

This was approved yesterday
at the Arizona Board of Regents
meeting.

EXECUTIVE SUMMARY

Item Name: Amendment to the Multiple-Year Employment Contract of Head Football Coach Michael Stoops

Action Item Discussion Item Information Item

Issue: The University of Arizona requests approval to revise and extend the Multiple-Year Employment Contract of Head Football Coach Michael Stoops as of July 1, 2009, to extend the contract through January 31, 2014.

Background

- Michael Stoops (hereinafter "Stoops"), Head Football Coach, is currently serving under a Multiple-Year Employment Contract, which will expire on December 31, 2010.
- In accordance with ABOR Policies 6-1001 through 6-1003, The University of Arizona desires to amend Stoops' current contract, to extend the term for an additional three years, through January 31, 2014.
- Stoops' current base salary is \$385,288 per annum. In addition, he is currently compensated \$300,000 per annum for the performance of peripheral and related duties. Commencing on July 1, 2009, the proposed contract base salary would be increased to \$500,000, and the proposed compensation for performance of peripheral and related duties would be increased to \$500,000. Stoops' base salary would thereafter increase by \$100,000 on July 1 of each succeeding year during the life of the contract, for total annualized guaranteed compensation (base salary and peripheral and related duties) during each contract year as follows:

Effective 7/1/09	\$1,000,000
Effective 7/1/10	\$1,100,000
Effective 7/1/11	\$1,200,000
Effective 7/1/12	\$1,300,000
Effective 7/1/13	\$1,400,000 (contract expires on 1/31/2014)

- Stoops has been the Head Football Coach since 2004. This past year he led the Football Team to a record of 8 – 5, including a victory over Brigham Young University in the Las Vegas Bowl.

EXECUTIVE SUMMARY

Statutory/Policy Requirements

Pursuant to Arizona Board of Regents (ABOR) Policies 6-1001 through 6-1003, Board approval is required for multiple-year employment contracts.

Discussion

- Stoops' salary will be paid entirely from revenue generated by the Athletic Department. No part of his salary will be paid from appropriated funds.
- Effective July 1, 2009, Stoops' base salary for duties related to coaching the Football Team will be \$500,000, and will increase by \$100,000 on July 1 of each succeeding year during the life of the contract. In addition, he will receive \$500,000 per annum for performance of peripheral and related duties.
- Stoops may receive annual incentive compensation for the following Academic and Athletic Performance achievements:

Academic Achievement Incentives

Stoops may receive annual incentive compensation for achieving the following Academic Progress Rate (APR) and Graduation Success Rate (GSR) team achievements in a given year. Payments are for the highest-ranked achievement attained in each respective category and are not cumulative to any lower-ranked achievement in that category.

A. APR

- \$ 7,500 if the APR is 1,000;
- \$ 5,000 if the APR meets or exceeds 937.

B. GSR

- \$ 7,500 if the GSR is 100%;
- \$ 5,000 if the GSR is greater than 44%.

Athletic Achievement Incentives

Stoops may receive annual incentive compensation for achieving the following athletic performance achievements in a given year.

A. Pre and Postseason Competition; PAC-10 Champion

Participation in a preseason game	\$ 50,000
PAC-10 Champion	\$ 125,000
Participation in a non-Bowl Championship Series ("BCS") bowl game	\$ 75,000

EXECUTIVE SUMMARY

Participation in a BCS bowl other than the national championship bowl game	\$100,000
Participation in the BCS national championship bowl game	\$150,000

B. Final BCS National Ranking

1 through 10	\$ 50,000
11 through 15	\$ 40,000
16 through 25	\$ 30,000

C. Win-Loss Record for a 12-game season (excludes preseason and bowl game appearances)

7 - 5	\$ 40,000
8 - 4	\$ 50,000
9 - 3	\$ 60,000
10 - 2	\$ 70,000
11 - 1	\$ 80,000
12 - 0	\$ 90,000

D. Average Home Game Paid Attendance

48,001 through 50,000	\$ 45,000
50,000 plus	\$ 60,000

E. Total Season Tickets Sold

35,000 through 40,000	\$ 60,000
40,001 through 45,000	\$ 70,000
45,001 plus	\$ 80,000

F. Coach of the Year Honors

PAC-10 Coach of the Year	\$ 30,000
National Coach of the Year	\$ 50,000

- Stoops will receive all employee-related benefits that are normally available to other University employees in the professional service. He will receive additional benefits, including tickets to UA sporting events, use of two automobiles, and guests to post-season Football events.
- To the extent required by NCAA and Pacific-10 Conference regulations or University policy, Stoops must disclose all outside income to the Athletics Director, the University President, and the ABOR President annually.

EXECUTIVE SUMMARY

- The contract may be terminated by the University President or his designated representative for cause, in which case the University shall be liable only for salary and incentive payments due as of the date of termination. Additionally, if Stoops violates NCAA or Pacific-10 Conference regulations, he may be liable to the University for damages up to \$100,000.
- If the University President or his designated representative terminates the contract without cause, the University shall pay Stoops one-half of the remaining value of the guaranteed compensation (base salary plus peripheral and related duties compensation) set forth above (pro-rated for a partial year).
- In the event Stoops terminates the contract during its term, he must pay the University \$250,000 in liquidated damages at the University President's discretion.

