TAB	DESCRIPTION	ACTION
1	**TIAA-CREF SHARE CLASS CHANGE / REVENUE CREDIT ACCOUNT**	Motion to approve
2	**BOISE STATE UNIVERSITY** Amendment to Employment Agreement – Athletic Director	Motion to approve
3	**BOISE STATE UNIVERSITY** Multi-Year Employment Agreement – Head Track and Cross Country Coach	Motion to approve
4	**UNIVERSITY of IDAHO** Multi-Year Employment Agreement – Head Women's Basketball Coach	Motion to approve
5	**UNIVERSITY of IDAHO** New Staff Classification System	Motion to approve

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SUBJECT

TIAA-CREF Share Class Change/Revenue Credit Account

APPLICABLE STATUTES, RULE OR POLICY

Sections 33-107A, 107B Idaho Code
Section 59-513 Idaho Code
Idaho State Board of Education Governing Policies & Procedures, Section II.K.

BACKGROUND / DISCUSSION

The Idaho State Board of Education (Board) administers an Optional Retirement Program (ORP), which is an Internal Revenue Code 401(a) defined contribution plan for faculty and professional staff at the public institutions under the governance of the Board. The Board also administers an optional 457(b) deferred compensation plan and a tax deferred 403(b) plan. There are two Board-approved vendors for the ORP and 457(b) plans: TIAA-CREF and VALIC. TIAA-CREF is also one of five 403(b) vendors.

TIAA-CREF has proposed a new pricing plan which would take into account the specific economics and plan specific features for each of its institutional clients. Each plan has been priced according to the clients' specific employee population demographics, products/service offer, plan administration complexity and investment menu structure. TIAA-CREF represents that with its open investment architecture (proprietary and nonproprietary investments) no matter what investments a plan chooses going forward they can support it by providing a revenue requirement for the plan services.

TIAA-CREF's initial pricing proposal showed an estimated revenue requirement to cover recording-keeping (i.e. administrative) expenses of 0.179% or 17.9 basis points (bps). The fund menu is currently generating an estimated Plan Services Expense Offset (i.e. record-keeping offset) of 19.7 bps which would result in a 1.8 bps credit to the Plan(s). In order to close this gap over time TIAA-CREF proposes the following:

- Moving the actively managed mutual funds in the fund line-up from "Retirement Share Class" to "Premier Share Class" (a reduction from 25 bps to 10 bps on the expense charge)
- No share class change for passively managed (i.e. index) mutual funds in the investment line-up ("Retirement Share Class" = 25 bps)
- Implementing a Revenue Credit Account (i.e. an account TIAA-CREF will fund with excess revenue sharing generated from each plan)

"Revenue sharing" is "a process that allows for plan expenses, i.e. record-keeping, administration, communications and consulting services to be paid entirely or in part from a percentage of mutual fund fees that are rebated to a retirement plan's record-keeper. For example, if a plan is using ABC Equity Fund and the total annual expense of the fund is 0.75 percent, it's likely that a portion of this fee, say 0.10 percent to 0.25 percent, will be rebated or "shared" from the mutual fund company to the record-keeping entity. The record-keeper then uses the fees generated from revenue sharing to pay plan expenses. … (Note that revenue sharing is a component of the fund's total expense ratio, not in addition to it.)."[1]

TIAA-CREF will reconcile the actual revenue earned for the first period beginning January 1, 2012 and ending on June 30, 2012 against the revenue requirement. The subsequent Revenue Credit Account funding amounts will be based on the reconciliation of the actual revenue for each Plan versus the revenue requirement on a semi-annual basis following the Plan year end for the six-month periods ending each June 30th and December 31st. The amount determined to be in excess of TIAA-CREF's revenue requirement will be pro-rated among the Plans on the basis of their relative assets record kept by TIAA-CREF and deposited into the Revenue Credit Accounts of the Plans. The Revenue Credit Accounts may only be used either to pay direct, reasonable and necessary expenses of the Plans which the Plans are authorized to pay or to provide benefits for Plan participants and beneficiaries in the form of revenue credits.

Board tax counsel reviewed TIAA-CREF's initial proposal and made several observations. First, counsel advises that "the Board should determine that the reduced fees for the … funds are reasonable. (They will be less expensive, which is good, but are they in the range that is reasonable for similar funds?) The Board's prudent review of these fees could be documented by benchmarking data or by a consultant's opinion." Similarly, "the Board should document its determination that the 17.9 basis point fee is reasonable. This could be done by comparing the fee to "benchmark" data on fees for similar plan administrative work or by having a consultant render an opinion. The Board's review should document an analysis of why the basis point method of calculating these fees is reasonable, as compared to a per capita fee or other calculation. Also, the Board should understand the manner in which the fund lineup generates revenue sharing and how this impacts the basis point fee (e.g., are there any funds in the lineup that do not generate revenue sharing or generate less than the 17.9 basis points?)."

Based on tax counsel's recommendations, staff engaged an investment consultant (Callan Associates Inc. out of Denver) to:

1. evaluate and issue an opinion … as to whether the fees of the investment options in the TIAA-CREF defined contribution plans offered by the Board are reasonable; and
2. issue an opinion … as to whether TIAA-CREF's proposed 17.9 basis point fee is reasonable when compared to benchmark data on fees for similar plan administrative work.

[1] "Revenue Sharing: The Pros and Cons of Using This Popular Cost-Shifting Approach." *Informed Sponsor Reports*. Bidart & Ross. n.d. Web. July 18, 2013.

Callan's conclusions follow (see the full report at Attachment 2).

> In this report, we compared investment management fees for the mutual funds as well as the Plans' administrative fees to that of peers.
>
> For the proposed fee arrangement by TIAA-CREF, we found that the actively managed mutual funds have investment management fees below median when compared to their respective peer groups.
>
> Four of six passively managed mutual funds offered, have expense ratios that are greater than their respective peer group median. These include the TIAA-CREF S&P 500 Index Fund, TIAA-CREF Large Cap Value Index Fund, TIAA-CREF Large Cap Growth Index, and TIAA-CREF Small Cap Blend Index. A lower cost share class was proposed for both the TIAA-CREF International Equity Index and TIAA-CREF Equity Index funds and their expense ratios match or are very close to their peer group's median.
>
> It is our understanding that a lower cost share class is available at TIAA-CREF that has zero revenue sharing to offset administrative fees.
>
> TIAA-CREF proposed a lower record-keeping fee of 17.9 bps on plan assets. When compared to administration fees of similarly sized yet less complex plans in Callan's database, the fee is above the peer average and median, potentially providing room for the Board to negotiate a lower administration fee with TIAA-CREF, or a higher expense reimbursement amount.

Staff subsequently shared these findings with TIAA-CREF and began discussions to address some of the issues raised regarding a lower share class and the record-keeping fee. TIAA-CREF followed up with a revised proposal which, if approved, would result in additional savings to mutual fund participants as outlined under Impact below.

Callan's opinion on the revised proposal is as follows:

1. The proposed fee arrangements suggested by TIAA-CREF are substantial improvements from the existing fee schedule given the size and package of administrative services provided to the plans. Specifically, we believe that the actively managed investment options provide reasonable and competitive expense ratios and meaningful offsets to administrative costs. Similarly, the passively managed options appear reasonably priced. TIAA-CREF has proposed administrative fees equal to 16 basis points (not the initial 17.9 basis points) and we believe that such a proposal is within a reasonable range of 15-17 basis points given the size of the asset base, the number of participants and the level of administrative services provided.

2. As noted in our report and based on the initial proposal from TIAA-CREF, we believe that the expense ratios for passive portfolios available to participants are above median when compared to “investment only” best of class passive vehicles. Upon further discussion, TIAA-CREF offered the institutional share class for the six passively managed mutual funds. Callan believes the expense ratios are reasonable and below median when compared to similar passively managed products.

IMPACT

TIAA-CREF’s revised proposal offers the following savings to participants:

- Revenue requirement of 16 bps. The fund menu is currently generating an estimated Plan Services Expense Offset (i.e. record-keeping offset) of 19.7 bps which would result in a 3.8 bps credit to the Plan(s).
- Moving the actively managed mutual funds in the fund line-up from “Retirement Share Class” to “Premier Share Class” (a reduction from 25 bps to 10 bps on the expense charge)
- Moving the passively managed (i.e. index) mutual funds in the investment line-up from “Retirement Share Class” to “Institutional Share Class” (a reduction from 25 bps to 0 bps on the expense charge)
- Implementing a Revenue Credit Account (i.e. an account TIAA-CREF will fund with excess revenue sharing generated from each plan)

ATTACHMENTS

Attachment 1 – TIAA-CREF Plan Economics Proposal (7/12)	Page 7
Attachment 2 – Callan TIAA-CREF Fee Evaluation	Page 21
Attachment 3 – Revised TIAA-CREF Plan Economics Proposal (7/13)	Page 39

STAFF COMMENTS AND RECOMMENDATIONS

This represents a unique opportunity to pass along cost savings to those participants who generate the revenue sharing. While the original proposal from TIAA-CREF was a step in the right direction, negotiations over the past several months resulted in a more favorable proposal for participants.

Counsel has recommended that the Board document the reasoning it uses (with a focus on prudence and reasonableness) in deciding whether to accept this new proposal.

Reasonableness of plan fees is difficult to evaluate and determine, as pricing can be “affected by a multitude of factors including the size of the plan, participant demographics, plan design features, plan sponsor characteristics, plan investments and how participant balances are allocated.”[2] Nevertheless, it is important for a defined contribution plan fiduciary (in this case the Board), to make such a determination. As referenced above under Background/Discussion, staff engaged an investment consultant to perform due diligence in this regard to

[2] Id.

help document the Board's prudent review of reasonableness of fees. Staff suggests that this proposal is reasonable because: (1) the total fees for all mutual fund participants are lower and offer "substantial improvements from the existing fee schedule"; (2) the investment consultant found that investment options are reasonably priced; and (3) the investment consultant opined that an administrative fee of 16 bps is within a reasonable range "given the size of the asset base, the number of participants and the level of administrative services provided." (Note that this proposal does not affect annuity participants. TIAA-CREF is working to offer multiple share classes of their CREF annuities, subject to regulatory approval.)

The Board also needs to demonstrate prudence with respect to allocation of excess revenue sharing to participants. The U.S. Department of Labor has issued guidance in this regard. "A plan fiduciary must be prudent in the selection of the method of allocation. Prudence in such instances would, at a minimum, require a process by which the fiduciary weighs the competing interests of various classes of the plan's participants and the effects of various allocation methods on those interests. In addition to a deliberative process, a fiduciary's decision must satisfy the "solely in the interest of participants" standard. In this regard, a method of allocating expenses would not fail to be "solely in the interest of participants" merely because the selected method disfavors one class of participants, provided that a rational basis exists for the selected method. … While a pro rata method of allocating expenses among individual accounts (i.e., allocations made on the basis of assets in the individual account) would appear in most cases to be an equitable method of allocation of expenses among participants, it is not the only permissible method."[3]

While excess revenue sharing can be used to reimburse employer costs, counsel recommends against it "because this appears not to be the prevailing practice … and because this involves potential self-dealing, this presents potentially serious fiduciary and tax law issues." As such, staff's recommendation is to heed this advice and rebate all excess revenue sharing to participants.

The investment consultant summarized several possible options for allocation of excess revenue sharing:

> TIAA-CREF can rebate excess revenue sharing back to participants and it is our understanding that they can do so in three different ways listed below. TIAA-CREF will take direction from the plan sponsor on which approach to follow.

[3] "Allocation of Expenses in a Defined Contribution Plan" (U.S. Department of Labor Field Assistance Bulletin No. 2003-03, May 19, 2003). The views set forth in this Bulletin relate solely to the application of Title I of the Employee Retirement Income Security Act (ERISA). While the Board's plans are governmental plans and therefore do not fall under ERISA, the Bulletin still serves as persuasive authority.

1. Pro rata plan-wide basis – excess revenue sharing money distributed to participants based on their assets in the plan regardless of their investments.

2. Per capita plan-wide basis – excess revenue sharing money distributed equally to each eligible participant regardless of their asset size or investments.

3. Pro rata basis that takes into account each participant's proportion of assets invested in only funds that share revenue. For example, a participant invested in an investment option with zero revenue sharing would not receive any crediting back while a participant in a revenue sharing fund would receive a portion of the crediting based on their asset balance in that fund.

Staff recommends option number 3 – allocation on a pro rata basis (i.e. proportionate share of allocations based on a participant's account balance), but only for those funds which generate the revenue sharing (i.e. the actively managed premier share class funds). This way a participant's choice of investments within the actively managed funds does not affect the allocation of the administrative expenses among all the actively managed fund participants. Staff would work with TIAA-CREF and the institutions to communicate to participants the varying revenue sharing costs so that they may choose lower cost investment options if they wish.

Staff recommends approval.

BOARD ACTION

I move to approve TIAA-CREF's Share Class Change/Revenue Credit Account proposal for the Board's 401(a), 403(b) and 457(b) plans and to declare the fees and allocation of fees reasonable and prudent:

- A Service Provider revenue requirement of 16 basis points.
- Moving the actively managed mutual funds in the fund line-up from "Retirement Share Class" to "Premier Share Class" with a corresponding reduction in expenses charges from 25 basis points to 10 basis points.
- Moving the passively managed mutual funds in the investment line-up from "Retirement Share Class" to "Institutional Share Class" with a corresponding reduction in expenses charges from 25 basis points to 0 basis points.
- Implementation of a Revenue Credit Account which distributes excess revenue on a pro rata basis only to the portion of participant assets invested in funds that provide revenue sharing offset.

Moved by_____________ Seconded by_____________ Carried Yes____ No____

Financial Services

Making the most of your retirement plan

Relationship and plan economics review for
Idaho State Board of Education

July 18, 2012

For Institutional Investor Use Only. Not for Use With or Distribution to the Public.

