

Board Meeting
May 11, 2006

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

Action: Approve Amendments to Employment Contract 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 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.

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

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

- extend the terms of both agreements by one additional year, through April 30, 2012;
- increase Coach Weber's compensation for radio, television and other promotional events from \$500,000 to \$600,000.

The proposed increase would mean that Coach Weber's total annual compensation would increase from \$700,000 in 2005-06 to \$800,000 for 2006-07, plus the \$200,000 annual contribution to the deferred compensation account. His base salary would remain unchanged at \$200,000.

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 for this contract will be included in the operating budget authorization request submitted to the Board of Trustees for Fiscal Year 2007. This contract is subject to the Board of Trustees approval of the budget.

The President of the University concurs.