Committee Review and Recommendation

This item was reviewed by the Human Resources Committee at its February 17, 2009 meeting and is recommended for Board approval.

Recommendation to the Board

RESOLVED: That The University of Arizona be, and hereby is, authorized to enter into a Multiple-Year Employment Contract with Michael Stoops, Head Football Coach, according to the terms and conditions set forth in this executive summary.

**AMENDMENT TO
MULTIPLE YEAR CONTRACT FOR HEAD FOOTBALL COACH**

An Amendment to the Multiple Year Contract for Head Football Coach (this "Amendment") is executed by and between the **ARIZONA BOARD OF REGENTS** ("Board"), on behalf of **THE UNIVERSITY OF ARIZONA** ("University"), and **Michael Stoops**, individually, ("Coach"), this 26th day of June, 2006.

WHEREAS, University and Coach previously entered into that certain Multiple Year Contract for Head Football Coach, dated November 29, 2003, for a term beginning December 1, 2003 and ending December 31, 2008 (the "Original Contract");

WHEREAS, University and Coach desire to enter into this Amendment to the Original Contract to extend the term of Coach's employment through December 31, 2010.

NOW, THEREFORE, the parties agree to this Amendment of the Original Contract as follows:

1. Paragraph 1, "Employment," is amended to state a new termination date of December 31, 2010.
2. Paragraph 8, "License to Operate Camp," is amended to replace the date "2008" with "2010."
3. Paragraph 20, "Covenant Not to Compete," is amended to replace the date "December 31, 2008" with "December 31, 2010."
4. "Exhibit A" is amended to replace the date "December 31, 2008" with "December 31, 2010."
5. This Amendment shall be effective as of July 1, 2006.
6. All other provisions of the Original Contract not amended herein shall remain in full force and effect. Any conflicting provisions of the Original Contract shall be superseded by this Amendment.

IN WITNESS WHEREOF, each of the parties hereto, by its duly authorized representative, has executed this Amendment as of the date first written above.

ARIZONA BOARD OF REGENTS
For and On Behalf of
The University of Arizona

By: _____

Peter Likins, President

COACH

Michael Stoops

**MULTIPLE YEAR CONTRACT FOR
HEAD FOOTBALL COACH**

This contract is executed by and between the Arizona Board of Regents (Board) on behalf of the University of Arizona (University) and Michael Stoops (Coach), and is effective this 1st day of December, 2003.

The parties hereto promise and agree as follows:

1. **Employment**

University hereby employs Michael Stoops as Head Football Coach from December 1, 2003 through December 31, 2008. Coach agrees to and hereby accepts employment in this position and agrees to faithfully and diligently perform the duties of this position, and such other duties as are assigned by University pursuant to this Contract.

2. **Duties Related Specifically to the Football Program**

Coach is responsible for supervising, planning and coordinating the activities of the football program (Program Duties). More specifically, Coach shall:

- (a) encourage academic progress, in conjunction with the faculty and University, of student-athletes toward graduation;
- (b) teach the mechanics and techniques of football to team members;
- (c) coach student-athletes, analyze their performance, and instruct them in areas of deficiency;
- (d) develop the football team for competition, and oversee daily practice of student-athletes;
- (e) promote the University, the Athletic Department and the men's football program through the Sports Information Office, and through such other activities as assigned pursuant to Paragraph 2(n).
- (f) recruit talented student-athletes for the football program;
- (g) cooperate with Student Services for the benefit of student-athletes;
- (h) assist the Strength Coach in designing and implementing a strength program;

- (i) maintain responsibility for administrative duties pertaining to the football program;
- (j) supervise the conduct of assistant coaches and staff, and their activities, including but not limited to compliance with Pacific-10 Conference (Conference) and National Collegiate Athletic Association (NCAA) policies and legislation, and provide annual evaluations thereof;
- (k) maintain responsibility for the fiscal and budgetary functions associated with the football program;
- (l) conduct himself and the football program in accordance with the Constitution and By-Laws of the Conference and the NCAA; and
- (m) abide by all applicable Board and University policies, rules and regulations.
- (n) perform other duties as head coach, reasonably related to the improvement of the football program, as may be assigned by the President of the University ("President") or the Director of Intercollegiate Athletics ("Director");

Duties undertaken or assigned pursuant to this paragraph are in addition to and expressly do not include those duties undertaken or assigned pursuant to Paragraph 4.

3. Base Salary

As consideration for Coach's performance of Program Duties related specifically to the football program, Coach shall receive a base salary of THREE HUNDRED FIFTY THOUSAND AND 00/100 (\$350,000.00) DOLLARS per annum (Program Salary). The Program Salary shall be increased by an amount equal to the general adjustment increase available annually for employees of the University subject to the Conditions of Administrative Service, and whatever merit or market increase the Director deems appropriate. The Program Salary shall be payable to Coach in biweekly installments in accordance with the payroll policies of the University and subject to such deductions as may be required by applicable laws or regulations.