TIAA CREF

Financial Services

Optimizing plan economics

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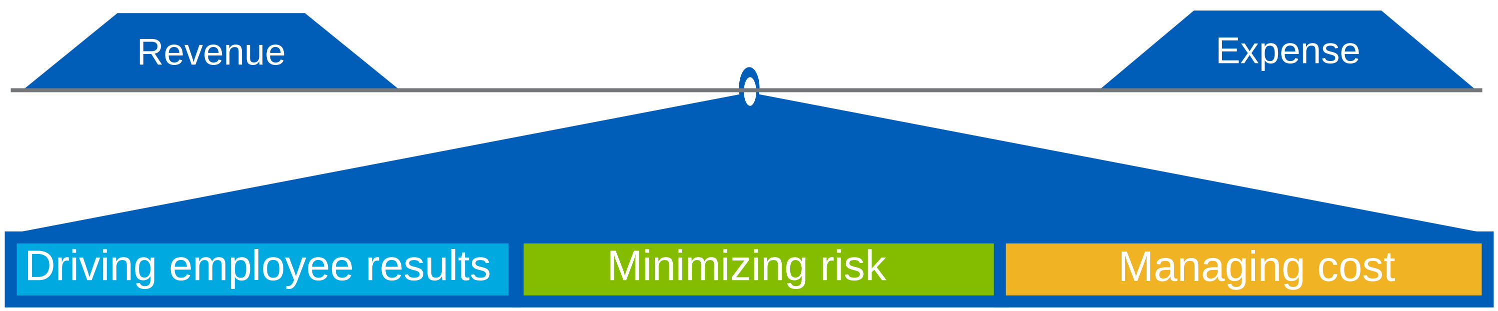
Optimizing plan economics: *A snapshot*

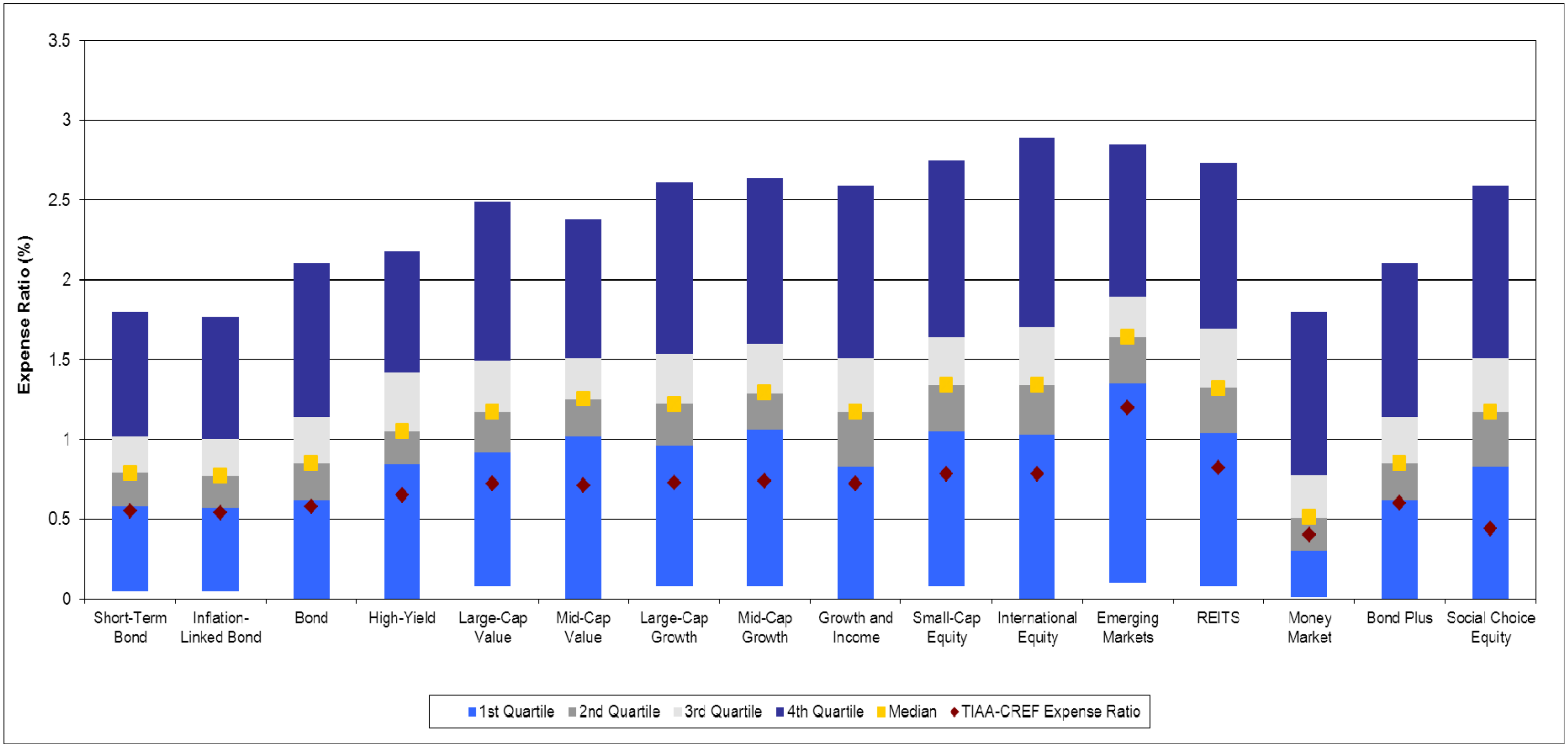
Find the right balance for optimal value



Morningstar US Open End Mutual Fund Expense Quartiles Vs. Actively Managed TIAA-CREF Retirement Share Class Mutual Fund Expense Ratios*

TIAA-CREF asset management®

As Of 4/2/12



All TIAA-CREF mutual funds are subject to market and other risk factors.

* Expense ratio information is shown net of any applicable fee waivers as provided in each fund's prospectus. Please note, expense comparisons may mask important differences in performance, portfolio qualities, and access. See footnotes on page 22 for details regarding expenses for each TIAA-CREF fund.

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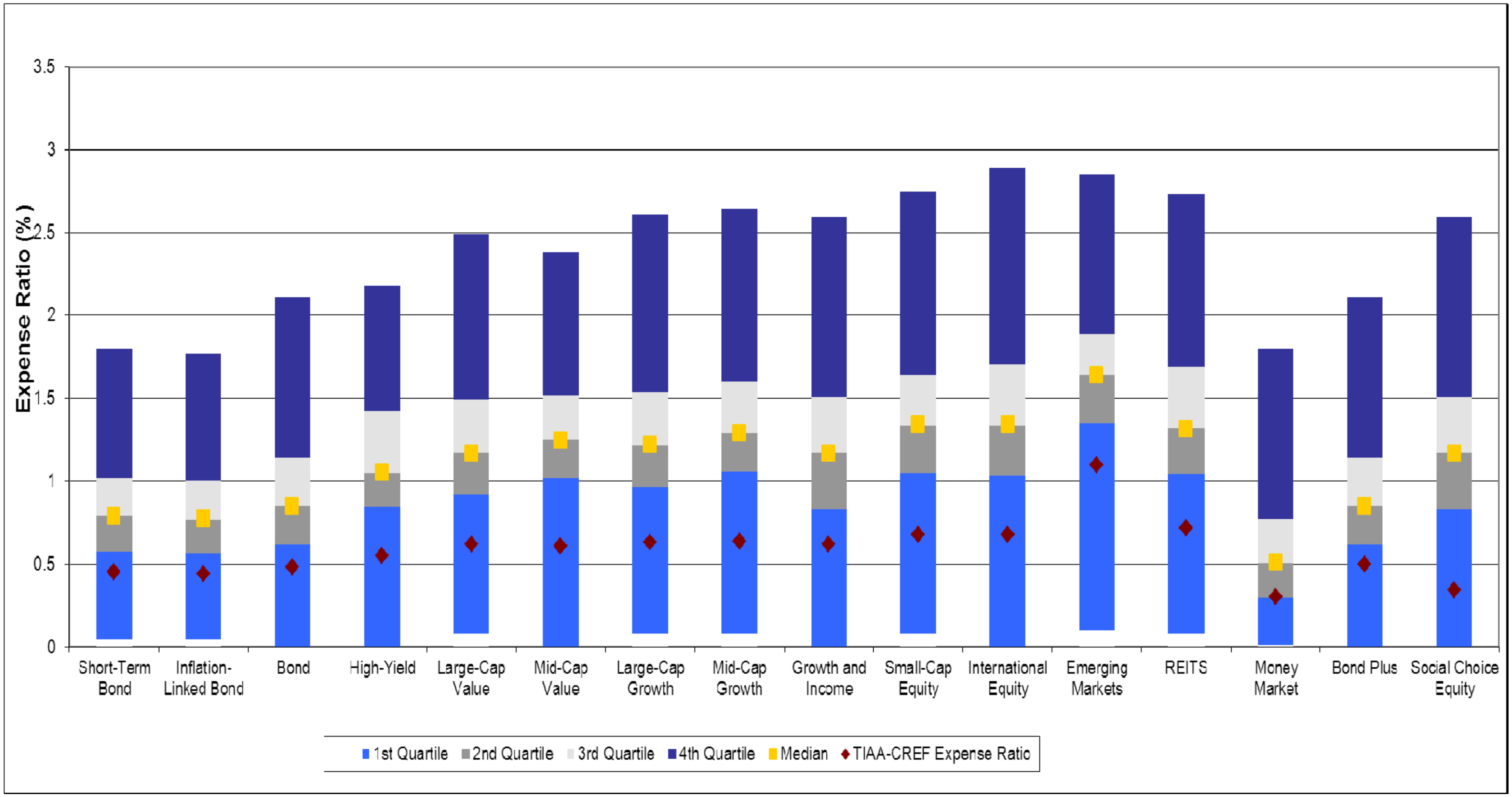
Morningstar US Open End Mutual Fund Expense Quartiles Vs. Actively Managed TIAA-CREF Premier Share Class Mutual Fund Expense Ratios*

As Of 4/2/12

TIAA-CREF asset management®



All TIAA-CREF mutual funds are subject to market and other risk factors.

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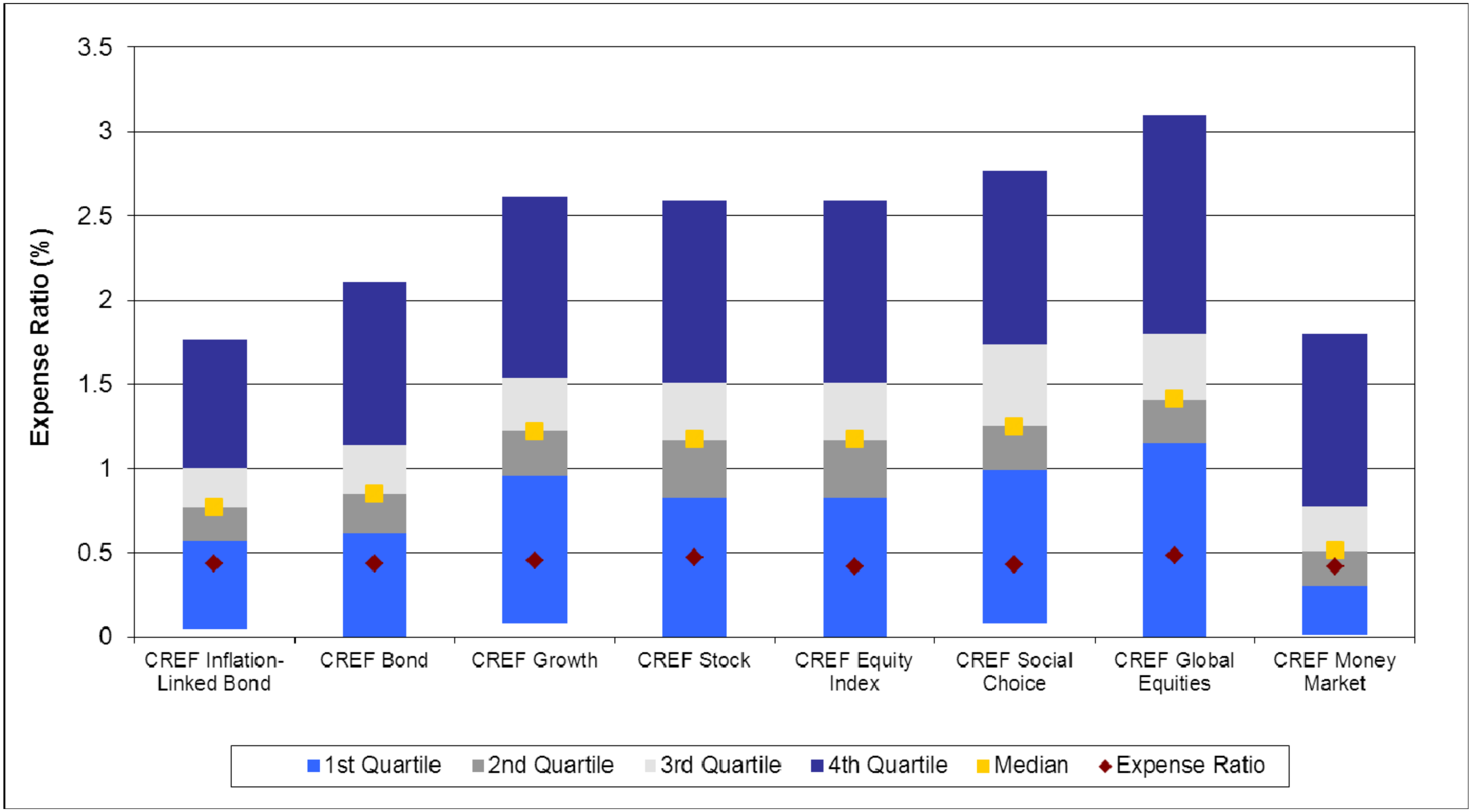
Morningstar US Open End Mutual Fund Expense Quartiles Vs. TIAA-CREF Variable Annuity Expense Ratios*

TIAA-CREF asset management®

As Of 4/2/12



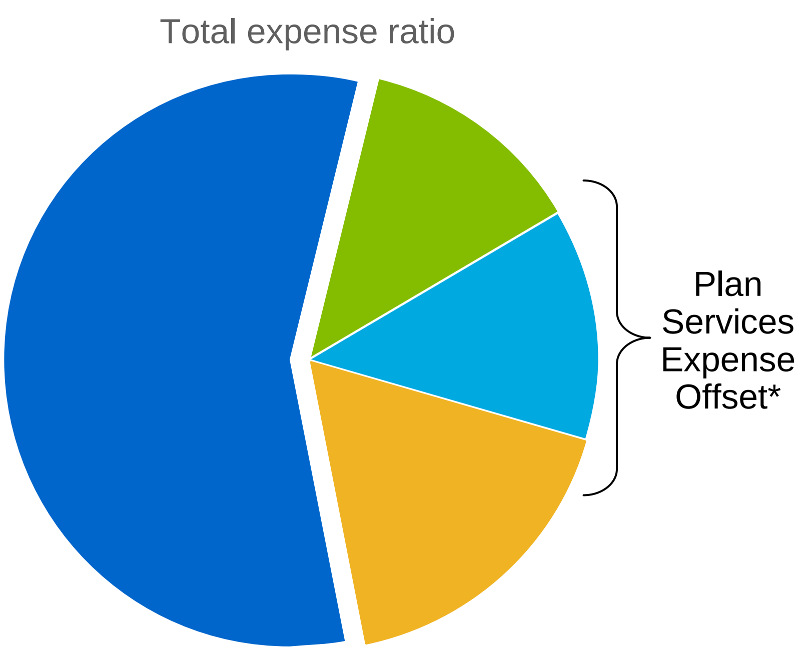
All TIAA-CREF variable annuities are subject to market and other risk factors.

* Expense ratio information is shown net of any applicable fee waivers as provided in each fund's prospectus. Please note, expense comparisons may mask important differences in performance, portfolio qualities, and access. See footnotes on page 24 for details regarding expenses for each TIAA-CREF fund.

