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University of South Carolina

BOARD OF TRUSTEES

Executive Committee

May 10, 2008

The Executive Committee of the University of South Carolina Board of Trustees met on Saturday, May 10, 2008, at 11:30 a.m. in the Koger Center Director's Conference Room.

Members present were: Mr. Herbert C. Adams, Chairman; Mr. James Bradley; Dr. C. Edward Floyd; Mr. Miles Loadholt; Mr. Michael J. Mungo; and Mr. Mack I. Whittle, Jr.

Other Trustees present were: Mr. William L. Bethea, Jr.; Mr. John W. Fields; Mr. William C. Hubbard; Mr. Toney J. Lister; Mr. M. Wayne Staton; and Mr. John C. von Lehe Jr.

Others present were: President Andrew A. Sorensen; Secretary Thomas L. Stepp; General Counsel Walter (Terry) H. Parham; Executive Vice President for Academic Affairs and Provost Mark P. Becker; Vice President for Student Affairs and Vice Provost for Academic Support Dennis A. Pruitt; Director of Athletics Eric C. Hyman; SGA President Andrew Gaekle; Office of Media Relations Public Information Coordinator, Division of University Advancement, Bond Nickles; Board staff member Terri Saxon; and members of the media.

Chairman Adams called the meeting to order invited Secretary Stepp to call the roll because of telephone participation.

Chairman Adams invited Mr. Nickles to introduce members of the media who were in attendance.

Chairman Adams stated that notice of the meeting had been posted and the press notified as required by the Freedom of Information Act; the agenda and supporting materials had been circulated to members of the Committee; and a quorum was present to conduct business.

Chairman Adams stated that there was a contractual matter relative to an athletics contract which was appropriate for discussion in Executive Session. Mr. Loadholt moved to enter Executive Session. Dr. Floyd seconded the motion. The roll call vote was taken, and the motion carried.

The following persons were invited to remain: Dr. Sorensen, Secretary Stepp, Mr. Parham, Mr. Hyman, Mr. Nickles, and Mrs. Saxon.

Return to Open Session

I. Contracts Valued In Excess of \$250,000 - Women's Head Basketball Coach:

Chairman Adams called on Mr. Parham who presented the terms of the proposed employment agreement for the University head women's basketball Coach, Dawn Staley as follows:

1. Term of Employment: Five (5) years ending March 31, 2013.
2. Base Salary: \$250,000 annually.
3. University Benefits: Standard University employee benefits including participation in group health, life and disability insurance coverage, annual leave, sick leave, and State retirement system.
4. Personal Services Compensation (for promotional and fund-raising activities, television and radio services, endorsements): \$400,000 annually.
5. Incentive Bonuses:
 - (a) SEC Performance Bonus.
 - \$20,000 for winning the SEC Regular Season Championship or the SEC Tournament Championship; and an additional \$10,000 for winning both championships.
 - (b) NCAA Post Season Performance Bonus.
 - \$25,000 for an appearance in the NCAA Post-Season Tournament 1st Round; or
 - \$35,000 for an appearance in the NCAA Post-Season Tournament 2nd Round; or
 - \$50,000 for an appearance in the NCAA Post-Season Tournament's final 16 teams (Sweet 16); or
 - \$75,000 for an appearance in the NCAA Post-Season Tournament's final 8 teams (Elite 8); or
 - \$100,000 for an appearance in the NCAA Post-Season Tournament's final 4 teams (Final Four); or
 - \$150,000 for an appearance in the NCAA Post-Season Tournament's Championship Game; or
 - \$250,000 for winning the NCAA Post-Season Tournament.
 - (c) NIT Performance Bonus.
 - \$25,000 for winning the NIT Post-Season Tournament.
 - (d) Additional Performance Bonuses.
 - \$10,000 for winning twenty games during the regular and post-season; and
 - \$15,000 for finishing in the Top 25 in the final poll of the AP, or Coaches, or both; and
 - \$10,000 for being named the SEC Coach of the Year by the AP or SEC Coaches, or both; and
 - \$25,000 for being named the National Coach of the Year by the AP, or Naismith, or both.
6. Summer Basketball Camps: 3 weeks annually.
7. Automobile: Use of 1 automobile.
8. Colonial Center Executive Suite: Use of an Executive Suite at the Colonial Center for women's home basketball games.
9. Club Membership: Membership in a country club designated by the Athletics Department.
10. Moving Expenses: Customary and reasonable moving expenses.
11. Temporary Housing: Temporary housing for up to 6 months or until permanent housing is located, whichever occurs first.

12. Buy-Out Provisions:

- (a) If Coach is terminated for cause, she will be paid her base salary until the effective date of termination, plus any incentive bonuses earned through the effective date of termination.
- (b) If Coach is terminated without cause, she will be paid an amount equal to her then current base salary for the remaining term of the contract.
- (c) If Coach terminates the contract, she will pay the University as follows:
 - \$1,200,000 if she terminates the contract during the first year of the contract.
 - \$1,000,000 if she terminates the contract during the second year of the contract.
 - \$640,000 if she terminates the contract during the third year of the contract.
 - \$480,000 if she terminates the contract during the fourth year of the contract.
 - \$400,000 if she terminates the contract during the fifth year of the contract.

13. Current Contract Buy-Out: Athletics Department will assist Coach in paying the buy-out in her current contract, as follows:

- (a) The Athletics Department will pay on Coach's behalf the amount of Coach's buy-out up to \$500,000.
- (b) Coach will repay the Athletics Department an amount equal to the first \$250,000 of the buy-out amount paid by the Athletics Department, plus 50% of any buy-out amount paid by the Athletics Department in excess of \$250,000. The amount to be repaid will be deducted from Coach's personal services compensation in mutually agreed upon installments.
- (c) In the event Coach terminates the contract before repaying the Athletics Department the amount of the buy-out as specified in Section 13(b) above, the liquidated damages amount set forth in Section 12(c) above will be increased by the outstanding amount of Coach's repayment obligation.
- (d) Coach will be responsible for any tax consequences resulting from Athletics Department's payment of this contractual obligation.

Chairman Adams called for a motion to approve Women's Head Basketball Coach Dawn Staley's employment contract as distributed in the materials for this meeting. Mr. Mungo so moved. Mr. Bradley seconded the motion. The roll call vote was taken, and the motion carried unanimously.

II. Adjournment:

Since there were no other matters to come before the Committee, Chairman Adams declared the meeting adjourned at 11:45 a.m.

Respectfully submitted,

Thomas L. Stepp
Secretary