4. Peripheral Duties and Related Compensation

In addition to Coach's Program Duties as described in Paragraph 2, Coach shall also perform for the University's benefit the following services (Peripheral Duties), which are peripheral to the scope of his regular and normal duties as head coach of the University's Men's Football Program.

- (a) **Radio and Television Programs.** Coach shall assist, promote and participate in radio and television coach's shows, call-ins and programs sponsored, owned, produced by, contracted by, licensed by or otherwise affiliated with the University (such programs or shows hereinafter referred to as "Radio and Television Programs") as requested by the University. Coach's obligations under this provision shall include the following and reasonable variations of the following:
- (1) Radio and Television Programs before and after University men's football games;
 - (2) Weekly Radio and Television Programs during the football season;
 - (3) Radio and Television Programs that are included in a written list, delivered to Coach by the University prior to August 1 preceding the football season to which such programs and shows relate; and
 - (3) Radio and Television Programs that are the subject of a specific written notice to Coach delivered to Coach no less than fourteen (14) days prior to the date of any such program.

This provision shall not preclude Coach from receiving compensation or benefits directly from a Radio or Television entity under contract with University for Radio and Television Programs, provided that University approves the terms of such performance, such compensation or benefits are permitted under the University's contract with such entity, and University retains all advertising revenue generated with respect to such Program. Compensation or benefits paid directly to Coach shall be subject to all provisions of this agreement with regard to outside compensation.

The number of Radio or Television Programs that Coach participates in pursuant to these provisions shall not exceed 100 programs in any twelve month period.

- (b) **Speaking Engagements and Public Appearances.** Coach shall participate as a speaker or otherwise attend events or functions which are sponsored by the University, the University of Arizona Foundation, the University Alumni Association, the Wildcat club, or other affiliated organizations, or which otherwise benefit the University directly or indirectly, as requested by the University. Coach shall also be a speaker or otherwise attend functions or events sponsored by groups or entities not affiliated with the

University as requested by the University. Coach's obligations as set forth in this provision shall extend to:

- (1) events and functions that are the subject of a notice with respect to each two (2) month period commencing on July 1 of each year, delivery of which notice is made to Coach no less than thirty (30) days prior to the commencement of such two (2) month period (except that such advance notice period shall not apply with respect to the any two (2) month period commencing prior to the execution of this Agreement); and
- (2) other events or functions in which Coach consents to participate as a speaker or to otherwise attend.

The number of events or functions which University requires Coach to attend shall not exceed 35 such events in any twelve month period, and participation in such events shall not impair Coach's performance of duties related specifically to the Football Program.

- (c) Sponsorship and Advertising Programs. Coach shall participate as directed by University in such sponsorship or advertising programs as University deems beneficial, with all proceeds therefrom to be retained by University.

Coach shall also, if directed by University, enter such agreements with third parties, as the University deems necessary, which relate to the marketing and promotion of the Coach, the Football Program or the University. University shall retain all proceeds arising from or related to such agreements.

As consideration for the substantial public relations and financial benefits derived by University as a result of Coach's participation in such Radio and Television Programs, Speaking Engagements and Public Appearances, and Sponsorship and Advertising Programs, including but not limited to television and radio revenues, advertising revenues, donations, and priority seating ticket sales, Coach shall receive related compensation of THREE HUNDRED THOUSAND AND 00/100 (\$300,000.00) DOLLARS per annum (Related Compensation). University's payment of Related Compensation is contingent on the requirement that such funding be derived entirely from the football program's priority seating ticket sales, radio and TV revenue or advertising revenue. Should such revenue sources not generate sufficient funds to provide the Related Compensation agreed upon herein, such Related Compensation may be reduced by the University to a sum agreed upon by Coach and University. Related Compensation shall be payable to Coach consistent with University and State

rules and regulations in biweekly installments, subject to such deductions as may be required by applicable laws or regulations.

5. Additional Compensation

In addition to his Program Salary and Related Compensation, Coach may receive additional compensation as set forth in this section. Any references to "Contract Year" shall refer to the twelve consecutive-month periods beginning January 1 and ending December 31. Any additional compensation shall be subject to standard federal and state withholdings.

(a) Bowl Championship Series Championship Game, Another BCS Bowl Game, PAC-10 Conference Championship or Play in Non-BCS Bowl Game. Additional compensation in each Contract Year upon the occurrence of the following game events:

1. \$150,000 in any Contract Year in which the University football team participates in the Bowl Championship Series ("BCS") National Championship Game;
2. \$100,000 in any Contract Year in which the University football team participates in any BCS Bowl Game (excluding the BCS Championship Game);
3. \$100,000 in any Contract Year in which the University football team wins the PAC-10 Conference Championship;
4. \$50,000 in any Contract Year in which the University football team participates in any non-BCS bowl championship series game;
5. \$25,000 in any Contract Year in which the University football team participates in a pre-season game.

(b) Final BCS Team Rankings. Additional compensation in each Contract Year upon the occurrence of the following ranking events:

1. \$40,000 in any Contract Year in which the University football team is ranked within the Top 10 teams in the final BCS Rankings;

2. \$30,000 in any Contract Year in which the University football team is ranked within the Top 15 teams in the final BCS Rankings, excluding a ranking in the BCS Top 10 or BCS Top 25;

3. \$20,000 in any Contract Year in which the University football team is ranked within the Top 25 teams in the final BCS Rankings, excluding a ranking in the BCS Top 10 or BCS Top 15.

