Approved by the Board of Trustees

May 22, 2025

**05**

Board Meeting

May 22, 2025

## AMEND MULTIYEAR CONTRACT WITH

## HEAD VARSITY COACH, MEN’S BASKETBALL, DIVISION OF INTERCOLLEGIATE ATHLETICS, URBANA

**Action:** Amend Multiyear Contract with Head Varsity Coach, Men’s Basketball, Division of Intercollegiate Athletics

**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 the Division of Intercollegiate 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. In March 2020, September 2021, and May 2022, the Board of Trustees approved amendments to Mr. Underwood’s employment contract, providing increases to his base compensation and also extending the term, ultimately through April 30, 2028.

The chancellor, University of Illinois Urbana-Champaign, and vice president, University of Illinois System, now recommends an amendment to Mr. Underwood’s employment contract, to align the contract years with the university fiscal year of July 1 through June 30, and to extend the initial term by three additional years, through June 30, 2031. Mr. Underwood’s compensation schedule, excluding potential retention incentive compensation described herein, will remain fixed throughout the term as outlined below:

| Contract Year | Base Salary | Additional Compensation | Total Compensation |
| --- | --- | --- | --- |
| Contract Year 1 (July 1, 2025 - June 30, 2026) | $937,500 | $3,462,500 | $4,400,000 |
| Contract Year 2 (July 1, 2026 - June 30, 2027) | $937,500 | $3,462,500 | $4,400,000 |
| Contract Year 3 (July 1, 2027 - June 30, 2028) | $937,500 | $3,462,500 | $4,400,000 |
| Contract Year 4 (July 1, 2028 - June 30, 2029) | $937,500 | $3,462,500 | $4,400,000 |
| Contract Year 5 (July 1, 2029 - June 30, 2030) | $937,500 | $3,462,500 | $4,400,000 |
| Contract Year 6 (July 1, 2030 - June 30, 2031) | $937,500 | $3,462,500 | $4,400,000 |

In addition to the “base” term extension outlined above, Mr. Underwood will have the opportunity for additional one-year contract extensions, contingent on the men’s basketball team qualifying for the National Collegiate Athletic Association (NCAA) Men’s Basketball Tournament, with the term not extending beyond June 30, 2035.

Mr. Underwood’s amended employment agreement will also provide for a $1,000,000 one-time signing bonus payment following the effective date of the amendment and for additional retention incentive compensation payments beginning at $1,150,000 in contract year one, based on continuous employment by the university through the end of each contract year. The retention incentive compensation payments will increase by $100,000 each year. The amount of the retention incentive compensation will be subject to an increase following any season in which the men’s basketball team accomplishes a Big Ten Conference regular season championship or tournament championship, NCAA Sweet Sixteen appearance, or earns a 10 or better ranking in the Associated Press final poll.

Mr. Underwood’s amended employment agreement will provide the opportunity to earn a longevity incentive payment of $500,000 if Mr. Underwood and the university have not further amended the employment agreement in any material respect as of July 1, 2029. The longevity incentive payment may be accelerated to be earned on July 1, 2028, if the men’s basketball team participates in an NCAA Tournament Final Four during the 2025-2026, 2026-2027, or 2027-2028 seasons. Mr. Underwood’s amended employment agreement will provide the opportunity to earn a second longevity incentive payment of $700,000 if Mr. Underwood remains employed as the university’s men’s basketball head varsity coach as of March 18, 2031.

Mr. Underwood’s amended employment agreement will include a provision that prohibits him from accepting a position at another NCAA institution during the term unless certain material changes have occurred.

Other significant terms and conditions of Mr. Underwood’s employment will remain in effect or will be appropriately amended to reflect the extension of the term, including those applicable to deferred compensation. The employment agreement will also provide for expense reimbursement, transportation for university-related travel, and the university benefits package, in accordance with university policies and practices. The employment agreement’s terms and conditions will continue to 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 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.

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 of Illinois System concurs.