Optimizing plan economics:
Understanding your plan fees and expenses

Total plan fees and expenses:

- Investment expense ratio
- Direct fees paid by plan participants



Plan Services Expense Offset*

- Predefined portion of total expense ratio to offset recordkeeping expenses, plan sponsor services and employee services
- Overall plan services revenue sharing will vary based on the investment options in the plan and the specific revenue sharing arrangement

* Or commonly referred to as a recordkeeping offset within the industry

Optimizing plan economics:
2012 investment fee & expense disclosure as of 3/31/12

Investment	Footnotes	Ticker	Weighting	Assets as of 03/31/2012	Expense Ratio [1] (%)	Expense Ratio [1] ($)	Plan Services Expense [31] (%)	Plan Services Expense [31] ($)
TIAA and CREF Annuities								
CREF Bond Market Variable Annuity Accounts		CBND#	4.87%	$30,890,023	0.435%	$134,372	0.240%	$74,136
CREF Equity Index Variable Annuity Accounts		CEQX#	3.27%	$20,734,868	0.415%	$86,050	0.240%	$49,764
CREF Global Equities Variable Annuity Accounts		CGLB#	4.76%	$30,216,481	0.485%	$146,550	0.240%	$72,520
CREF Growth Variable Annuity Accounts		CGRW#	5.97%	$37,861,749	0.450%	$170,378	0.240%	$90,868
CREF Inflation Linked Bond Variable Annuity Accounts		CILB#	2.41%	$15,300,727	0.435%	$66,558	0.240%	$36,722
CREF Money Market Variable Annuity Accounts		CMMA#	4.42%	$28,005,540	0.420%	$117,623	0.240%	$67,213
CREF Social Choice Variable Annuity Accounts		CSCL#	4.80%	$30,435,038	0.430%	$130,871	0.240%	$73,044
CREF Stock Variable Annuity Accounts		CSTK#	21.68%	$137,511,356	0.470%	$646,303	0.240%	$330,027
TIAA Real Estate Variable Annuity Accounts		TREA#	4.75%	$30,141,362	1.010%	$304,428	0.240%	$72,339
TIAA Traditional Annuity Accounts	2,3	TIAA#	26.24%	$166,405,831	0.550%	$915,232	0.150%	$249,609
TIAA Active Mutual Funds								
TIAA-CREF Growth & Income Fund - Retirement Class		TRGIX	0.88%	$5,599,023	0.720%	$40,313	0.250%	$13,998
TIAA-CREF International Equity Fund - Retirement Class	5	TRERX	0.71%	$4,497,691	0.780%	$35,082	0.250%	$11,244
TIAA-CREF Large-Cap Value Fund - Retirement Class		TRLCX	0.75%	$4,756,881	0.720%	$34,250	0.250%	$11,892
TIAA-CREF Mid-Cap Growth Fund - Retirement Class		TRGMX	0.61%	$3,875,371	0.740%	$28,678	0.250%	$9,688
TIAA-CREF Mid-Cap Value Fund - Retirement Class		TRVRX	1.33%	$8,421,191	0.710%	$59,790	0.250%	$21,053
TIAA-CREF Real Estate Securities Fund - Retirement Class		TRRSX	0.41%	$2,605,542	0.820%	$21,365	0.250%	$6,514
TIAA-CREF Small-Cap Equity Fund - Retirement Class	5	TRSEX	0.46%	$2,926,889	0.780%	$22,830	0.250%	$7,317
TIAA-CREF Social Choice Equity Fund - Retirement Class		TRSCX	0.63%	$4,019,558	0.440%	$17,686	0.250%	$10,049
TIAA Index Mutual Funds								
TIAA-CREF Equity Index Fund - Retirement Class		TIQRX	0.37%	$2,360,657	0.320%	$7,554	0.250%	$5,902
TIAA-CREF International Equity Index Fund - Retirement Class	5	TRIEX	1.14%	$7,240,959	0.340%	$24,619	0.250%	$18,102
TIAA-CREF Large-Cap Growth Index Fund - Retirement Class		TRIRX	0.36%	$2,267,334	0.330%	$7,482	0.250%	$5,668
TIAA-CREF Large-Cap Value Index Fund - Retirement Class		TRCVX	0.30%	$1,927,148	0.330%	$6,360	0.250%	$4,818
TIAA-CREF S&P 500 Index Fund - Retirement Class		TRSPX	0.50%	$3,171,293	0.320%	$10,148	0.250%	$7,928
TIAA-CREF Small-Cap Blend Index Fund - Retirement Class	5	TRBIX	0.55%	$3,496,652	0.400%	$13,987	0.250%	$8,742
TIAA-CREF Lifecycle								
TIAA-CREF Lifecycle 2045 Fund - Retirement Class		TTFRX	0.44%	$2,761,946	0.710%	$19,610	0.250%	$6,905
TIAA-CREF Lifecycle 2050 Fund - Retirement Class		TLFRX	0.16%	$1,021,960	0.710%	$7,256	0.250%	$2,555
TIAA-CREF Lifecycle 2055 Fund - Retirement Class		TTRLX	0.00%	$4,805	0.720%	$35	0.250%	$12
TIAA-CREF Lifecycle 2010 Fund - Retirement Class		TCLEX	0.48%	$3,049,396	0.640%	$19,516	0.250%	$7,623
TIAA-CREF Lifecycle 2015 Fund - Retirement Class		TCLIX	0.76%	$4,818,005	0.660%	$31,799	0.250%	$12,045
TIAA-CREF Lifecycle 2020 Fund - Retirement Class		TCLTX	0.94%	$5,955,598	0.670%	$39,903	0.250%	$14,889
TIAA-CREF Lifecycle 2025 Fund - Retirement Class		TCLFX	0.92%	$5,848,198	0.680%	$39,768	0.250%	$14,620
TIAA-CREF Lifecycle 2030 Fund - Retirement Class		TCLNX	0.96%	$6,079,293	0.690%	$41,947	0.250%	$15,198
TIAA-CREF Lifecycle 2035 Fund - Retirement Class		TCLRX	1.24%	$7,833,838	0.700%	$54,837	0.250%	$19,585
TIAA-CREF Lifecycle 2040 Fund - Retirement Class		TCLOX	1.92%	$12,184,866	0.700%	$85,294	0.250%	$30,462
TIAA-CREF Lifecycle Retirement Income Fund - Rtmt Class		TLIRX	0.00%	$19,849	0.630%	$125	0.250%	$50
Estimated Total / Average			**100.00%**	**$634,246,913**	**0.534%**	**$3,388,597**	**0.218%**	**$1,383,102**

For more information, please refer to slide 21

Optimizing plan economics:
Understanding your plan fees and expenses

Services provided:

Employee Services

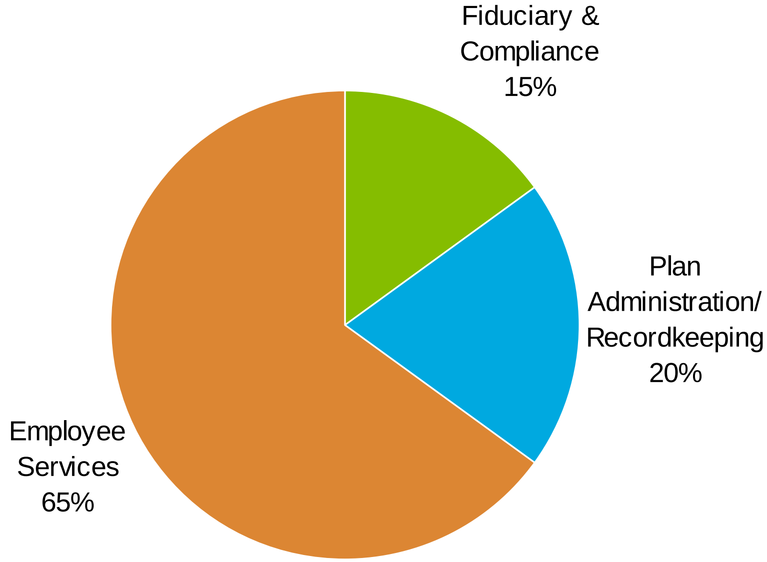
- Enrollment Communications
- Regulatory Communications
- Plan Add/Change Communications
- Individual Advice & Counseling
- Educational Campaigns & Seminars
- Quarterly Reporting & Statements
- Telephone and Web Support
- Online Planning Tools

Fiduciary and Compliance

- Dedicated Managing Consultant & Liaison
- Proactive Plan Consulting & Plan Reviews
- Regulatory Updates
- Investment Menu Design services including Gap Analysis
- Investment Reviews
- Plan Financial & Other Reporting

Plan Administration

- Enrollment Services
- Contribution Remittances
- Accumulation & Distribution Service
- Core Recordkeeping
- Tax Reporting



Expense Summary 17.9 bps

Optimizing plan economics:
Assessing and managing your plan economics

TIAA CREF

Idaho State Board of Education Pricing Summary

Estimated Plan Expenses (Revenue Requirement):	17.9 bps*
Estimated Plan Services Expense Offset:	19.7 bps*

ASSUMPTIONS	
TIAA-CREF Participants:	8,583 (3,986 active)
TIAA-CREF Annual Contributions:	$44M
TIAA-CREF Total Plan Assets:	$634.2M (as of 03/31/12)

*This pricing summary is based on a five-year projection of expenses and revenues and assumptions stated above, including the addition of TIAA-CREF Premier class funds.

The annualized plan services expense offset for 2012 for CREF Retirement Annuity Accounts and the TIAA Real Estate Account (REA) is 24 bps. This is the amount of product revenue that is used to pay TIAA for recordkeeping and certain other "plan services" provided under the plan. Since CREF annuities and the TIAA REA are operated at cost, this plan services expense may change periodically to reflect increases or decreases in expenses. The recordkeeping offset for TIAA Traditional is 15 bps.

The TIAA Traditional Annuity is not an investment for purposes of federal securities laws; it is a guaranteed insurance contract. Therefore, unlike a variable annuity or mutual fund, the TIAA Traditional Annuity does not include an identifiable expense ratio. Each premium allocated to the TIAA Traditional Annuity buys a definite amount of lifetime income for participants based on the rate schedule in effect at the time the premium is paid. In addition, the TIAA Traditional Annuity provides a guarantee of principal, a guaranteed minimum rate of interest and the potential for additional amounts of interest when declared by TIAA's Board of Trustees. Additional amounts, when declared, remain in effect for the "declaration year" that begins each March 1 for accumulating annuities and January 1 for lifetime payout annuities. Additional amounts are not guaranteed for future years. The TIAA Traditional Annuity has credited additional amounts every year since 1948. The recent expense provision in the formula for determining TIAA Traditional Annuity returns has averaged about 55 basis points (.550%) inclusive of administrative and investment expenses. This expense provision is not guaranteed, is subject to change, and is not publicly disclosed.

Proposed asset mapping for Idaho State Board of Education

FROM Current Retirement Class Fund Options		
Current Investment Option	Ticker Symbol	Expense Ratio
TIAA-CREF Growth & Income Fund - Retirement Class	TRGIX	0.72
TIAA-CREF International Equity Fund - Retirement Class	TRERX	0.78
TIAA-CREF Large-Cap Value Fund - Retirement Class	TRLCX	0.72
TIAA-CREF Mid-Cap Growth Fund - Retirement Class	TRGMX	0.74
TIAA-CREF Mid-Cap Value Fund - Retirement Class	TRVRX	0.71
TIAA-CREF Real Estate Securities Fund - Retirement Class	TRRSX	0.82
TIAA-CREF Small-Cap Equity Fund - Retirement Class	TRSEX	0.78
TIAA-CREF Social Choice Equity Fund - Retirement Class	TRSCX	0.44
TIAA-CREF Equity Index Fund - Retirement Class	TIQRX	0.32
TIAA-CREF International Equity Index Fund - Retirement Class	TRIEX	0.34
TIAA-CREF Lifecycle 2045 Fund - Retirement Class	TTFRX	0.71
TIAA-CREF Lifecycle 2050 Fund - Retirement Class	TLFRX	0.71
TIAA-CREF Lifecycle 2055 Fund - Retirement Class	TTRLX	0.72
TIAA-CREF Lifecycle 2010 Fund - Retirement Class	TCLEX	0.64
TIAA-CREF Lifecycle 2015 Fund - Retirement Class	TCLIX	0.66
TIAA-CREF Lifecycle 2020 Fund - Retirement Class	TCLTX	0.67
TIAA-CREF Lifecycle 2025 Fund - Retirement Class	TCLFX	0.68
TIAA-CREF Lifecycle 2030 Fund - Retirement Class	TCLNX	0.69
TIAA-CREF Lifecycle 2035 Fund - Retirement Class	TCLRX	0.70
TIAA-CREF Lifecycle 2040 Fund - Retirement Class	TCLOX	0.70
TIAA-CREF Lifecycle Retirement Income Fund - Rtmt Class	TLIRX	0.63

TO Proposed Mapping into Premier Share Class		
Proposed Investment Option	Ticker Symbol	Expense Ratio
TIAA-CREF Growth & Income Fund - Premier Class	TRPGX	0.62
TIAA-CREF International Equity Fund - Premier Class	TREPX	0.68
TIAA-CREF Large-Cap Value Fund - Premier Class	TRCPX	0.62
TIAA-CREF Mid-Cap Growth Fund - Premier Class	TRGPX	0.64
TIAA-CREF Mid-Cap Value Fund - Premier Class	TRVPX	0.61
TIAA-CREF Real Estate Securities Fund - Premier Class	TRRPX	0.72
TIAA-CREF Small-Cap Equity Fund - Premier Class	TSRPX	0.68
TIAA-CREF Social Choice Equity Fund - Premier Class	TRPSX	0.34
TIAA-CREF Equity Index Fund - Premier Class	TCEPX	0.22
TIAA-CREF International Equity Index Fund - Premier Class	TRIPX	0.24
TIAA-CREF Lifecycle 2045 Fund - Premier Class	TTFPX	0.61
TIAA-CREF Lifecycle 2050 Fund - Premier Class	TCLPX	0.61
TIAA-CREF Lifecycle 2055 Fund - Premier Class	TTRPX	0.62
TIAA-CREF Lifecycle 2010 Fund - Premier Class	TCTPX	0.54
TIAA-CREF Lifecycle 2015 Fund - Premier Class	TCFPX	0.56
TIAA-CREF Lifecycle 2020 Fund - Premier Class	TCWPX	0.57
TIAA-CREF Lifecycle 2025 Fund - Premier Class	TCQPX	0.58
TIAA-CREF Lifecycle 2030 Fund - Premier Class	TCHPX	0.59
TIAA-CREF Lifecycle 2035 Fund - Premier Class	TCYPX	0.60
TIAA-CREF Lifecycle 2040 Fund - Premier Class	TCZPX	0.60
TIAA-CREF Lifecycle Retirement Income Fund - Premier Class	TPILX	0.53

Uses for revenue credit from TIAA-CREF

- Lower share Classes on TIAA-CREF Mutual Funds
- Fee waiver for Compliance Coordinator
- Lowest share classes on non-proprietary funds
- Fee waiver for Brokerage
- Fee waiver for Plan Fiduciary Services
- Expanded C, E, & A Services
- Payment of reasonable and necessary plan expenses.
- *Examples:*
  - Plan Audit expenses
  - Compliance monitoring service fees
  - Fees to 3rd parties
  - Fees to cover employee salaries for those who are providing services to the plan

Idaho State Board of Education expense reimbursement arrangement: 2012-2013

TIAA CREF

- Set up an Revenue Credit Account for 2012
- Estimate 2012 credit quarterly, credit the amount earned semiannually and reconcile actual at the end of plan year to apply to 2013 Revenue Credit account
- If there is an unused amount of revenue credit after qualified expenses, Idaho State Board of Education can direct TIAA-CREF to return it back to plan participants on or before December 31, 2012*.

* Any funds in an Revenue Credit account should be exhausted by the end of the plan year.

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Callan

June 2013

Idaho State Board of Education

Defined Contribution Plans' Fee Evaluation

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Executive Summary

The Idaho State Board of Education (“Board”) engaged Callan Associates (“Callan”) to evaluate investment management and administrative fees of the Optional Retirement Program (ORP), 457(b) Plan, 403(b) Plan, and Tax Deferred Annuity Plan (Plans) administered by TIAA-CREF. In this study, Callan evaluates investment costs, proposed by TIAA-CREF, for the mutual funds in the Plans and a lower proposed cost for administration. The analysis compares these costs to appropriate benchmarks and peer group information to help assess reasonableness.

Below is an overview of our key observations.

- **Investment Fund Fees.** The majority of the expense ratios for the mutual funds in the Plans are below median when compared to their respective peer groups.
  - The proposed expense ratio for all actively managed funds is lower than the relevant peer group’s median.
  - Four of the six index funds have expense ratios that are above their respective peer group’s median fee. These four funds (TIAA-CREF S&P 500 Index Fund, TIAA-CREF Large Cap Value Index Fund, TIAA-CREF Large Cap Growth Index, and TIAA-CREF Small Cap Blend Index) were not proposed for lower cost share classes.
  - The expense ratios of the TIAA-CREF International Equity Index fund and TIAA-CREF Equity Index fund are in line with or very close to the peer group median. TIAA-CREF proposed lower expense share classes for these two funds.
  - When evaluating eligibility for lower cost share classes, TIAA-CREF considers the economics and plan specific features of each client. It is our understanding that a lower share class is offered by TIAA-CREF that has zero revenue sharing to offset administrative costs.

- **Administration Fees.** TIAA-CREF proposed a required revenue amount of 17.9 basis points on Plan assets to recordkeep the Plans. This is a reduction to the current administrative offset of 19.7 basis points. When compared to administration fees of similarly sized though less complex plans in Callan’s database, the fee appears high, providing the possibility to negotiate lower administration fees with TIAA-CREF.

Overview

This material was prepared by Callan to assist the Board in evaluating the cost structure of the Plans offered at TIAA-CREF, including TIAA-CREF's recently proposed changes. The Plans include the Optional Retirement Program (ORP), 457(b) Plan, 403(b) Plan, and Tax Deferred Annuity Plan.

TIAA-CREF proposes the following under the new pricing structure:

- Setting TIAA-CREF's required revenue to recordkeep the Plans at 17.9 basis points.
- Transitioning from the "Retirement" to the "Premier" share class for certain mutual funds in the lineup.
- Implementing a Revenue Credit Account, in which any revenue generated above the 17.9 basis points can be used by the Plans to pay for qualified plan expenses or be rebated back to participants.

