accordance with the compensation schedule below, and to make other modifications:

Year	Base Salary	Additional Compensation	Total Compensation
3/13/2020 – 4/30/2020	\$737,500	\$2,212,500	\$2,950,000
5/01/2020 – 4/30/2021	\$762,500	\$2,637,500	\$3,400,000
5/01/2021 – 4/30/2022	\$787,500	\$2,712,500	\$3,500,000
5/01/2022 – 4/30/2023	\$812,500	\$2,812,500	\$3,625,000
5/01/2023 – 4/30/2024	\$837,500	\$2,912,500	\$3,750,000
5/01/2024 – 4/30/2025	\$862,500	\$3,012,500	\$3,875,000
5/01/2025 – 4/30/2026	\$887,500	\$3,112,500	\$4,000,000

In addition, the amendment will include the opportunity for additional contract extensions, contingent on whether the men’s basketball team qualifies for the National Collegiate Athletic Association (“NCAA”) Men’s Basketball Tournament in designated seasons, beginning with the 2022 season. Under the agreement, Mr. Underwood would be eligible for a maximum of four such contingent contract extensions, in 2022, 2023, 2024, and 2025. Should all triggering events be met, this would result in the employment agreement expiring on April 30, 2030. In accordance with the terms of Mr. Underwood’s initial agreement, he is eligible to receive retention incentive compensation payments of \$600,000 if he remains employed continuously as Head Varsity Coach – Men’s Basketball through May 31, 2020 and May 31, 2022, respectively. Mr. Underwood’s amended employment agreement will provide for two additional retention incentive compensation payments not to exceed \$750,000 each and based on service through April 30, 2026, and April 30, 2029, respectively.

Other significant terms and conditions of Mr. Underwood's original employment agreement will 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. Underwood is terminated without cause, subject to mitigation if he obtains other employment following termination. Similarly, Mr. Underwood 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.