

December 13, 2017

TO: The Board of Trustees of the University of Oregon

FR: Angela Wilhelms, Secretary

RE: Notice of Executive and Audit Committee Meeting

The Executive and Audit Committee of the Board of Trustees of the University of Oregon will hold a public meeting via telephone on the date set forth below. The subject of the meeting will be an employment contract for the head football coach.

The meeting will occur as follows:

Friday, December 15 at 11:30 am
Johnson Hall Conference Room (#105)*

Johnson Hall is located at 1098 E. 13th Avenue, Eugene, Oregon. If special accommodations are required, please contact Jennifer La Belle at (541) 346-3166 at least 12 hours in advance.

**This is a telephonic meeting of the Executive and Audit Committee. The physical location is available for members of the public and media to listen to the proceedings.*

**Board of Trustees of the University of Oregon
Executive and Audit Committee | Public Meeting
11:30 a.m. | Friday, December 15, 2017
Johnson Hall Conference Room (#105)***

Convene

- Call to order, roll call, verification of a quorum

- 1. Approval of Certain Athletic Contract (Football, Head Coach):** Rob Mullens, Director of Intercollegiate Athletics

Meeting Adjourns

**This will be a telephonic meeting of the committee. A location is provided for members of the public and media who wish to listen to the proceedings.*



The Department of Intercollegiate Athletics (Athletics) reached an agreement to hire Mario Cristobal as the permanent head intercollegiate football coach. Cristobal is currently the interim head coach, taking over head coaching responsibilities on December 5, 2017. Coach Cristobal's agreement with the UO for this position results in a contract exceeding \$5,000,000.

Although employment matters are generally delegated to the University President, the Board has retained authority over instruments with an expected value of or with a change in expected value of \$5,000,000 or more. However, given the impractical nature of receiving Board or Executive and Audit Committee (EAC) authorization prior to the completion of timely negotiations, President Schill authorized execution of the agreement pursuant to Section 3.8.14 of the Policy on the Retention and Delegation of Authority. The EAC now plans to meet to ratify the agreement.

Below is a brief summary of key economic terms as articulated in a Memorandum of Understanding between Cristobal and the UO. A substantially final long form agreement is provided as Exhibit 1.

Term	5 years (technically December 8, 2017 thru January 31, 2023)	
	Contract Year 1:	December 8, 2017 – January 31, 2019
	Contract Year 2:	February 1, 2019 – January 31, 2020
	Contract Year 3:	February 1, 2020 – January 31, 2021
	Contract Year 4:	February 1, 2021 – January 31, 2022
	Contract Year 5:	February 1, 2022 – January 31, 2023
Base Salary	Contract Year 1:	\$2,500,000 (plus pro rata amount for December 8 through January 31)
	Contract Years 2-5:	\$2,500,000 each

Incentives (Annual)

-	Single-year Academic Progress Rate (APR) of 985 or greater	\$100,000
-	Bowl Participation (one per season/not cumulative):	
-	- CFP National Championship Game	\$250,000
-	- CFP Semi-Final	\$200,000
-	- CFP Bowl (other than CFP semi-final)	\$175,000
-	- Any Other Bowl (must have 7 regular season wins)	\$100,000
-	Other Performance Incentives (cumulative):	
-	- Win CFP National Championship Game	\$500,000
-	- Win PAC 12 Championship	\$150,000
-	- Win PAC 12 North Division	\$100,000
-	- 9 Regular Season Wins	\$100,000
-	- 10 Regular Season Wins	\$100,000
-	- 11 Regular Season Wins	\$200,000
-	- 12 Regular Season Wins	\$250,000
-	- PAC 12 Conference Coach of the Year	\$25,000
-	- AP or Walter Camp National Coach of the Year	\$50,000

Liquidated Damages If Agreement Terminated by UO without Cause: 50% of the remaining guaranteed base salary owed for the remainder of the term.

Liquidated Damages If Agreement Terminated by Coach:

- On or before end of Contract Year 1 \$10,000,000
- After Contract Year 1 but on or before end of Contract Year 2 \$8,000,000
- After Contract Year 2 but on or before end of Contract Year 3 \$6,000,000
- After Contract Year 3 but on or before end of Contract Year 4 \$4,000,000
- After Contract Year 4 but on or before end of Contract Year 5 \$2,000,000

**Executive and Audit Committee
Board of Trustees of the University of Oregon**

Resolution: Authorization to Execute Certain Employment Agreement (Mario Cristobal)

Whereas, the Department of Intercollegiate Athletics (Athletics) has selected Mario Cristobal (Cristobal) as head coach of the University of Oregon’s (University) intercollegiate football team;

Whereas, Cristobal has had a strong career as an intercollegiate coach prior to joining the University in January 2017 and has, through his time at the University and recent interview process, shown a commitment to fulfilling the overall mission of the University’s athletic department and serving student-athletes;