Callan analyzed the investment management expenses of each mutual fund investment option, as well as the Plans' administrative fees. To evaluate costs, the investment management expenses of the mutual funds were compared to costs of comparable investments while the administrative fees were evaluated based on peer comparisons to plans of a similar size and complexity. Exhibit 1 shows the general characteristics of the Plans and Exhibit 2 lists the combined investment lineup of the Plans as of 3/31/13.

Exhibit 1 – Characteristics of the Plans

Plan	Total
Total Assets	$714 million
Participants	10,230
Recordkeeper	TIAA-CREF

The assets by Plan as of 3/31/13 are shown below:

Plan	Total
Optional Retirement Program (ORP)	$593 million
457(b) Plan	$8 million
403(b) Plan	$0.9 million
Tax Deferred Annuity Plan	$112 million

Exhibit 2 – Investment Line-up

	Vehicle	Assets*	Asset %
Tier I: Asset Allocation (Target Date)			
TIAA-CREF Lifecycle Retirement Funds	Mutual Fund	$69,484,643	9.7%
Tier II: Core Options			
TIAA-CREF S&P 500 Idx-Rtmt	Mutual Fund	$4,295,281	0.6%
TIAA-CREF Eq Index-Rtmt	Mutual Fund	$2,527,949	0.4%
TIAA-CREF Lg-Cap Val Idx-Rtmt	Mutual Fund	$3,210,793	0.4%
TIAA-CREF Lg-Cap Val-Rtmt	Mutual Fund	$6,774,059	0.9%
TIAA-CREF Lg-Cap Gr Idx-Rtmt	Mutual Fund	$2,908,523	0.4%
TIAA-CREF Gr & Inc-Rtmt	Mutual Fund	$7,594,816	1.1%
TIAA-CREF Mid-Cap Val-Rtmt	Mutual Fund	$11,481,916	1.6%
TIAA-CREF Mid-Cap Gr-Rtmt	Mutual Fund	$4,617,393	0.6%
TIAA-CREF Sm-Cap Bl Idx-Rtmt	Mutual Fund	$5,427,848	0.8%
TIAA-CREF Sm-Cap Eq-Rtmt	Mutual Fund	$3,869,845	0.5%
TIAA-CREF Intl Eq Idx-Rtmt	Mutual Fund	$10,745,675	1.5%
TIAA-CREF Intl Eq-Rtmt	Mutual Fund	$5,057,311	0.7%
Tier III: Specialty Options			
TIAA-CREF Social Ch Eq-Rtmt	Mutual Fund	$4,765,779	0.7%
TIAA-CREF Real Est Secs-Rtmt	Mutual Fund	$3,310,573	0.5%
Tier IV: TIAA and CREF Annuities			
TIAA Traditional	Annuity	$178,561,736	25.0%
CREF Money Market	Annuity	$27,276,020	3.8%
CREF Inflation-Linked Bond	Annuity	$16,742,407	2.3%
CREF Bond Market	Annuity	$35,311,916	4.9%
CREF Equity Index	Annuity	$23,011,586	3.2%
CREF Stock	Annuity	$142,776,556	20.0%
CREF Growth	Annuity	$41,188,321	5.8%
CREF Global Equities	Annuity	$34,998,503	4.9%
CREF Social Choice	Annuity	$33,217,571	4.7%
TIAA Real Estate	Annuity	$34,999,204	4.9%
TOTAL	--	**$714,156,225**	**100%**

*In addition, there is an outstanding loan balance of $52,090

Investment Option Fee Evaluation

In this section, we examine the investment fees associated with each of the mutual funds and compare them to peers.

TIAA-CREF has proposed changing the share classes of certain mutual funds within the Plans. The changes, shown in Exhibit 3, would move some mutual funds from the "Retirement" share class to the "Premier" share class resulting in a lower expense ratio (and corresponding revenue sharing) by 10 basis points.

Exhibit 3 – TIAA-CREF Proposed Share Class Changes

TIAA-CREF Lifecycle Retirement Funds
TIAA-CREF Eq Index
TIAA-CREF Lg-Cap Val
TIAA-CREF Gr & Inc
TIAA-CREF Mid-Cap Val
TIAA-CREF Mid-Cap Gr
TIAA-CREF Sm-Cap Eq
TIAA-CREF Intl Eq Idx
TIAA-CREF Intl Eq
TIAA-CREF Social Ch Eq
TIAA-CREF Real Est Secs

TIAA-CREF did not propose any changes to the following mutual funds:

TIAA-CREF S&P 500 Idx
TIAA-CREF Lg-Cap Val Idx
TIAA-CREF Lg-Cap Gr Idx
TIAA-CREF Sm-Cap Bl Idx

Exhibit 4 lists the current and proposed expenses of each mutual fund in the Plans and compares the total fee to a relevant peer group of institutional mutual funds.[1] The actively managed funds in the Plans were compared to peer groups composed of actively managed funds while the passively managed funds were compared to peer groups composed of passively managed products. Asset values are as of 3/31/2013.

[1] Style groups differentiate between active and passively managed funds. The peer group for the target date funds contains actively managed mutual funds. For more detailed fee comparisons please see Appendix I – Fee Comparison Charts.

Exhibit 4 – Current and Proposed Expense Ratios

	Assets*	Current Ticker	Current Expense Ratio	Current Expense Ratio Estimated ($)	Proposed Ticker	Proposed Expense Ratio	Proposed Expense Ratio Estimated ($)	Peer Group Median	Proposed Compared to Peer Median
Tier I: Asset Allocation (Target Date)									
TIAA-CREF Lifecycle Retirement Funds	$69,484,643	Multiple	0.69%	$477,966	Multiple	0.59%	$408,482	0.70%	11 bps lower
Tier II: Core Options									
TIAA-CREF S&P 500 Idx	$4,295,281	TRSPX	0.32%	$13,745	Same	0.32%	$13,745	0.20%	12 bps higher
TIAA-CREF Eq Index	$2,527,949	TIQRX	0.32%	$8,089	TCEPX	0.22%	$5,561	0.20%	2 bps higher
TIAA-CREF Lg-Cap Val Idx	$3,210,793	TRCVX	0.33%	$10,596	Same	0.33%	$10,596	0.08%	25 bps higher
TIAA-CREF Lg-Cap Val	$6,774,059	TRLCX	0.72%	$48,773	TRCPX	0.62%	$41,999	0.77%	15 bps lower
TIAA-CREF Lg-Cap Gr Idx	$2,908,523	TRIRX	0.33%	$9,598	Same	0.33%	$9,598	0.20%	13 bps higher
TIAA-CREF Gr & Inc	$7,594,816	TRGIX	0.72%	$54,683	TRPGX	0.62%	$47,088	0.85%	23 bps lower
TIAA-CREF Mid-Cap Val	$11,481,916	TRVRX	0.71%	$81,522	TRVPX	0.61%	$70,040	0.88%	27 bps lower
TIAA-CREF Mid-Cap Gr	$4,617,393	TRGMX	0.74%	$34,169	TRGPX	0.64%	$29,551	0.97%	33 bps lower
TIAA-CREF Sm-Cap Bl Idx	$5,427,848	TRBIX	0.40%	$21,711	Same	0.40%	$21,711	0.26%	14 bps higher
TIAA-CREF Sm-Cap Eq	$3,869,845	TRSEX	0.78%	$30,185	TSRPX	0.68%	$26,315	1.06%	38 bps lower
TIAA-CREF Intl Eq Idx	$10,745,675	TRIEX	0.34%	$36,535	TRIPX	0.24%	$25,790	0.24%	even
TIAA-CREF Intl Eq	$5,057,311	TRERX	0.78%	$39,447	TREPX	0.68%	$34,390	1.13%	45 bps lower
Tier III: Specialty Options									
TIAA-CREF Social Ch Eq	$4,765,779	TRSCX	0.44%	$20,969	TRPSX	0.34%	$16,204	1.00%	66 bps lower
TIAA-CREF Real Est Secs	$3,310,573	TRRSX	0.82%	$27,147	TRRPX	0.72%	$23,836	0.91%	19 bps lower
TOTAL	**$146,072,404**	**--**	**0.63%**	**$915,135**	**--**	**0.54%**	**$784,905**	**0.68%**	**14 bps lower**

*In addition, there are $568 million in annuity assets, which account for just under $3 million in additional expenses, based on their expense ratio. TIAA-CREF is not proposing any changes to the annuities.

Blue text indicates mutual funds with expense ratios above the peer group median.

Exhibit 4 indicates that the proposed fees for many of the mutual funds in the Plans are either in-line with or below median compared to their respective peer groups. Certain funds (highlighted in blue) are above median compared to their respective peer groups.

Below we provide a summary of our key observations on the investment fees for the mutual funds. The investment fees for the annuities were not evaluated. Keep in mind that our analysis is focused solely on fees and does not factor in the ranking or quality of returns that an investment manager may deliver. Performance differences may explain the dispersion of fees seen in the marketplace.

- **TIAA-CREF S&P 500 Index Fund, TIAA-CREF Large Cap Value Index Fund, TIAA-CREF Large Cap Growth Index, and TIAA-CREF Small Cap Blend Index**. The fees for these four index funds are above that of their respective peer group median. TIAA-CREF has not proposed these funds be moved to a lower fee share class.

- **TIAA-CREF International Equity Index Fund and the TIAA-CREF Equity Index Fund**. These funds were proposed for a lower cost share class and their fees are in-line with that of their peer group median.

- **Actively Managed Funds**. For the actively managed mutual funds, expenses will be reduced by moving from the “Retirement” to “Premier” share class. The proposed expense ratios are lower than that of the median fund in the relevant peer group.

When evaluating eligibility for lower cost share classes, TIAA-CREF considers the economics and plan specific features of each client. Our understanding is that a lower cost share class is available that has no revenue share to offset administrative expenses.

Recordkeeper Fee Evaluation

Under TIAA-CREF's bundled recordkeeping model, a portion of each investment option's expense ratio is used to pay the Plans' administrative costs. The 2013 Callan DC Survey, enclosed, indicates that approximately 67% of plans where participants pay some or all of the administrative costs use revenue sharing to fully or partially pay for plan administration fees.

Exhibit 5 outlines the current amount of revenue sharing generated by the Plans, which totals over $1.5 million. The options in the current line-up generate either 24 or 25 basis points of revenue share with the TIAA Traditional account being the exception with revenue sharing of 15 basis points. This means that the majority of plan participants are equitably paying for plan administration.

Exhibit 5 – Current Line-Up Revenue Share

	Vehicle	Assets	Revenue Sharing Offset	Revenue Sharing Offset Applied (Est.)
Tier I: Asset Allocation (Target Date)				
TIAA-CREF Lifecycle Retirement Funds	Mutual Fund	$69,484,643	0.25%	$173,712
Tier II: Core Options				
TIAA-CREF S&P 500 Idx-Rtmt	Mutual Fund	$4,295,281	0.25%	$10,738
TIAA-CREF Eq Index-Rtmt	Mutual Fund	$2,527,949	0.25%	$6,320
TIAA-CREF Lg-Cap Val Idx-Rtmt	Mutual Fund	$3,210,793	0.25%	$8,027
TIAA-CREF Lg-Cap Val-Rtmt	Mutual Fund	$6,774,059	0.25%	$16,935
TIAA-CREF Lg-Cap Gr Idx-Rtmt	Mutual Fund	$2,908,523	0.25%	$7,271
TIAA-CREF Gr & Inc-Rtmt	Mutual Fund	$7,594,816	0.25%	$18,987
TIAA-CREF Mid-Cap Val-Rtmt	Mutual Fund	$11,481,916	0.25%	$28,705
TIAA-CREF Mid-Cap Gr-Rtmt	Mutual Fund	$4,617,393	0.25%	$11,543
TIAA-CREF Sm-Cap Bl Idx-Rtmt	Mutual Fund	$5,427,848	0.25%	$13,570
TIAA-CREF Sm-Cap Eq-Rtmt	Mutual Fund	$3,869,845	0.25%	$9,675
TIAA-CREF Intl Eq Idx-Rtmt	Mutual Fund	$10,745,675	0.25%	$26,864
TIAA-CREF Intl Eq-Rtmt	Mutual Fund	$5,057,311	0.25%	$12,643
Tier III: Specialty Options				
TIAA-CREF Social Ch Eq-Rtmt	Mutual Fund	$4,765,779	0.25%	$11,914
TIAA-CREF Real Est Secs-Rtmt	Mutual Fund	$3,310,573	0.25%	$8,276
Tier IV: TIAA and CREF Annuities				
TIAA Traditional	Annuity	$178,561,736	0.15%	$267,843
CREF Money Market	Annuity	$27,276,020	0.24%	$65,462
CREF Inflation-Linked Bond	Annuity	$16,742,407	0.24%	$40,182
CREF Bond Market	Annuity	$35,311,916	0.24%	$84,749
CREF Equity Index	Annuity	$23,011,586	0.24%	$55,228
CREF Stock	Annuity	$142,776,556	0.24%	$342,664
CREF Growth	Annuity	$41,188,321	0.24%	$98,852
CREF Global Equities	Annuity	$34,998,503	0.24%	$83,996
CREF Social Choice	Annuity	$33,217,571	0.24%	$79,722
TIAA Real Estate	Annuity	$34,999,204	0.24%	$83,998
TOTAL	--	**$714,156,225**	**0.22%**	**$1,567,877**

Exhibit 6 shows the impact of TIAA-CREF's proposed share class changes. The revenue sharing generated by the Plans will be approximately 20 bps or $1.4 million. This is roughly a $130,000 reduction from the current share classes used. The investment options in the proposed line-up generate varying amounts of revenue share, which could result in an inequitable payment of plan costs by participants.

Exhibit 6 – Proposed Line-Up Revenue Share

	Vehicle	Assets	Revenue Sharing Offset	Revenue Sharing Offset Applied (Est.)
Tier I: Asset Allocation (Target Date)				
TIAA-CREF Lifecycle Retirement Premier	Mutual Fund	$69,484,643	0.15%	$104,227
Tier II: Core Options				
TIAA-CREF S&P 500 Idx-Rtmt	Mutual Fund	$4,295,281	0.25%	$10,738
TIAA-CREF Eq Index- Premier	Mutual Fund	$2,527,949	0.15%	$3,792
TIAA-CREF Lg-Cap Val Idx-Rtmt	Mutual Fund	$3,210,793	0.25%	$8,027
TIAA-CREF Lg-Cap Val- Premier	Mutual Fund	$6,774,059	0.15%	$10,161
TIAA-CREF Lg-Cap Gr Idx-Rtmt	Mutual Fund	$2,908,523	0.25%	$7,271
TIAA-CREF Gr & Inc- Premier	Mutual Fund	$7,594,816	0.15%	$11,392
TIAA-CREF Mid-Cap Val- Premier	Mutual Fund	$11,481,916	0.15%	$17,223
TIAA-CREF Mid-Cap Gr- Premier	Mutual Fund	$4,617,393	0.15%	$6,926
TIAA-CREF Sm-Cap Bl Idx-Rtmt	Mutual Fund	$5,427,848	0.25%	$13,570
TIAA-CREF Sm-Cap Eq- Premier	Mutual Fund	$3,869,845	0.15%	$5,805
TIAA-CREF Intl Eq Idx- Premier	Mutual Fund	$10,745,675	0.15%	$16,119
TIAA-CREF Intl Eq- Premier	Mutual Fund	$5,057,311	0.15%	$7,586
Tier III: Specialty Options				
TIAA-CREF Social Ch Eq-Premier	Mutual Fund	$4,765,779	0.15%	$7,149
TIAA-CREF Real Est Secs- Premier	Mutual Fund	$3,310,573	0.15%	$4,966
Tier IV: TIAA-CREF Annuities				
TIAA Traditional	Annuity	$178,561,736	0.15%	$267,843
CREF Money Market	Annuity	$27,276,020	0.24%	$65,462
CREF Inflation-Linked Bond	Annuity	$16,742,407	0.24%	$40,182
CREF Bond Market	Annuity	$35,311,916	0.24%	$84,749
CREF Equity Index	Annuity	$23,011,586	0.24%	$55,228
CREF Stock	Annuity	$142,776,556	0.24%	$342,664
CREF Growth	Annuity	$41,188,321	0.24%	$98,852
CREF Global Equities	Annuity	$34,998,503	0.24%	$83,996
CREF Social Choice	Annuity	$33,217,571	0.24%	$79,722
TIAA Real Estate	Annuity	$34,999,204	0.24%	$83,998
TOTAL	--	**$714,156,225**	**0.20%**	**$1,437,647**

Under TIAA-CREF's proposal, they will require 17.9 basis points to recordkeep the Plans. This covers recordkeeping services such as administration, a call center, a plan sponsor and participant website, a voice response unit, reporting, trust/custodial services, fiduciary and compliance functions, participant communications, seminars, printing, postage, individual advice and counseling, etc.