(c) **University Football Team Win-Loss Record.** Additional compensation in each Contract Year based upon the win-loss record of the University football team during the regular season in the preceding Contract Year. The amount of any additional compensation will be based upon the highest achievement in the list below during the preceding Contract Year. If the football team does not win seven (7) games during the regular season, then no additional compensation will be paid under this subparagraph. Pre-season games and bowl games will not be included in the win-loss record under this subparagraph. Such amounts shall not be cumulative, and in no event shall Coach receive more than EIGHTY THOUSAND AND 00/100 (\$80,000.00) DOLLARS in any given Contract Year under this subparagraph. Additional compensation under this subparagraph shall only be payable for a particular preceding Contract Year if Coach was employed by the University as Head Coach during the entire football season for that year.

11 Game Season

12 Game Season

<u>Wins/Losses</u>	<u>Compensation</u>	<u>Wins/Losses</u>	<u>Compensation</u>
7-4	\$30,000	7-5	\$30,000
8-3	\$40,000	8-4	\$40,000
9-2	\$50,000	9-3	\$50,000
10-1	\$60,000	10-2	\$60,000
11-0	\$70,000	11-1	\$70,000
		12-0	\$80,000

(d) **University Football Game Average Paid Attendance.** Additional compensation in each Contract Year based upon the average paid attendance, per University football team game, during the entire regular season of the preceding Contract Year as set forth below. The amount of any additional compensation will be based upon the highest achievement in the list below during the preceding Contract Year. Such amounts shall not be cumulative, and in no event shall Coach receive more SIXTY THOUSAND AND 00/100 (\$60,000.00) DOLLARS in any given Contract Year under this subparagraph. Additional compensation under this subparagraph shall only be payable for a particular preceding

Contract Year if Coach was employed by the University as Head Coach during the entire football season for that year.

- 1. \$15,000 in any Contract Year when the average paid attendance per University football team game for the entire regular season of the preceding Contract Year equals between 42,001 and 45,000 attendees;
- 2. \$30,000 in any Contract Year when the average paid attendance per University football team game for the entire regular season of the preceding Contract Year equals between 45,001 and 48,000 attendees;
- 3. \$45,000 in any Contract Year when the average paid attendance per University football team game for the entire regular season of the preceding Contract Year equals between 48,001 and 50,000 attendees; or
- 4. \$60,000 in any Contract Year when the average paid attendance per University football team game for the entire regular season of the preceding Contract Year equals or exceeds 50,001 attendees.

(e) **Total Season Tickets Sold.** Additional compensation based upon the total number of season tickets sold, including season tickets sold to students, during the entire regular season of the preceding Contract Year as set forth below. The amount of any additional compensation will be based upon the highest achievement in the list below during the preceding Contract Year. Such amounts shall not be cumulative, and in no event shall Coach receive more NINETY THOUSAND AND 00/100 (\$90,000.00) DOLLARS in any given Contract Year under this subparagraph. Additional compensation under this subparagraph shall only be payable for a particular preceding Contract Year if Coach was employed by the University as Head Coach during the entire football season for that year.

- 1. \$40,000 in any Contract Year when the total number of season tickets sold during the entire regular season of the preceding Contract Year equals between 28,001 and 31,000;
- 2. \$50,000 in any Contract Year when the total number of season tickets sold during the entire regular season of the preceding Contract Year equals between 31,001 and 34,000;

3. \$60,000 in any Contract Year when the total number of season tickets sold during the entire regular season of the preceding Contract Year equals between 34,001 and 37,000;

4. \$70,000 in any Contract Year when the total number of season tickets sold during the entire regular season of the preceding Contract Year equals between 37,001 and 40,000;

5. \$80,000 in any Contract Year when the total number of season tickets sold during the entire regular season of the preceding Contract Year equals between 40,001 and 45,000; or

6. \$90,000 in any Contract Year when the total number of season tickets sold during the entire regular season of the preceding Contract Year equals or exceeds 45,001.

(f) Coach of the Year. Additional compensation in each Contract Year upon the occurrence of the following naming events:

1. \$40,000 in any Contract Year that Coach is named National Coach of the Year;

2. \$20,000 in any Contract Year that Coach is named PAC-10 Conference Coach of the Year.

6. Outstanding Academic Achievement

Coach may also receive annually additional compensation as set forth below for the following academic achievements:

(a) \$25,000, if the football team Grade Point Average ("GPA," as defined below) is 3.4 or higher or the Graduation Rate ("Graduation Rate," as defined below) is 84% or higher;

(b) \$20,000, if the GPA exceeds 3.3 or the Graduation Rate exceeds 79%;

(c) \$15,000, if the GPA exceeds 3.2 or the Graduation Rate exceeds 74%;

(d) \$10,000, if the GPA exceeds 3.1 or the Graduation Rate exceeds 69%; or

(e) \$5,000, if the GPA exceeds 3.0 or the Graduation Rate exceeds 64%.