Whereas, Athletics and Cristobal have entered into a memorandum of understanding regarding terms for his employment, effective December 8, 2017, as head coach of the football program;

Whereas, ORS 352.107(c) grants the University of Oregon the authority to make any and all contracts and agreements that are appropriate;

Whereas, the Policy on the Retention and Delegation of Authority requires Board of Trustees’ approval for instruments exceeding \$5,000,000, but further authorizes the president to act prior to such approval when time makes prior authorization impractical; and,

Whereas the Policy on Committees authorizes the Executive and Audit Committee to act on behalf of the Board of Trustees;

Now, therefore, the Executive and Audit Committee (EAC) of the Board of Trustees of the University of Oregon hereby ratifies the actions of the University President and Director of Intercollegiate Athletics in negotiating with Mario Cristobal for employment as the head coach of the intercollegiate football team and authorizes the University to execute a contract including the key terms articulated in the signed Memorandum of Understanding attached hereto as exhibit A. A final version of the executed contract shall be provided to trustees.

Moved: _____ Seconded: _____

Trustee	Vote	Trustee	Vote
Bragdon		Lillis	
Ford		Ralph	
Kari		Wilcox	

Record here if voice vote without dissent rather than roll call: _____

Dated: _____ Recorded: _____

3. Fringe Benefits:

- a. Coach shall be entitled to participate in most of the University fringe benefits offered to other employees that share his status as an Officer of Administration.
- b. Two courtesy cars (or \$500/car/month in lieu of courtesy cars)
- c. Membership in the Eugene Country Club if such a membership is available (and if not available then an available membership in a country club of Coach's choice in the Eugene area).
- d. Family membership at the Downtown Athletic Club if such membership is available.
- e. Twelve tickets to each of the University's football team's home games and four tickets to each home competition of each of the University's other varsity intercollegiate athletic teams. Coach will be provided with use of a premium-level skybox stadium suite on the 5th FL of the South Side of Autzen Stadium during each home football game.
- f. Cost for Coach's spouse and dependent children living at home to travel to all regular season away football games. In the event the football team participates in post-season play, University agrees to pay the costs for Coach's spouse and any dependent children living at home to travel to away post-season games.
- g. Coach shall receive a Nike Elite allowance so long as such allowance is made available to University by Nike.

4. Performance Incentives

- a. Annual performance incentives:

Bowl Participation:

CFP National Championship Game:	\$250,000
CFP Semi-Final:	\$200,000
CFP Bowl (Other than CFP Semi-Final):	\$175,000
Any Other Bowl (must have at least 7 regular season wins):	\$100,000

Note: Bowl Participation incentives above are not-cumulative (only one can be earned per season).

Other Performance and Academic Incentives:

Win CFP National Championship Game:	\$500,000
Win PAC 12 Championship:	\$150,000
Win PAC 12 North Division:	\$100,000
9 Regular Season Wins:	\$100,000
10 Regular Season Wins:	\$100,000
11 Regular Season Wins:	\$200,000
12 Regular Season Wins:	\$250,000


Head Coach Binding MOU

Page 2

Initials:



Coach


AD

APR 985 or greater (single-year)	\$100,000
PAC 12 Conference Coach of the Year	\$25,000
AP or Walter Camp National Coach of the Year	\$50,000
Maximum Other Performance Incentives:	\$1,575,000

Note: Other Performance and Academic Incentives above are cumulative.

LIQUIDATED DAMAGES IF TERMINATION BY UNIVERSITY WITHOUT CAUSE


Fifty percent (50%) of the remaining Guaranteed Base Salary owed for the remainder of the Term. University's liquidated damages obligations are limited by Coach's duty to actively seek and obtain employment post-termination according to terms set forth in Section 6 of Exhibit 1.

LIQUIDATED DAMAGES IF TERMINATION BY COACH

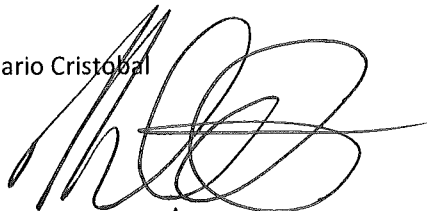
Payment amount determined by date of termination:

On or before the end of 1st Contract Year (January 31, 2019):	\$10,000,000
After the first Contract Year but on or before the end of the second (January 31, 2020)	\$8,000,000
After the second Contract Year but on or before the end of the third (January 31, 2021):	\$6,000,000
After the third Contract Year but on or before the end of the fourth (January 31, 2022):	\$4,000,000
After the fourth Contract Year but on or before the end of the fifth (January 31, 2023):	\$2,000,000

The University of Oregon


 Rob Mullens
 Director of Athletics
 Date: 12/7/17

Mario Cristobal

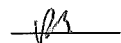

 Date: 12/7/17

Head Coach Binding MOU

Page 3

Initials:


 Coach


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