A basis point recordkeeping fee still remains common in the DC marketplace. According to the 2013 Callan DC Survey, 36% of participants pay for administration solely through revenue sharing or some kind of administrative allocation back from the investment fund vs. 16% that pay solely through an explicit hard dollar fee vs. 13% that pay solely through a percentage fee. Most of the remaining participants pay through a combination of revenue sharing and an explicit charge.

Determining Plan Fee Policy

-ERISA contains no provisions specifically addressing how plan expenses may be allocated among participants and beneficiaries.

-However, Department of Labor Field Assistance Bulletin 2003-3 notes:

- A fiduciary must be prudent in the selection of the method of allocation.
- The fiduciary weighs the competing interests of various classes of the plan's participants and the effects of various allocation methods on those interests.
- A fiduciary's decision must satisfy the "solely in the interest of participants" standard. However, a method of allocating expenses would not fail to be "solely in the interest of participants" merely because the selected method disfavors one class of participants, provided that a rational basis exists for the selected method.

For any revenue generated above the 17.9 bps, TIAA-CREF will implement a Revenue Credit Account, in which the excess can be used by the Plans to pay for qualified plan expenses or be credited back to participants. According to the 2013 Callan DC Survey, 51% of plans have a similar type of reimbursement account.

Given the proposed share class changes, Exhibit 7 shows the Plans would generate approximately $130,000 more than the proposed revenue requirement indicated by TIAA-CREF.

Exhibit 7 – Recordkeeping Fees

Recordkeeping Fees	Estimated Fee Dollars	Estimated Basis Points	Estimated Per Participant
TIAA-CREF Recordkeeping Fee	$1,278,340	17.9 bps	$125
Revenue Sharing Generated (proposed)	$1,437,647	20.1 bps	$141
Surplus/(Deficit)	$130,230	2.2 bps	$16

In addition to the 17.9 bps recordkeeping fee, the TIAA Traditional Annuity for participants in the Optional Retirement Program is subject to a surrender fee should participants elect to take a lump sum distribution.

The revenue sharing per fund ranges from 15 to 25 basis points under the proposal. With the uneven distribution of revenue sharing in the fund options, some participants will pay more to offset administrative costs than others.

While equality in fees is preferable, it can be difficult to achieve given the various revenue sharing agreements across the funds. This is a common issue among plan sponsors, and has been receiving increased attention, particularly in light of the recent fee disclosure regulations. According to Callan's 2013 DC Trends survey, we find that only 2% of plans receive revenue sharing offsets from all of the funds within a plan. More commonly (48%), plans have between 51% and 99% of the plan's funds generating revenue sharing.

Recordkeeper Fee Benchmarking

There are many factors to consider in evaluating the reasonableness of plan administrative fees including:

- Complexity/number of plans;
- Services provided by the recordkeeper;
- Number of participants;
- Number/type of investment options;
- Assets;
- Number of payroll feeds;
- Unique plan features

Benchmarking a defined contribution plan's recordkeeping costs is an imperfect process, since every plan has unique features that must be taken into consideration. Many factors feed into pricing of administration services, including complexity of the plan (e.g., number of plans, number of payroll feeds, quality of data coming from the client), whether the services are fully bundled or not, and level of services (including communication, plan accounting, plan reporting, etc.).

To provide benchmarking data, Callan compared the Plans' pricing to plans of a similar size in terms of both assets and participants. Exhibit 8 provides the results of the comparison.

Exhibit 8 – Administrative Fee Comparison

Plan	Total Assets	Participants	Per Participant Fee	Basis Point Fee	Total Fees
Plan A	$586,077,555	10,770	$79	14.5	$849,812
Plan A @ $700 million	$700,000,000	10,770	$88	13.5	$945,000
Plan A @ $800 million	$800,000,000	10,770	$93	12.5	$1,000,000
Plan B	$453,760,399	8,200	$105	19.0	$862,145
Plan C	$612,000,000	12,200	$75	15.0	$918,000
Plan D	$674,000,000	6,043	$67	6.0	$404,400
Plan E	$838,735,667	24,107	$59	17.0	$1,425,851
Plan F	$955,447,288	50,880	$64	34.0	$3,248,521
Plan G	$956,316,321	16,649	$57	10.0	$956,316
Plan H	$968,000,000	51,000	$30	15.8	$1,529,440
Plan I	$1,181,027,759	9,727	$97	8.0	$944,822
Plan J	$1,216,900,000	11,691	$71	6.8	$827,492
Average	*$828,522,082*	*18,567*	*$74*	*14.3*	*$1,159,317*
Median	*$819,367,834*	*11,231*	*$73*	*14.0*	*$944,911*
Idaho (proposed)	**$714,156,225**	**10,230**	**$125**	**17.9**	**$1,278,340**

Given the range of administrative fees shown in Exhibit 8, it is encouraging that TIAA-CREF has proposed a lower revenue requirement. The 17.9 bps fee is above the median and average fees of similar albeit less complex plans in Callan's database. The Plans have some additional complexities given there are four separate plans and TIAA-CREF provides individual advice and counseling, an expensive service that is not always offered. Since the proposed revenue requirement is above the peer group median of 14.0 basis points, there could be additional opportunity for fee concessions by TIAA-CREF.

Conclusions

In this report, we compared investment management fees for the mutual funds as well as the Plans' administrative fees to that of peers.

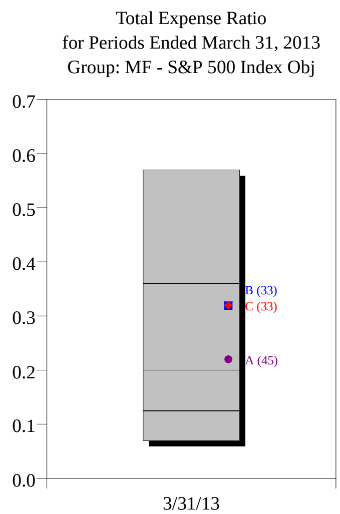
For the proposed fee arrangement by TIAA-CREF, we found that the actively managed mutual funds have investment management fees below median when compared to their respective peer groups.

Four of six passively managed mutual funds offered, have expense ratios that are greater than their respective peer group median. These include the TIAA-CREF S&P 500 Index Fund, TIAA-CREF Large Cap Value Index Fund, TIAA-CREF Large Cap Growth Index, and TIAA-CREF Small Cap Blend Index. A lower cost share class was proposed for both the TIAA-CREF International Equity Index and TIAA-CREF Equity Index funds and their expense ratios match or are very close to their peer group's median.

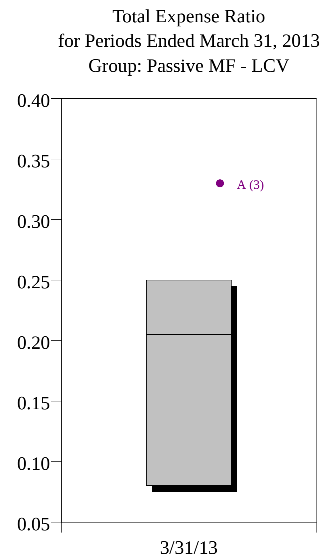
It is our understanding that a lower cost share class is available at TIAA-CREF that has zero revenue sharing to offset administrative fees.

TIAA-CREF proposed a lower recordkeeping fee of 17.9 bps on plan assets. When compared to administration fees of similarly sized yet less complex plans in Callan's database, the fee is above the peer average and median, potentially providing room for the Board to negotiate a lower administration fee with TIAA-CREF, or a higher expense reimbursement amount.

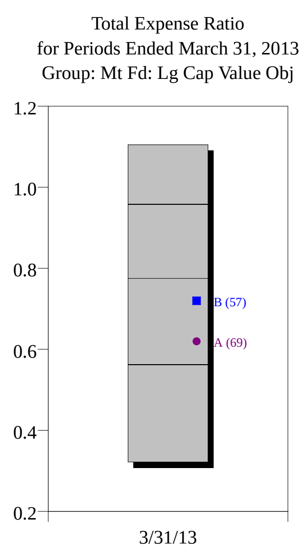
Appendix I – Fee Comparison Charts



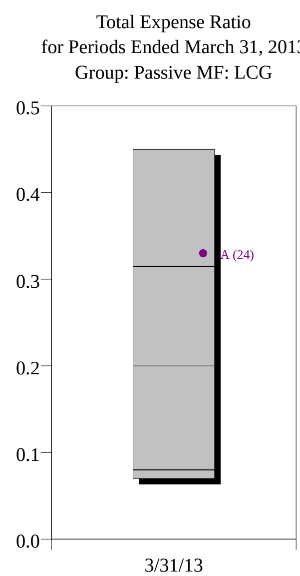
10th Percentile		0.57
25th Percentile		0.36
Median		0.20
75th Percentile		0.12
90th Percentile		0.07
Member Count		42
TIAA-CREF:Eq Idx;Prmr	● A	0.22
TIAA-CREF:Eq Idx;Ret	■ B	0.32
TIAA-CREF:S&P500 Idx;Ret	◆ C	0.32



10th Percentile		0.25
25th Percentile		0.20
Median		0.08
75th Percentile		0.08
90th Percentile		0.08
Member Count *		9
TIAA CREF Large Cap Value Index	● A	0.33



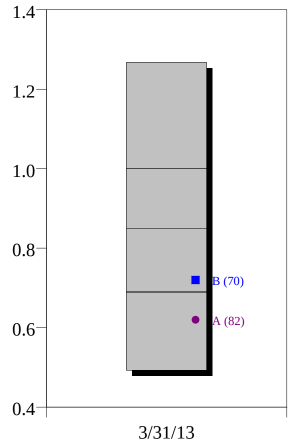
10th Percentile		1.11
25th Percentile		0.96
Median		0.77
75th Percentile		0.56
90th Percentile		0.32
Member Count		140
TIAA-CREF Large Cap Value Premier	● A	0.62
TIAA-CREF Large Cap Value Rtmt	■ B	0.72



10th Percentile		0.45
25th Percentile		0.31
Median		0.20
75th Percentile		0.08
90th Percentile		0.07
Member Count *		9
TIAA CREF Large Cap Growth Index	● A	0.33

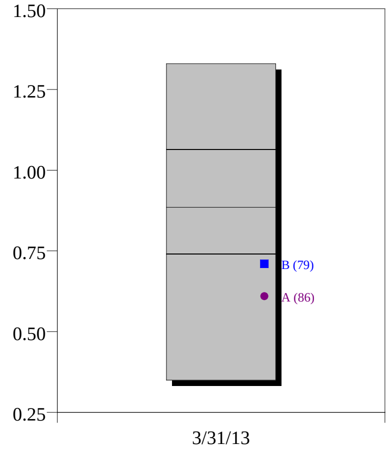
*Note that the small sample size primarily includes funds that have no revenue sharing.

Total Expense Ratio
for Periods Ended March 31, 2013
Group: Mt Fd: Lg Cap Growth Obj



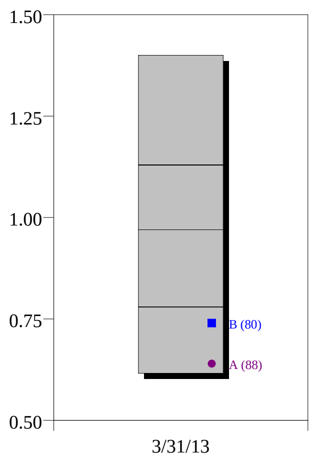
10th Percentile		1.27
25th Percentile		1.00
Median		0.85
75th Percentile		0.69
90th Percentile		0.49
Member Count		222
TIAA CREF Growth & Income Prem	● A	0.62
TIAA CREF Growth & Income Rtmt	■ B	0.72

Total Expense Ratio
for Periods Ended March 31, 2013
Group: Mt Fd: Mid Cap Value Obj



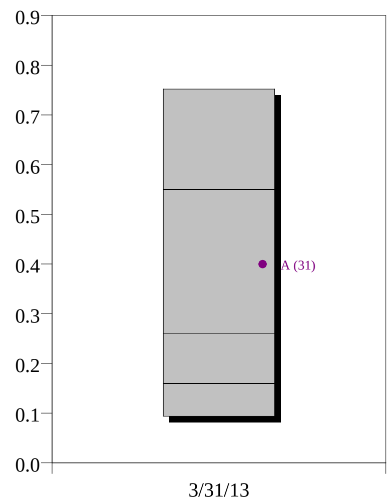
10th Percentile		1.33
25th Percentile		1.07
Median		0.88
75th Percentile		0.74
90th Percentile		0.35
Member Count		64
TIAA-CREF:MCV;Prmr	● A	0.61
TIAA-CREF:MCV;Ret	■ B	0.71

Total Expense Ratio
for Periods Ended March 31, 2013
Group: Mt Fd: Mid Cap Growth Obj



10th Percentile		1.40
25th Percentile		1.13
Median		0.97
75th Percentile		0.78
90th Percentile		0.62
Member Count		127
TIAA-CREF Mid Cap Growth Prem	● A	0.64
TIAA-CREF Mid Cap Growth Rtmt	■ B	0.74

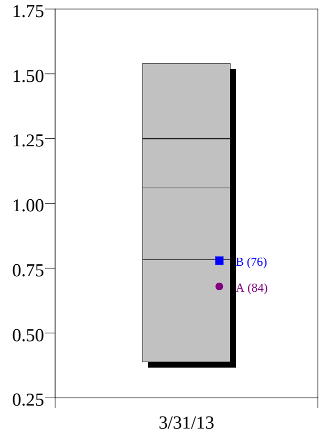
Total Expense Ratio
for Periods Ended March 31, 2013
Group: Passive: MF small-cap



10th Percentile		0.75
25th Percentile		0.55
Median		0.26
75th Percentile		0.16
90th Percentile		0.09
Member Count*		11
TIAA-CREF:SCB Idx;Ret	● A	0.40

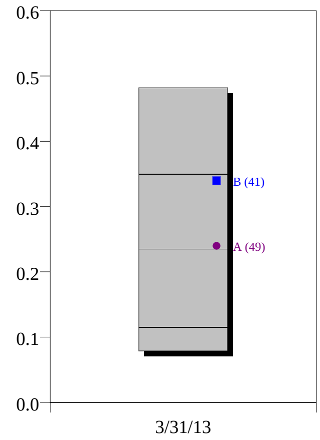
*Note that the small sample size primarily includes funds that have no revenue sharing.