If none of the events described in items (a) through (e) occur in a given Contract year, no amount will be paid to Coach under this Paragraph 6 in the respective year. Such amounts shall not be cumulative, and in no event shall Coach receive more than TWENTY-FIVE THOUSAND AND 00/100 (\$25,000.00) DOLLARS in any given contract year. Additional compensation under this section accrues and is payable in a particular year only if Coach is employed by the University as Head Coach for that entire academic year.

For purposes of this Contract, the Student-Athlete Graduation Rate shall be defined as the four (4) year rolling average of the percentage of each cohort of entering student-athletes who graduate within six (6) years, as calculated pursuant to NCAA rules requiring the University to annually report graduation rates. Grade Point Average shall be defined as the average of individual team members' grade point averages earned at the University of Arizona for the fall, spring and summer semesters immediately preceding September 1 for all the Football team's scholarship student-athletes attending the University during those semesters (including, among others, transfer Football scholarship student-athletes and medical non-counter Football scholarship student-athletes).

7. Fringe Benefits

Coach shall receive all employee-related benefits that are normally available to other University employees in the administrative service. Additional fringe benefits, if any, provided by the University are set forth in Exhibit A attached, which shall be updated annually. Coach acknowledges that fringe benefits provided by University are subject to change from time to time by the Arizona Legislature, the Board or University.

8. License to Operate Camp

University hereby grants Coach an exclusive license to control and operate, during the summers as stated herein, a Football Camp ("Camp") using University facilities beginning with the 2004 Camp season and continuing through the 2008 Camp season, provided that Coach is employed by University as Head Football Coach during each respective Camp season. The specific facilities and special or related services to be used, the fees to be paid by Coach to the University for such uses, and any additional relevant terms, shall be identified in a separate Licensing Agreement hereby incorporated by reference.

Coach owns all rights to the Camp, shall control its operation and shall be solely responsible for the payment of all Camp expenses and liabilities, including the salaries and other fees of safekeeping of all funds, the cost of supplies, insurance, advertising and similar expenses. All revenue and profits from the operation of the Camp, including related concessions such as T-shirt sales, shall remain the property of Coach. Coach shall not deposit any of the revenues attributable to the Camp with the

11. Disclosure

On or about July 1 of each year, Coach shall disclose to the University President, the Director and the President of the Board outside sources and amounts of athletically related income and benefits. Coach shall give the Director an opportunity to review any letter of agreement or written contract setting out such outside income and benefits. Additionally, Coach must give the Director advance notice of all new outside agreements, including sources and amounts of athletically related income and benefits, and give the Director an opportunity to review in advance all such agreements as they arise.

12. NCAA and Conference Regulations

It is expressly understood and agreed by the parties that this Contract is subject to the rules, regulations and procedures promulgated and adopted by the NCAA and the Conference. Such regulations and procedures, to the extent applicable, are incorporated herein by reference and to the extent inconsistent herewith shall prevail over the terms of this Contract, except that the provisions of Paragraphs 10 and 11 shall prevail over less strict NCAA regulations. Coach acknowledges and accepts NCAA and Conference regulations, and agrees to be bound by them. Modifications, changes, additions or deletions to such regulations, as applicable herein, shall automatically apply to this Contract without the necessity of a written modification. Nothing herein shall be construed to preclude Coach from challenging later promulgated laws, rules, and regulations that are applicable to Coach.

Coach represents and warrants to the University that Coach has not been disciplined for any violation of regulations of the NCAA, the Conference or any other conference with which Coach has been affiliated.

If Coach is found to be in violation of NCAA or Conference regulations while employed at University, Coach may also be subject to disciplinary or corrective action as set forth in the NCAA and Conference enforcement procedures, including suspension by the University without pay, or termination as provided in Paragraph 17 for a material violation of NCAA or Conference regulations. Prior to suspension without pay, University shall provide Coach with written notice and a reasonable opportunity to defend as set forth in Paragraph 17.

13. University Records

All materials or articles of information including, without limitation, personnel records, recruiting records, team information, films, statistics or any other material or data furnished to Coach by University, or developed by Coach on behalf of

University or at University's direction or for University's use, or otherwise in connection with Coach's employment hereunder, are and shall remain the property of University. In the event of termination of this contract as provided herein, Coach shall immediately cause any such materials to be delivered to University.

14. Merger

This contract constitutes the full and complete agreement of the parties. No prior or subsequent written or oral understandings or representations pertaining to the subject matter of this contract shall be binding upon the parties unless contained herein or set forth in the form of written amendment(s) to this contract, executed by both parties and approved by the Board prior to becoming effective.

15. Responsibility for Taxes

Coach assumes full responsibility for all employee related state, federal, and local income or social security taxes arising out of this contract, or arising out of Coach's receipt of any outside income or benefits.

16. Suspension

If the President, or his designated representative, determines that the continued presence of the Coach on campus will substantially interfere with the orderly functioning of University, or a division thereof, the President or his designated representative, may suspend the Coach with pay and direct that he absent himself from all University owned or operated facilities. Within thirty (30) days of such suspension, University shall provide Coach with notice and an opportunity to defend against the charges as provided for under Paragraph 17. This provision shall not prejudice the University's rights under Paragraphs 12, 17, 18, 19 or 20.