Total Expense Ratio
for Periods Ended March 31, 2013
Group: Mt Fd: Sm Cap Core Obj



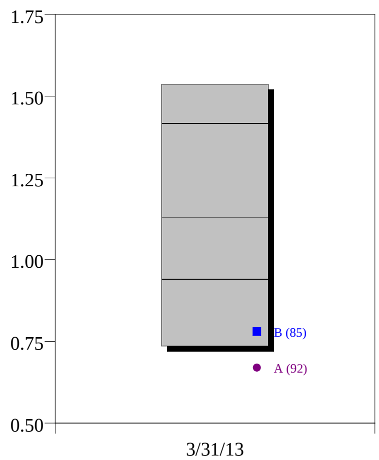
10th Percentile		1.54
25th Percentile		1.25
Median		1.06
75th Percentile		0.78
90th Percentile		0.39
Member Count		268
TIAA-CREF Small Cap Eq Prem	A	0.68
TIAA-CREF Small Cap Eq Rtmt	B	0.78

Total Expense Ratio
for Periods Ended March 31, 2013
Group: Passive MF intl



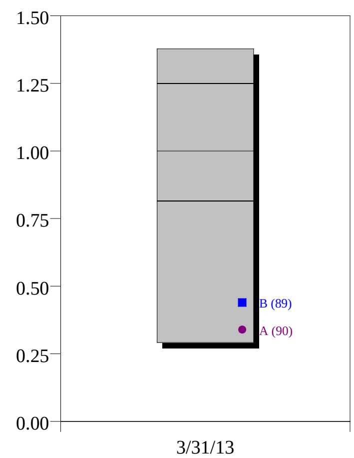
10th Percentile		0.48
25th Percentile		0.35
Median		0.24
75th Percentile		0.11
90th Percentile		0.08
Member Count		38
TIAA-CREF Int'l Eq Index Prem	A	0.24
TIAA-CREF Int'l Eq Index Rtmt	B	0.34

Total Expense Ratio
for Periods Ended March 31, 2013
Group: CAI MF - Non-US Equity Style



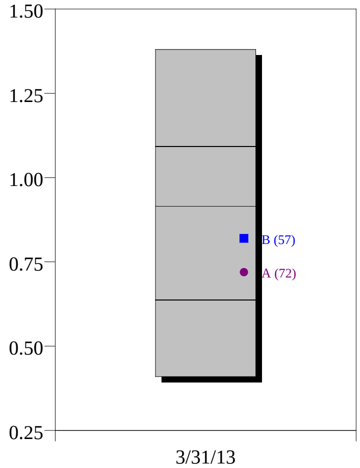
10th Percentile		1.54
25th Percentile		1.42
Median		1.13
75th Percentile		0.94
90th Percentile		0.74
Member Count		82
TIAA-CREF:Intl Eq;Prmr	A	0.67
TIAA-CREF:Intl Eq;Ret	B	0.78

Total Expense Ratio
for Periods Ended March 31, 2013
Group: SRI - Large Cap Core



10th Percentile		1.38
25th Percentile		1.25
Median		1.00
75th Percentile		0.81
90th Percentile		0.29
Member Count		21
TIAA-CREF Soc Choice Prem	A	0.34
TIAA-CREF Soc Choice Rtmt	B	0.44

Total Expense Ratio
for Periods Ended March 31, 2013
Group: Real Estate Mut Fds



10th Percentile		1.38
25th Percentile		1.09
Median		0.91
75th Percentile		0.64
90th Percentile		0.41
Member Count		84
TIAA-CREF Real Estate Prem	● A	0.72
TIAA-CREF Real Estate Rtmt	■ B	0.82

Idaho State Board of Education – Follow up detail as requested

July 3rd , 2013

Current menu and proposed

THE IDAHO STATE BOARD OF EDUCATION

Fund Mapping

FROM				TO		
Current Retirement Class Fund Options				Proposed Mapping into Premier/Institutional Share Class		
Current Investment Option	Ticker Symbol	Expense Ratio		Proposed Investment Option	Ticker Symbol	Expense Ratio
TIAA-CREF Growth & Income Fund - Retirement Class	TRGIX	0.71		TIAA-CREF Growth & Income Fund - Premier Class	TRPGX	0.61
TIAA-CREF International Equity Fund - Retirement Class	TRERX	0.78		TIAA-CREF International Equity Fund - Premier Class	TREPX	0.67
TIAA-CREF Large-Cap Value Fund - Retirement Class	TRLCX	0.71		TIAA-CREF Large-Cap Value Fund - Premier Class	TRCPX	0.61
TIAA-CREF Mid-Cap Growth Fund - Retirement Class	TRGMX	0.73		TIAA-CREF Mid-Cap Growth Fund - Premier Class	TRGPX	0.63
TIAA-CREF Mid-Cap Value Fund - Retirement Class	TRVRX	0.71		TIAA-CREF Mid-Cap Value Fund - Premier Class	TRVPX	0.61
TIAA-CREF Real Estate Securities Fund - Retirement Class	TRRSX	0.78		TIAA-CREF Real Estate Securities Fund - Premier Class	TRRPX	0.68
TIAA-CREF Small-Cap Equity Fund - Retirement Class	TRSEX	0.73		TIAA-CREF Small-Cap Equity Fund - Premier Class	TSRPX	0.63
TIAA-CREF Social Choice Equity Fund - Retirement Class	TRSCX	0.43		TIAA-CREF Social Choice Equity Fund - Premier Class	TRPSX	0.33
TIAA-CREF Equity Index Fund - Retirement Class	TIQRX	0.32		TIAA-CREF Equity Index Fund - Institutional Class	TIEIX	0.07
TIAA-CREF International Equity Index Fund - Retirement Class	TRIEX	0.33		TIAA-CREF International Equity Index Fund - Instl Class	TCIEX	0.08
TIAA-CREF Large-Cap Growth Index Fund - Retirement Class	TRIRX	0.32		TIAA-CREF Large-Cap Growth Index Fund - Institutional Class	TILIX	0.07
TIAA-CREF Large-Cap Value Index Fund - Retirement Class	TRCVX	0.32		TIAA-CREF Large-Cap Value Index Fund - Institutional Class	TILVX	0.08
TIAA-CREF S&P 500 Index Fund - Retirement Class	TRSPX	0.32		TIAA-CREF S&P 500 Index Fund - Institutional Class	TISPX	0.07
TIAA-CREF Small-Cap Blend Index Fund - Retirement Class	TRBIX	0.40		TIAA-CREF Small-Cap Blend Index Fund - Institutional Class	TISBX	0.15
TIAA-CREF Lifecycle 2045 Fund - Retirement Class	TTFRX	0.74		TIAA-CREF Lifecycle 2045 Fund - Premier Class	TTFPX	0.64
TIAA-CREF Lifecycle 2050 Fund - Retirement Class	TLFRX	0.74		TIAA-CREF Lifecycle 2050 Fund - Premier Class	TCLPX	0.64
TIAA-CREF Lifecycle 2055 Fund - Retirement Class	TTRLX	0.74		TIAA-CREF Lifecycle 2055 Fund - Premier Class	TTRPX	0.64
TIAA-CREF Lifecycle 2010 Fund - Retirement Class	TCLEX	0.66		TIAA-CREF Lifecycle 2010 Fund - Premier Class	TCTPX	0.56
TIAA-CREF Lifecycle 2015 Fund - Retirement Class	TCLIX	0.67		TIAA-CREF Lifecycle 2015 Fund - Premier Class	TCFPX	0.57
TIAA-CREF Lifecycle 2020 Fund - Retirement Class	TCLTX	0.69		TIAA-CREF Lifecycle 2020 Fund - Premier Class	TCWPX	0.59
TIAA-CREF Lifecycle 2025 Fund - Retirement Class	TCLFX	0.71		TIAA-CREF Lifecycle 2025 Fund - Premier Class	TCQPX	0.61
TIAA-CREF Lifecycle 2030 Fund - Retirement Class	TCLNX	0.72		TIAA-CREF Lifecycle 2030 Fund - Premier Class	TCHPX	0.62
TIAA-CREF Lifecycle 2035 Fund - Retirement Class	TCLRX	0.73		TIAA-CREF Lifecycle 2035 Fund - Premier Class	TCYPX	0.63
TIAA-CREF Lifecycle 2040 Fund - Retirement Class	TCLOX	0.74		TIAA-CREF Lifecycle 2040 Fund - Premier Class	TCZPX	0.64
TIAA-CREF Lifecycle Retirement Income Fund - Rtmt Class	TLIRX	0.64		TIAA-CREF Lifecycle Retirement Income Fund - Premier Class	TPILX	0.54

Idaho State Board of Education - TIAA Proposed Menu vs. Callan Median (total all in cost comparison)

TIAA CREF

Total cost to Idaho State Board of Education participants

		bps from TC Proposal		bps from Callan paper	
		Cost with TIAA-CREF		Cost with comparable median	
	Dollars in asset class	*bps*	*Dollars*	*bps*	*Dollars*
Record Keeping (Administrative) fees	146,072,404	0.160%	233,715.85	0.140%	204,501.37
All-in participant costs					
Tier I: Asset Allocation (Target Date)					
TIAA-CREF Lifecycle Retirement Funds-Premier	69,484,643	0.62%	428,657.28	0.70%	486,392.50
Tier II: Core Options					
TIAA-CREF S&P 500 Idx- Institutional	**4,295,281**	**0.07%**	**3,006.70**	**0.20%**	**8,590.56**
TIAA-CREF Eq Index- Institutional	**2,527,949**	**0.07%**	**1,769.56**	**0.20%**	**5,055.90**
TIAA-CREF Lg-Cap Val Idx- Institutional	**3,210,793**	**0.08%**	**2,568.63**	**0.08%**	**2,568.63**
TIAA-CREF Lg-Cap Val-Premier	6,774,059	0.61%	41,321.76	0.77%	52,160.25
TIAA-CREF Lg-Cap Gr Idx- Institutional	**2,908,523**	**0.07%**	**2,035.97**	**0.20%**	**5,817.05**
TIAA-CREF Gr & Inc-Premier	7,594,816	0.61%	46,328.38	0.85%	64,555.94
TIAA-CREF Mid-Cap Val-Premier	11,481,916	0.61%	70,039.69	0.88%	101,040.86
TIAA-CREF Mid-Cap Gr-Premier	4,617,393	0.63%	29,089.58	0.97%	44,788.71
TIAA-CREF Sm-Cap Bl Idx- Institutional	**5,427,848**	**0.15%**	**8,141.77**	**0.26%**	**14,112.40**
TIAA-CREF Sm-Cap Eq-Premier	3,869,845	0.63%	24,380.02	1.06%	41,020.36
TIAA-CREF Intl Eq Idx- Institutional	**10,745,675**	**0.08%**	**8,596.54**	**0.24%**	**25,789.62**
TIAA-CREF Intl Eq-Premier	5,057,311	0.67%	33,883.98	1.13%	57,147.61
Tier III: Specialty Options					
TIAA-CREF Social Ch Eq-Premier	4,765,779	0.33%	15,727.07	1.00%	47,657.79
TIAA-CREF Real Est Secs-Premier	3,310,573	0.68%	22,511.90	0.91%	30,126.21
"All-in" participant costs			**738,058.83**		**986,824.41**

Total annual cost advantage to ISBOE participants of having TIAA-CREF as the plan provider versus median plan provider	$248,765.58 25.2%

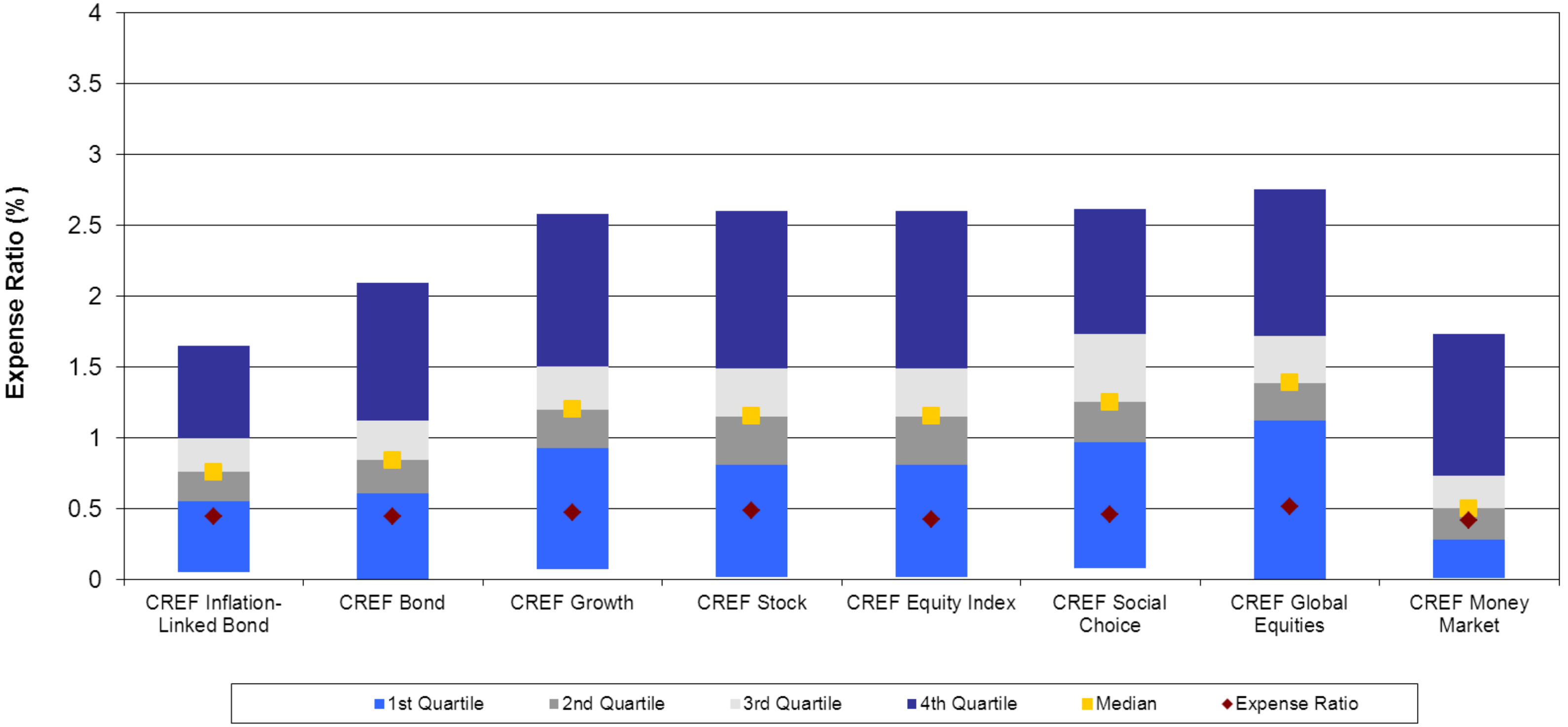
* ***Analysis performed on non-annuity cost only as benchmarks for TIAA annuities not available***

* ***Assumption is that advantage to ISBOE participant increases further if taking into account TIAA annuities given cost advantages that TIAA annuities have versus alternatives in the market***

Morningstar US Open End Mutual Fund Expense Quartiles Vs. TIAA-CREF Variable Annuity Expense Ratios

TIAA-CREF asset management®

As Of 4/1/13



All TIAA-CREF variable annuities are subject to market and other risk factors.

* Expense ratio information is shown net of any applicable fee waivers as provided in each fund's prospectus. Please note, expense comparisons may mask important differences in performance, portfolio qualities, and access. See footnotes on following page for details regarding expenses for each TIAA-CREF fund.

TIAA-CREF plan services expense offset schedule

Investment Option Category	Plan Services Expense offset (bps)
TIAA Traditional – Fixed Annuity*	15 bps
TIAA Real Estate – Variable Annuity	24 bps
CREF Variable Annuities	24 bps
TIAA-CREF Mutual Funds	
Retirement Share Class	25 bps
Premier Share Class	15 bps
Institutional Share Class	0 bps

*The TIAA Traditional Annuity is not an investment for purposes of federal securities laws; it is a guaranteed insurance contract. Therefore, unlike a variable annuity or mutual fund, the TIAA Traditional Annuity does not include an identifiable expense ratio. Each premium allocated to the TIAA Traditional Annuity buys a definite amount of lifetime income for participants based on the rate schedule in effect at the time the premium is paid. In addition, the TIAA Traditional Annuity provides a guarantee of principal, a guaranteed minimum rate of interest and the potential for additional amounts of interest when declared by TIAA's Board of Trustees. Additional amounts, when declared, remain in effect for the "declaration year" that begins each March 1 for accumulating annuities and January 1 for lifetime payout annuities. Additional amounts are not guaranteed for future years. The TIAA Traditional Annuity has credited additional amounts every year since 1948. Effective March 1, 2012, the recent expense provision in the formula for determining TIAA Traditional Annuity returns has averaged about 55 basis points (.550%) inclusive of administrative and investment expenses. This expense provision is not guaranteed, is subject to change, and is not publicly disclosed.