17. Termination by University for Cause

This Contract may be terminated by the President, or his designated representative, for cause. Cause includes, but is not limited to:

- (a) demonstrated dishonesty;
- (b) substantial neglect of properly assigned duties;
- (c) personal conduct that substantially impairs Coach's fulfillment of assigned duties and responsibilities;
- (d) substantial physical or mental incapacity to perform assigned duties;

- (e) conviction of a criminal act that constitutes either a felony, a misdemeanor involving moral turpitude, or that otherwise reflects adversely on the Coach's fitness to serve as head coach;
- (f) a material violation of:
 - (i) the Code of Conduct or other Board or University policies governing athletics or Athletic Department employees;
 - (ii) conflict of interest laws;
 - (iii) NCAA or Pacific-10 Conference regulations;
 - (iv) any provision of this Contract.

In the event of a termination under this paragraph, University's sole obligation to Coach shall be payment of his Program Salary provided for herein in Paragraph 3 (and where applicable, Paragraphs 5 & 6) to the date of such termination. The University shall not be liable to Coach for any collateral business opportunities or other benefits associated with Coach's position as Head Football Coach, including but not limited to opportunities provided pursuant to Paragraph 4.

Prior to suspension without pay or termination for cause, or within 30 days after suspension with pay, the President, or his designated representative, shall provide Coach with a written notice of the proposed action and a reasonable opportunity to defend. The notice of proposed action shall state specific grounds and particular facts upon which the proposed action is based, including any written reports or documents supporting the proposed action. A reasonable opportunity to defend shall mean that the Coach shall have a right to meet with the President, or his designated representative, to respond to the proposed action. At the meeting, Coach shall be given the opportunity to present information to refute the existence of legitimate reasons for the proposed action. To invoke the meeting process, Coach shall deliver a written request for a meeting to the Director no later than seven (7) days following receipt of the notice of proposed action.

Upon receipt of Coach's request, the Director shall schedule the meeting to be held prior to the effective date of the proposed action. Following the meeting, the proposed action, supporting information, and the Coach's response and refuting information, if any, shall be carefully reviewed by the President, or his designated representative, to decide whether there is a sufficient basis for suspension without pay or termination. After the review, the President, or his designated representative, shall render a written decision. If the decision is that Coach is to be suspended without pay or terminated, the decision shall include: (1) the reason(s) for suspension without pay or termination, (2) the facts found and conclusions drawn from the meeting, and (3) the effective date of the suspension without pay or termination. Coach may appeal a written decision for suspension without pay or

termination by filing a written appeal with the Assistant Vice President for Human Resources within ten (10) working days from the date of receipt of the written decision. The rules and procedures set forth in Classified Staff Dispute Resolution Procedure, Policy # 406.0 shall govern the appeal process, except that there shall be no Staff Dispute Resolution Committee and, in addition to other enumerated powers, the Hearing Officer shall assume the duties of the Staff Dispute Resolution Committee and shall make all necessary findings and recommendations. For the purposes of this Contract, the rules and procedures applicable to the appeal process are merely borrowed from the Classified Staff Human Resources Policy Manual. Nothing herein shall be construed as classifying Coach, or making Coach a Classified Staff employee, or conveying to Coach any rights or benefits that are provided to Classified Staff employees as a result of classification. In the event a termination for cause is ultimately overturned by a court of competent jurisdiction, then the liquidated damage provision in Paragraph 18 shall apply.

If this contract is terminated pursuant to Paragraph 17(f)(iii), any additional compensation as provided in Paragraph 5 above paid subsequent to the date of the infraction of NCAA or Conference regulations under this contract will be refunded by Coach to the University. In addition, Coach will pay to University the sum of ONE HUNDRED THOUSAND (\$100,000) DOLLARS as liquidated damages in lieu of any and all other legal remedies or equitable relief. The parties have bargained for this liquidated damages provision, giving consideration to the fact that this is a contract for personal services. The parties recognize that infractions of the type giving rise to a termination of this contract on the grounds set forth above may cause University to lose substantial ticket and broadcast revenues, cause harm to the reputation of the University and its athletic program, and other substantial injuries, which damages are difficult to determine with certainty. Accordingly, the parties agree to this liquidated damages provision. Any claim by University that such damages have been sustained, if disputed by Coach, will be resolved by arbitration pursuant to the Arizona Arbitration Act, A.R.S §12-1501 *et seq.* (the "Act"), whose rules shall govern the interpretation, enforcement and proceedings pursuant to this paragraph. Except as otherwise provided in the Act, the parties agree that the decision of the arbitrator shall be final and binding upon them. Each party shall select one person to act as an arbitrator. The two selected arbitrators shall then select a third arbitrator within ten (10) days of their appointment. Any amount payable by Coach under this subparagraph will be paid within sixty (60) days after written notice from the University or, if there is an arbitration, within sixty (60) days after the final determination by the arbitrator.

18. Termination By University Without Cause: Liquidated Damages

This contract may be terminated by the President, or his designated representative, at any time without cause. In the event of such termination, University shall pay to Coach an amount equal to one-half of the sum of his then-current Program Salary (paragraph 3 above) and Related Compensation (paragraph 4 above), but not less than FOUR HUNDRED THOUSAND (\$400,000) DOLLARS per year, or a pro rata portion

thereof for the period remaining on the contract, as liquidated damages in lieu of any and all other legal remedies or equitable relief. The liquidated damages shall be paid, at the election of the University, either (i) in equal monthly installments over the remaining months of this Contract, beginning thirty days after a final determination that such termination was without cause; or (ii) in a lump sum within thirty days after a final determination that such termination was without cause. The payment(s) by the University under this paragraph 18 will be subject to such withholdings as may be required by applicable state and federal laws as determined by the University. The amount of liquidated damages bargained for in this Contract shall not be reduced if Coach retains other employment during the period covered by this contract. This liquidated damage payment represents the agreed upon compensation for the loss of Coach's annual salary, all employee-related expenses, and the agreed value of all fringe benefits provided by University. The University shall not be liable to Coach for any collateral business opportunities or other benefits associated with Coach's position as head football coach, including but not limited to compensation arising from Coach's performance of Peripheral Duties as described in Paragraph 4, outside agreements, personal endorsements and consulting contracts.

The parties have bargained for this liquidated damages provision, giving consideration to the fact that this is a contract for personal services. The parties recognize that a termination of this contract by University prior to its natural expiration may cause Coach to lose certain salary, benefits, supplemental compensation or outside compensation relating to his employment at University, which damages are difficult to determine with certainty. Similarly, the parties recognize that Coach has a duty to obtain other employment in mitigation of any damages he may sustain by virtue of the termination of this contract. Accordingly, the parties agree to this liquidated damages provision. For purposes of this paragraph 18, at any time when no grounds exist for termination for cause under Paragraph 17, "termination without cause" shall include a nominal resignation made under circumstances when the Coach has been explicitly notified by the Director of Athletics or the President of the University that he would be terminated if he did not resign; and such a nominal resignation shall not be considered to be termination by the Coach under Paragraph 19 but shall be considered termination by University without cause and shall be subject to this paragraph 18.

19. Termination by Coach

Coach may terminate this contract for any reason on written notice to University. Termination by Coach for the purpose of taking a coaching position elsewhere shall obligate Coach to pay to University liquidated damages in the sum of FIFTY THOUSAND (\$50,000) DOLLARS. The parties acknowledge that the University will incur administrative, recruiting and resettlement costs in obtaining a replacement Coach in addition to potentially increased compensation costs and loss of ticket revenues, which damages are difficult to determine with certainty, and accordingly

agree to this liquidated damages provision. This provision shall not prejudice any right the University may have under Paragraph 20.

20. Covenant not to Compete

If Coach terminates this contract, Coach agrees not to obtain employment in the sport of football at any Pacific-10 Conference institution through December 31, 2008. The parties agree that money damages alone would be inadequate to remedy a breach of this covenant, so the Board and University shall have the right to obtain such equitable, injunctive, or other relief as may be appropriate, including a decree enjoining Coach from violating this paragraph. Coach agrees this covenant is reasonably limited in duration and geographic scope, and is necessary to protect legitimate interests of the University. This provision shall not prejudice rights granted the University under Paragraph 19.

21. Availability of Funds

Compensation for each succeeding year(s) beyond the current fiscal year is expressly made contingent upon the availability of funds.

22. Interpretation and Applicable Law

This agreement is made under and shall be interpreted according to the laws of the State of Arizona. This agreement is freely negotiated between the parties, and any rule to the effect that an agreement shall be construed against the party drafting shall have no application to this agreement. If any provision of the agreement or the application thereof shall be held invalid or unenforceable, the remaining provisions and their application shall not be affected thereby and shall continue to be fully effective and enforceable.

23. Conflict of Interest

This agreement is subject to the provisions of A.R.S. Section 38-511, and the Governor of Arizona may cancel this contract if any person significantly involved in negotiating, drafting, securing or obtaining this contract for or on behalf of the Arizona Board of Regents becomes an employee in any capacity of Coach or a consultant to Coach with reference to the subject matter of this contract while the contract or any extension hereof is in effect.

24. Notices

Official notices under this Contract shall be in writing and shall be deemed given if provided in one of the following manners: (1) delivered

personally to the party to be notified; (2) sent by facsimile transmission to the facsimile number of the party to be notified, as listed below, or (3) sent by overnight courier or U.S. registered or certified mail, postage prepaid, return receipt requested, to the address of the party to be notified, as set forth below. Notices shall be deemed received as follows: upon receipt, if personally delivered, sent by mail or courier, and on the day of transmission, if sent by facsimile. Notices shall be addressed as follows:

If to Coach:

Michael Stoops, The University of Arizona, P.O. Box 210096, Tucson, Arizona 85721-0096 (with a copy to his attorney, Neil M. Cornrich, One Chagrin Highlands, 2000 Auburn Drive, Suite 315, Beachwood, Ohio 44122).