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BOISE STATE UNIVERSITY

SUBJECT

Amendment to Existing Employment Agreement for Athletic Director Mark Coyle

REFERENCE

December 2011	Board approved five year employment agreement for Mark Coyle, Athletic Director

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Section II.H

BACKGROUND/DISCUSSION

In 2011 the Idaho State Board of Education (Board) approved an employment contract with Mark Coyle for the position of Athletic Director. The University is requesting an amendment, with no time extension, to that contract. This amendment clarifies certain elements of Mr. Coyle's contract. The liquidated damages section is currently excessive at more than double his annual salary. In similar University contracts, including those with the head men's basketball and football coaches, the liquidated damages clause is approximately 36% of total annual compensation. This amendment will provide for Mr. Coyle's liquidated damages clause to be equal to 45% of his total compensation for the first year and drops to 23% in 2015.

The major amendments are summarized as follows:

1. Incentive payments shall occur within 45 days of the occurrence of the event rather than in one lump sum in January each year.
2. Adjusts section 5.3.3 so that in the event the athletic director terminates the agreement for convenience, the liquated damages provision is in line with current liquidated damages of other multi-year agreements with the University. Specifically:
    a. If the agreement is terminated on or before December 31, 2014, the sum of $150,000;
    b. If the agreement is terminated between January 1, 2015 and December 31, 2015 inclusive, $75,000;
    c. There shall be no liquidated damages if the agreement is terminated after December 31, 2015.

In addition, Section 3.1.3(d) of the employment contract incorporates the prior SBOE approved additional incentive compensation of up to $50,000 as provided in the December 2011 Agreement. The additional incentive compensation in 3.1.3(d) was agreed to by the University and Coyle as provided in the prior Board approved agreement.

IMPACT

The additional incentive compensation (not to exceed $50,000 annually) opportunities already authorized by the Board in the original agreement are as follows:

1. If the collective single semester grade point average for the student-athletes in a given semester is 3.0 or higher, the athletic director shall receive $7,500 per semester, not to exceed $15,000 per academic year.
2. If the football team wins or ties for the conference divisional championship, the athletic director shall receive $7,500.
3. If the football team wins a conference football championship game, the athletic director shall receive $10,000.
4. If the men's basketball team either reaches 18 regular season wins or reaches postseason play, the athletic director shall receive $10,000.
5. If the women's soccer team, the women's volleyball team, the women's basketball team, the women's gymnastics team, or the women's softball team reaches postseason play, the athletic director shall receive $7,500. The maximum payment per year is $7,500 whether one or all four teams reach postseason competition.

Maximum potential annual compensation (base salary and incentive compensation including Overall Department Athletic Performance, Academic Performance and Football Bowl Game Appearances) is $451,500.

ATTACHMENTS

STAFF COMMENTS AND RECOMMENDATIONS

Mr. Coyle's current contract (approved by the Board at its regular December 2011 meeting) contains a provision entitled "Additional Incentive Compensation" which provides as follows: "After the first year of Mr. Coyle's employment, the President and Mr. Coyle will mutually agree to additional performance criteria and accompanying incentive compensation for the remaining four years of this contract; provided, however, that the total potential additional incentive compensation shall not exceed $50,000 in any one year" (not including incentive payments for Overall Department Athletic Performance, Academic Performance and Football Bowl Game Appearances).

Pursuant to this contractual provision, the President and Mr. Coyle agreed to additional incentive pay as described under Impact, above (and memorialized in Addendum No. 1 to Employment Agreement dated June 24, 2013). The maximum potential Additional Incentive Compensation under this provision remains $50,000.

The employment agreement is in substantial conformance with the Board-approved model contract. Staff notes the contract gives the president authority and discretion to approve base salary increases for Mr. Coyle not to exceed 10% without Board approval. If the Board is comfortable delegating this level of authority to presidents, it would be helpful to direct staff to document this discretion in the model contract or Board policy.

The Athletic Committee requested a fact sheet for Mark Coyle listing various information including academic and athletic accomplishments, fundraising efforts, and comparison of compensation to other athletic directors. The fact sheet is included as Attachment 2.

BOARD ACTION

I move to approve the request by Boise State University to amend its employment agreement with Mark Coyle as Athletic Director, for a term commencing September 1, 2013 and expiring on December 31, 2016 with an annual base salary of $331,500 and such incentive compensation provisions, in substantial conformance with the terms of the contract set forth in Attachment 1.

Moved by __________ Seconded by __________ Carried Yes _____ No _____

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EMPLOYMENT AGREEMENT

This Employment Agreement (this "Agreement") is entered into by and between Boise State University (the "University"), and Mark Coyle ("Athletic Director") on the 1st day of ~~December~~ September ~~2011~~2013.

ARTICLE 1

1.1 Employment. Subject to the terms and conditions of this Agreement, the University shall employ Mark Coyle as the Athletic Director of its intercollegiate athletics program (the "Program"). Athletic Director represents and warrants that he is fully qualified to serve, and is available for employment in this capacity.

1.2 Reporting Relationship. Athletic Director shall report and be responsible directly to the University's President. Athletic Director shall abide by the instructions of the President and shall confer with the President on all administrative and technical matters.

1.3 Duties. Athletic Director shall manage and supervise the Program and shall perform such other duties in the University's athletic program as the President may assign and as may be described elsewhere in this Agreement. The University shall have the right, upon written approval by Athletic Director, to reassign Athletic Director to duties at the University other than as Athletic Director, provided that Athletic Director's compensation and benefits shall not be affected by such reassignment, except that the opportunity to earn supplemental compensation and incentives as provided in section 3.1.3 shall cease.

ARTICLE 2

2.1 Term. This Agreement is for a fixed-term appointment of ~~five (5)~~ three years, four (4) months, commencing on ~~January~~ September 1, ~~2012~~2013 and terminating, without further notice to either party, on December 31, 2016 unless terminated sooner in accordance with other provisions of this Agreement.

2.2 Extension or Renewal. This Agreement is renewable solely upon an offer from the University and an acceptance by Athletic Director, both of which must be in writing and signed by the parties. Any renewal is subject to the prior approval of University's Board of Trustees. This Agreement in no way grants to the Athletic Director a claim to tenure in employment, nor shall Athletic Director's service pursuant to this agreement count in any way toward tenure at the University.

ARTICLE 3

3.1 Compensation.

3.1.1 In consideration of Athletic Director’s services and satisfactory performance of this Agreement, the University shall provide to Athletic Director compensation as set forth herein. Accompanying such compensation shall be:

a) Athletic Director shall receive such employee benefits as the University provides generally to non-faculty professional staff employees; and

b) Athletic Director shall receive such employee benefits as the University’s Department of Athletics (the “Department”) provides generally to its employees of a comparable level. Athletic Director hereby agrees to abide by the terms and conditions, as now existing or hereafter amended, of such employee benefits.

3.1.2 Salary: The University shall pay Athletic Director a Base Salary of $331,500~~25,000~~ per year of this Agreement. Such salary to be paid entirely ~~is initially broken down as follows: (a) $110,000 State appropriated funds, plus (b) $2~~21,500~~15,000~~ from athletic department non-state funds from program revenues, Foundation/BAA contributed funds and media contract funds. Additionally, the Base Salary may increase annually (not to exceed 10% annually) at the sole discretion of the President after determination by the President that the annual goals the President sets for the Athletic Director are successfully achieved. Such increases may change the allocation of the salary. ~~Provided, however, that any such increases may also be subject to the approval of the State Board of Education.~~

3.1.3. In addition to the Base Salary, the University shall pay Athletic Director Incentive Compensation as set forth below. Such payments shall be made ~~in one lump sum in January~~ within 45 days of the occurrence the event (or in the case of the grade point average, after all finalized grades are posted) ~~following the year in which~~ where the incentive criteria was met and Athletic Director must remain continuously employed through the payment date to receive such payments.

(a) For Overall Department Athletic Performance: For the National Association of Directors of Collegiate Athletics (NACDA) Director’s Cup National Sports Award final year end rankings:

Department Rank	Incentive Pay
Top 25	$15,000
Top 40	$10,000
Top 60	$5,000

(b) For Academic Performance: As long as the annual departmental average National Collegiate Athletic Association ("NCAA") Academic Progress Rate ("APR") scores meet the following levels, the following applicable incentive payments will be paid by the University:

Department APR Score	Incentive pay
970-979	$10,000
980-989	$15,000
990-999	$20,000
1000	$25,000

(c) For Football Bowl Game Appearances: If the University men's football team plays in an NCAA approved post-season bowl game, the following incentive payments will be made by the University:

Bowl Championship Series (BCS) game (or official name chosen for the successor games for the implementation of the College Playoff System)	$30,000
Non BCS bowl game (College Playoff System)	$20,000

(d) Additional Incentive Compensation

1. If the single semester grade point average for the student-athletes collectively in a given semester is 3.0 or higher, the Athletic Director shall receive $7,500 per semester, not to exceed $15,000 per academic year. This payment may be earned for the fall and spring semesters only, summer or intersession times are not considered except when intersession classes are transcripted as part of the fall or spring semester.
2. If the Football team wins or ties for the conference divisional championship, the Athletic Director shall receive $7,500.
3. If the Football teams wins a conference football championship game, the Athletic Director shall receive $10,000
4. If the men's basketball team either reaches 18 regular season wins or reaches postseason play, the Athletic Director shall receive $10,000.
5. If the women's soccer team, the women's volleyball team, the women's basketball team, the women's gymnastics team, or the women's softball team reaches postseason play, the Athletic Director shall receive $7,500. The maximum payment per year is $7,500 whether one or all five teams reach postseason competition.

(e) Each of the above incentives are intended to reward the achievement of each individual occurrence and are cumulative, provided that the cumulative total of payments made pursuant to section 3.1.3(d).1 through 3.1.3(d).5 shall in no event exceed $50,000 annually.

3.1.4 The University annually shall provide or make arrangements through the athletic department trade-out program one (1) full-size automobile for business and personal use by Athletic Director or members of his immediate family. Athletic Director shall supply gasoline for personal use. All other costs of operating the vehicles shall be paid by the University.

3.1.5 The University shall provide Athletic Director with two country club memberships at all times during the term of this contract.

~~3.1.6 In addition to the Base Salary, the University shall make a one-time payment to Athletic Director in the amount of $75,000 on February 3, 2012.~~

3.2 Media. Agreements requiring the Athletic Director to participate in media programs related to his duties as an employee of University are the property of the University. The University shall have the exclusive right to negotiate and contract with all producers of media products and all parties desiring public appearances by the Athletic Director. Athletic Director agrees to cooperate with the University in order for the programs to be successful and agrees to provide his services to and perform on the programs and to cooperate in their production, broadcasting and telecasting. It is understood that neither Athletic Director nor any assistant department employees shall appear without prior written approval of the President on any competing radio or television program (including but not limited to a call-in show, or interview show) or a regularly scheduled news segment, except that this prohibition shall not apply to routine news media interviews for which no compensation is received. Without the prior written approval of the President, Athletic Director shall not appear in any commercial endorsements.

3.2.1 Athletic Director agrees that the University has the exclusive right to select footwear, apparel and/or equipment for the use of its student-athletes and staff, including Athletic Director, during official practices and games and during times when Athletic Director or any part of the Program is being filmed by motion picture or video camera or posing for photographs in their capacity as representatives of University.

3.3 Longevity/Stay Incentive. In addition to the Base Salary, the University will pay to Athletic Director a one-time longevity/stay incentive in the sum of $125,000 if Athletic Director stays continuously employed by the University until December 31, 2016 without being in material breach. Such payment will be made on January 20, 2017.

3.4 All payments provided for in this Agreement shall be paid through the University's normal bi-weekly payroll with the applicable withholdings as required by law and applicable deductions as directed by Athletic Director.

ARTICLE 4

4.1 Athletic Director's Specific Duties and Responsibilities. In consideration of the compensation specified in this Agreement, Athletic Director, in addition to the obligations set forth elsewhere in this Agreement, shall:

4.1.1 Devote Athletic Director's full time and best efforts to the performance of Athletic Director's duties under this Agreement and effective manage the Athletic Department while performing the duties and responsibilities customarily associated with the position of an athletic director at a Division 1~~ A~~FBS level university.;

4.1.2 Develop and implement programs and procedures with respect to the evaluations of all Program sport participants to enable them to compete successfully and reasonably protect their health, safety, and well-being;

4.1.3 Observe and uphold all academic standards, requirements, and policies of University and encourage all Program participants to perform to their highest academic potential and to graduate in a timely manner;

4.1.4 Know, recognize, and comply with all applicable laws and the policies, rules and regulations of the University, the University's governing board, the conference, and the NCAA; supervise and take appropriate steps to ensure that the Department's employees know, recognize, and comply with all such laws, policies, rules and regulations; and immediately report to the President and to the Department's Director of NCAA Compliance if Athletic Director has reasonable cause to believe that any person or entity, including without limitation representatives of the University's athletic interests, has violated or is likely to violate any such laws, policies, rules or regulations. Athletic Director shall cooperate fully with the University and the Department at all times. The applicable laws, policies, rules, and regulations include: (a) State Board of Education and Board of Regents of the University of Idaho Governing Policies and Procedures and Rule Manual; (b) University's Policy Manual; (c) the policies of the Department; (d) NCAA rules and regulations; and (e) the rules and regulations of the conference of which the University is a member;

4.1.5. Supervise and manage the athletic department to insure, to the maximum extent possible, that all staff follow applicable University policies, State Board of Education policies, NCAA, and applicable conference rules and regulations at all times;

4.1.6 Manage departmental fiscal areas consistent with State Board of Education policies and the policies of the University; and,

4.1.7 Take reasonable steps to maintain student athlete graduations within six (6) years at a rate equal to or better than the general University student body.

4.2 Outside Activities. Athletic Director shall not undertake any business, professional or personal activities, or pursuits that would prevent Athletic Director from devoting Athletic Director's full time and best efforts to the performance of Athletic Director's duties under this Agreement, that would otherwise detract from those duties in any manner, or that in the opinion of the University, would reflect adversely upon the University or its athletic program. Subject to the terms and conditions of this Agreement, Athletic Director may, with the prior written approval of the President, enter into separate arrangements for outside activities and endorsements which are consistent with Athletic Director's obligations under this Agreement.

Athletic Director may not use the University's name, logos, or trademarks in connection with any such arrangements without the prior written approval of the President.

4.3 NCAA Rules. In accordance with NCAA rules, Athletic Director shall obtain prior written approval from the University's President for all athletically related income and benefits from sources outside the University and shall report the source and amount of all such income and benefits to the University's President whenever reasonably requested, but in no event less than annually before the close of business on June 30th of each year or the last regular University work day preceding June 30th. The report shall be in a format reasonably satisfactory to University. In no event shall Athletic Director accept or receive directly or indirectly any monies, benefits, or gratuities whatsoever from any person, association, corporation, University booster club, University alumni association, University foundation, or other benefactor, if the acceptance or receipt of the monies, benefits, or gratuities would violate applicable law or the policies, rules, and regulations of the University, the University's governing board, the conference, or the NCAA.

4.4 Hiring Authority. Athletic Director shall have the responsibility and sole authority to recommend to the President the hiring and termination of Program personnel, but the decision to hire or terminate shall be made by the President and shall, when necessary or appropriate be subject to the approval of President and the University's Board of Trustees.

4.5 Scheduling. Athletic Director shall make decisions with respect to the scheduling of competitions for sports in the Program.

4.6 Other Athletic Director Opportunities. Athletic Director shall not, under any circumstances, interview for, negotiate for, or accept employment as an Athletic Director at any other institution of higher education requiring performance of duties prior to the expiration of this Agreement without the prior approval of the President. Such approval shall not unreasonably be withheld and shall not be considered a waiver of the Athletic Director's obligations hereunder, including but not limited to the notice, payment and other obligations of sections 5.3.2 and 5.3.3. The provisions of section 4.6 shall not apply if the University President currently serving at the time of the execution of this Agreement, Dr. Robert Kustra, ceases employment as the University President for any reason whatsoever during the term of this Agreement or has announced that his employment will cease.