If to University:

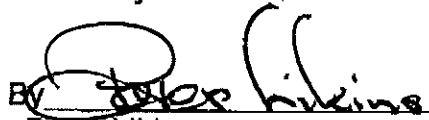
John Perrin and Rocky La Rose, The University of Arizona, P.O. Box 210096, Tucson, Arizona 85721-0096.

25. Approval By Board

This contract shall be effective for a term of one year only when executed by both parties, and shall not be effective as a multi-year contract unless and until it is approved by formal action of the Arizona Board of Regents in accordance with ABOR Policy 6-1001 through 6-1003.

DATED this 29th day of November, 2003.

ARIZONA BOARD OF REGENTS
For and On Behalf of
University of Arizona


Peter Likins
President



Michael Stoops
Coach

EXHIBIT A

For The Term December 1, 2003 through December 31, 2008

**MULTIPLE-YEAR EMPLOYMENT CONTRACT FOR FOOTBALL
HEAD COACH between ARIZONA BOARD OF REGENTS and
MICHAEL STOOPS**

Use of 2 motor vehicles.

Athletic Event's for personal use as follows:

4 Men's Basketball Season Tickets

4 Women's Basketball Season Tickets

8 Football Season Tickets

4 Softball Season Passes

4 Baseball Season Passes

4 Volleyball Season Passes_____

6 Persons to any BCS or non-BCS Bowl game in which the University Football team participates, including admission ticket, University designated hotel and air travel on University chartered or commercial flight, each subject to University's choice of vendors.

Initialed by:

Peter Likins PL

Michael Stoops MS

**OUTSIDE-INCOME DISCLOSURE
FOR ATHLETICS DEPARTMENT STAFF MEMBERS**
11.2.2A Form

NAME (please print) Mike Stoops POSITION Head Football Coach

This form is to be used by athletics department staff members as a means of reporting athletically related income and benefits received from sources outside the institution in accordance with NCAA Bylaw 11.2.2 and Employment Contracts with The University of Arizona. Please attach copies of all contracts or agreements for outside athletically-related income and benefits.

Check here if no outside income has been earned for the past academic year. Sign the reverse side of this document, and return it to the Compliance Office.


Athletically Related Income	Source (Individual, Company, Camp Name)	Amount
1. Speaking engagements	_____	\$ _____
	_____	\$ _____
	_____	\$ _____
	_____	\$ _____
2. Additional Employment (Outside I.C.A.)	_____	\$ _____
	_____	\$ _____
3. Endorsement or consultation contracts (i.e., Nike - Head Coaches)	<u>UM</u>	\$ _____
Nike apparel / shoes etc. (i.e., Nike Catalog)	<u>Nike</u>	\$ <u>150,000.00</u>
Other	<u>IMG</u>	\$ <u>50,000.00</u>
Other	_____	\$ _____
4. Television appearances or commercials	_____	\$ _____
	_____	\$ _____
5. Radio appearances or commercials	_____	\$ _____
	_____	\$ _____
6. Income from corporations for charitable work	_____	\$ _____
7. Annuities	_____	\$ _____
8. Sports camps / clinics	_____	\$ _____
	_____	\$ _____
	_____	\$ _____
9. Housing benefits	_____	\$ _____
	_____	\$ _____
10. Country-club membership (i.e., Annual Fee)	<u>La Paloma CC</u>	\$ <u>6,600</u>
	<u>Tucson CC</u>	\$ <u>6,000</u>
	<u>Ventana CC</u>	\$ <u>7638</u>
11. Complimentary-ticket sales	_____	\$ _____
12. Other (please specify)	_____	\$ _____

08:


11.2.2 Athletically Related Income. Contractual agreements, including letters of appointment, between a full-time or part-time athletics department staff member (excluding secretarial or clerical personnel) and an institution shall include the stipulation that the staff member is required to provide a written detailed account annually to the chief executive officer for all athletically related income and benefits from sources outside the institution. In addition, the approval of all athletically related income and benefits shall be consistent with the institution's policy related to outside income and benefits applicable to all full-time or part-time employees. Sources of such income shall include, but are not limited to, the following:

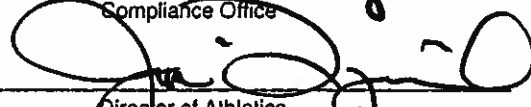
- (a) Income from annuities;
- (b) Sports camps;
- (c) Housing benefits (including preferential housing arrangements);
- (d) Country club memberships;
- (e) Complimentary ticket sales;
- (f) Television and radio programs; and
- (g) Endorsement or consultation contracts with athletics shoe, apparel or equipment manufacturers.

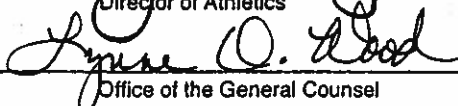
I hereby certify that I am in compliance with all NCAA, conference and institution regulations governing outside income, and have reported herein all such income received during the past year.

 5/11/09 2008-09
Staff Member's Signature Date Academic Year

Reviewed by:

 6/25/09
Compliance Office Date

 6/26/09
Director of Athletics Date

 10/24/09
Office of the General Counsel Date