ARTICLE 5

5.1 Termination of Athletic Director for Cause. The University may, with good and adequate cause, as those terms are defined in applicable policies, rules and regulations,: suspend Athletic Director from some or all of Athletic Director's duties, temporarily or permanently, and with or without pay; reassign Athletic Director to other duties; or terminate this Agreement at any time.

5.1.1 In addition to the definitions contained in applicable policies, rules and regulations, University and Athletic Director hereby specifically agree that the following shall constitute good or adequate cause for suspension, reassignment, or termination of this Agreement:

a) A deliberate or major violation of Athletic Director's duties under this agreement or the refusal or unwillingness of Athletic Director to perform such duties in good faith and to the best of Athletic Director's abilities;

b) The failure of Athletic Director to remedy any violation of any of the terms of this agreement within 30 days after written notice from the University;

c) A deliberate or major violation by Athletic Director of any applicable law or the policies, rules or regulations of the University, the University's governing board, its conferences or the NCAA, including but not limited to any such violation by Athletic Director which may have occurred during the employment of Athletic Director at another NCAA or NAIA member institution;

d) Ten (10) working days' absence of Athletic Director from duty without the University's consent;

e) Any conduct of Athletic Director that constitutes moral turpitude or that would, in reasonable judgment, reflect adversely on the University or its athletic programs;

f) The failure of Athletic Director to represent the University and its athletic programs positively in public and private forums;

g) The failure of Athletic Director to fully and promptly cooperate with the NCAA or the University in any investigation of possible violations of any applicable law or the policies, rules or regulations of the University, the University's governing board, the conference, or the NCAA;

h) The failure of Athletic Director to report a known violation of any applicable law or the policies, rules or regulations of the University, the University's governing board, the conference, or the NCAA, by one of the Athletic Director's employees for whom Athletic Director is administratively responsible, or a member of any team in the Program; or

i) A violation of any applicable law or the policies, rules or regulations of the University, the University's governing board, its conferences, or the NCAA, by one of the Athletic Director's employees for whom

Athletic Director is administratively responsible, or a member of any team in the Program if Athletic Director knew or reasonably should have known of the violation and could have prevented it by ordinary supervision.

5.1.2 Suspension, reassignment or termination for good or adequate cause shall be effectuated by the University as follows: before the effective date of the suspension, reassignment, or termination, the President or his designee (to be designated in writing) shall provide Athletic Director with written notice, which notice shall be accomplished in the manner provided for in this Agreement and shall include the reason(s) for the contemplated action. Athletic Director shall then have a reasonable opportunity to respond. After Athletic Director responds or fails to respond, University shall notify, in writing, Athletic Director whether, and if so when, the action will be effective.

5.1.3 In the event of any termination for good or adequate cause, the University's obligation to provide compensation and benefits to Athletic Director, whether direct, indirect, supplemental or collateral, shall cease as of the date of such termination, and the University shall not be liable for the loss of any collateral business opportunities or other benefits, prerequisites, or income resulting from outside activities or from any other sources. However, any amounts due or earned (whether monetary or other benefits) by Athletic Director as of the time of termination for good and adequate cause shall still be paid to Athletic Director by the University.

5.1.4 If found in violation of NCAA regulations, Athletic Director shall, in addition to the provisions of Section 5.1, be subject to disciplinary or corrective action as set forth in the provisions of the NCAA enforcement procedures. This section applies to violations occurring at the University or at previous institutions at which the Athletic Director was employed.

5.2 Termination of Athletic Director for Convenience of University.

5.2.1 At any time after commencement of this Agreement, University, for its own convenience, may terminate this Agreement by giving ten (10) days prior written notice to Athletic Director.

5.2.2 In the event that University terminates this Agreement for its own convenience, University shall be obligated to pay Athletic Director, as liquidated damages and not a penalty, only the remaining, unpaid Base Salary (plus any increases) set forth in section 3.1.2 and the payment provided for in section 3.3, excluding all deductions required by law, on the regular paydays of University until the term of this Agreement ends~~.~~ or until Athletic Director obtains reasonably comparable employment, whichever occurs first. Provided, however, in the event Athletic Director obtains other employment of any kind or nature after such termination, then the amount of compensation the University pays will be adjusted and reduced by the amount of compensation paid Athletic Director as a result of such other employment, such adjusted compensation to be calculated for each University pay-period by reducing the gross salary set forth in section 3.1.2 (before deductions required by law) by the gross compensation paid to Athletic Director under the other employment, then subtracting from this adjusted gross compensation deduction according to law. In addition, Athletic Director will be entitled to continue his health insurance plan and group life insurance as if he remained a University employee until the term of this Agreement ends or until Athletic Director obtains employment or any other employment providing Athletic Director with a reasonably comparable health plan and group life insurance, whichever occurs first. Athletic Director shall be entitled to no other compensation or fringe benefits, except as otherwise provided herein or required by law. Athletic Director specifically agrees to inform University within ten business days of obtaining other employment, and to advise University of all relevant terms of such employment, including without limitation the nature and location of employment, salary, other compensation, health insurance benefits, life insurance benefits, and other fringe benefits. Failure to so inform and advise University shall constitute a material breach of this Agreement and University's obligation to pay compensation under this provision shall end. Athletic Director agrees not to accept employment for compensation at less than the fair value of Athletic Director's services, as determined by all circumstances existing at the time of employment. Athletic Director further agrees to repay to University all compensation paid to him by University after the date he obtains other employment, to which he is not entitled under this provision.

5.2.3 The parties have both been represented by legal counsel, or had the opportunity to do so, in the contract negotiations and have bargained for and agreed to the foregoing liquidated damages provision, giving consideration to the fact that the Athletic Director may lose certain benefits, supplemental compensation, or outside compensation relating to his employment with University, which damages are extremely difficult to determine with certainty. The parties further agree that the payment of such liquidated damages by University and the acceptance thereof by Athletic Director shall constitute adequate and reasonable compensation to Athletic Director for the damages and injury suffered by Athletic Director because of such termination by University. The liquidated damages are not, and shall not be construed to be, a penalty.

5.3 Termination by Athletic Director for Convenience.

5.3.1 The Athletic Director recognizes that his promise to work for University for the entire term of this Agreement is of the essence of this Agreement. The Athletic Director also recognizes that the University is making a highly valuable investment in his employment by entering into this Agreement and that its investment would be lost were he to resign or otherwise terminate his employment with the University before the end of the contract term.

5.3.2 The Athletic Director, for his own convenience, may terminate this Agreement during its term by giving prior written notice to the University. Termination shall be effective ten (10) days after notice is given to the University. If the Athletic Director terminates this Agreement for convenience at any time, all obligations of the University shall cease as of the effective date of the termination. However, any amounts due or earned (whether monetary or other benefits) by Athletic Director as of the date of termination shall still be paid to Athletic Director by the University.

5.3.3 If the Athletic Director terminates this Agreement for his convenience he shall pay to the University, as liquidated damages and not a penalty, for the breach of this Agreement the following sum: (a) if the Agreement is terminated on or before December 31, 2014, the sum of ~~Seven Hundred Thousand~~One Hundred Fifty Thousand Dollars ($~~700~~150,000); (b) if the Agreement is terminated between January 1, 2015 and December 31, 2015 inclusive, the sum of ~~Three Hundred Fifty~~Seventy Five Thousand Dollars ($~~350~~75,000); and (c) there shall be no liquidated damages if the Agreement is terminated anytime after December 31, 2015. The liquidated damages shall be due and payable within twenty (20) days of the effective date of the termination, and any unpaid amount shall bear simple interest at a rate eight percent (8%) per annum until paid. Provided, however, that if the University President currently serving at the time of the execution of this Agreement, Dr. Robert Kustra, ceases employment as the University President for any reason whatsoever during the term of this Agreement or has announced that his employment will cease, then the liquidated damages provisions of this section 5.3.3 shall be no longer applicable and there shall be no liquidated damages for a termination by Athletic Director for convenience.

5.3.4 The parties have both been represented by legal counsel in the contract negotiations, or had the opportunity to do so, and have bargained for and agreed to the foregoing liquidated damages provision, giving consideration to the fact that the University will incur administrative and recruiting costs in obtaining a replacement for Athletic Director, in addition to potentially increased compensation costs if Athletic Director terminates this Agreement for convenience, which damages are extremely difficult to determine with certainty. The parties further agree that the payment of such liquidated damages by Athletic Director and the acceptance thereof by University shall constitute adequate and reasonable compensation to University for the damages and injury suffered by it because of such termination by Athletic Director. The liquidated damages are not, and shall not be construed to be, a penalty. This section 5.3.4 shall not apply if Athletic Director terminates this Agreement because of a material breach by the University.

5.3.5 If Athletic Director terminates this Agreement for convenience, he shall forfeit to the extent permitted by law his right to receive all compensation and other payments not earned by him as of the time of termination.

5.4 Termination due to Disability or Death of Athletic Director.

5.4.1 Notwithstanding any other provision of this Agreement, this Agreement shall terminate automatically if Athletic Director becomes totally or permanently disabled as defined by the University's disability insurance carrier, becomes unable to perform the essential functions of the position of Athletic Director, or dies.

5.4.2 If this Agreement is terminated because of Athletic Director's death, Athletic Director's salary and all other benefits shall terminate as of the last day worked, except that the Athletic Director's personal representative or other designated beneficiary shall be paid all compensation earned and due and death benefits, if any, as may be contained in any fringe benefit plan now in force or hereafter adopted by the University and due to the Athletic Director's estate or beneficiaries thereunder.

5.4.3 If this Agreement is terminated because the Athletic Director becomes totally or permanently disabled as defined by the University's disability insurance carrier, or becomes unable to perform the essential functions of the position of head Athletic Director, all salary and other benefits shall terminate, except that the Athletic Director shall be entitled to receive any compensation due (including any payments due under the supplemental pay of section 4 of the attached addendum) or unpaid and any disability-related benefits to which he is entitled by virtue of employment with the University.

5.5 Interference by Athletic Director. In the event of termination, suspension, or reassignment, Athletic Director agrees that Athletic Director will not interfere with the University's student-athletes or otherwise obstruct the University's ability to transact business or operate its intercollegiate athletics program.

5.6 No Liability. Other than what Athletic Director is or shall be entitled to under this Agreement, the University shall not be liable to Athletic Director for the loss of any collateral business opportunities or any other benefits, perquisites or income from any sources that may ensue as a result of any termination of this Agreement by either party or due to death or disability or the suspension or reassignment of Athletic Director, regardless of the circumstances.

5.7 Waiver of Rights. Because the Athletic Director is receiving a multi-year contract and the opportunity to receive incentive compensation and because such contracts and opportunities are not customarily afforded to University employees, if the University suspends or reassigns Athletic Director, or terminates this Agreement for good or adequate cause or for convenience, Athletic Director shall have all the rights provided for in this Agreement but hereby releases the University from compliance with the notice, appeal, and similar employment-related rights provide by the State Board of Education and its Governing Policies and Procedures Manual, and the University Policy Manual.

ARTICLE 6

6.1 Board Approval. This Agreement shall not be effective until and unless approved by the University's Board of Trustees and executed by both parties as set forth below. In addition, the payment of any compensation pursuant to this agreement shall be subject to the approval of the University's Board of Trustees; and the President; the sufficiency of legislative appropriations; the receipt of sufficient funds in the account from which such compensation is paid; and the Board of Trustees and the University's rules and policies regarding financial exigency.

6.2 University Property. All personal property (excluding vehicle(s) provided through the trade-out program), material, and articles of information including without limitation, keys, credit cards, personnel records, recruiting records, team information, films, statistics or any other personal property, material, or data, furnished to Athletic Director by the University or developed by Athletic Director on behalf of the University or at the University's direction or for the University's use or otherwise in connection with Athletic Director's employment hereunder are and shall remain the sole property of the University. Within twenty-four (24) hours of the expiration of the term of this agreement or its earlier termination as provided herein, Athletic Director shall immediately cause any such personal property, materials, and articles of information in Athletic Director's possession or control to be delivered to the President.

6.3 Assignment. Neither party may assign its rights or delegate its obligations under this Agreement without prior written consent of the other party.

6.4 Waiver. No waiver of any default in the performance of this Agreement shall be effective unless in writing and signed by the waiving party. The waiver of a particular breach in the performance of this Agreement shall not constitute a waiver of any other or subsequent breach. The resort to a particular remedy upon a breach shall not constitute a waiver of any other available remedies.

6.5 Severability. If any provision of this Agreement is determined to be invalid or unenforceable, the remainder of the Agreement shall not be affected and shall remain in effect.

6.6 Governing Law. This Agreement shall be subject to and construed in accordance with the laws of the state of Idaho as an agreement to be performed in Idaho. Any action based in whole or in part on this Agreement shall be brought in the Ada County courts of the state of Idaho.

6.7 Oral Promises. Oral promises of an increase in annual salary or of any supplemental or other compensation shall not be binding upon the University.

6.8 Force Majeure. Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, inability to obtain labor or materials or reasonable substitutes therefore, governmental restrictions, governmental regulations, governmental controls, enemy or hostile governmental action, civil commotion, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform (including financial inability), shall excuse the performance by such party for a period equal to any such prevention, delay or stoppage.

6.9 Confidentiality. The Athletic Director hereby consents and agrees that this document may be released and made available to the public after it is signed by the Athletic Director. The Athletic Director further agrees that all documents and reports he is required to produce under this Agreement may be released and made available to the public at the University's sole discretion.

6.10 Notices**.** Any notice under this Agreement shall be in writing and be delivered in person or by public or private courier service (including U.S. Postal Service Express Mail) or certified mail with return receipt requested or by facsimile. All notices shall be addressed to the parties at the following addresses or at such other addresses as the parties may from time to time direct in writing:

the University:	President Boise State University

	1910 University Drive Boise, Idaho 83725
with a copy to:	General Counsel Boise State University 1910 University Drive Boise, Idaho 83725
the Athletic Director:	Mark Coyle Last known address on file with University's Human Resource Services
with a copy to:	Gregg E. Thornton Ward, Hocker & Thornton, PLLC 333 West Vine Street, Suite 1100 Lexington, Kentucky 40507

Any notice shall be deemed to have been given on the earlier of: (a) actual delivery or refusal to accept delivery, (b) the date of mailing by certified mail, or (c) the day facsimile delivery is verified. Actual notice, however and from whomever received, shall always be effective.

6.11 Headings. The headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation hereof.

6.12 Binding Effect. This Agreement is for the benefit only of the parties hereto and shall inure to the benefit of and bind the parties and their respective heirs, legal representatives, successors and assigns.

6.13 Non-Use of Names and Trademarks. The Athletic Director shall not, without the University's prior written consent in each case, use any name, trade name, trademark, or other designation of the University (including contraction, abbreviation or simulation), except in the course and scope of his official University duties.

6.14 No Third Party Beneficiaries. There are no intended or unintended third party beneficiaries to this Agreement.

6.15 Entire Agreement; Amendments. This Agreement constitutes the entire agreement of the parties and supersedes all prior agreements and understandings, including the Employment Agreement dated and effective December 1, 2011 and the Addendum No. 1 to Employment Agreement dated June 24, 2013, with respect to the same subject matter. No amendment or modification of this Agreement shall be effective unless in writing, signed by both parties, and approved by University's Board of Trustees.

6.16 Opportunity to Consult with Attorney. The Athletic Director acknowledges that he has had the opportunity to consult with and review this Agreement with an attorney.

Accordingly, in all cases, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any party.

UNIVERSITY		ATHLETIC DIRECTOR	
_________________________	_______	_________________________	_______
Robert Kustra, President	Date	Mark Coyle	Date

Approved by the Board of Trustees on the _____day of ~~December~~August, 2013~~1~~.

Athletic Director - Fact Sheet

Academics

- Academic Progress Rate (APR) highlights:
  - All-time high for single-year All Department APR (986) and All Department Multi-Year APR (977)
  - New record high team "Multi-Year" APR for eight teams: football (993), men's indoor and outdoor track (985), men's wrestling (950), women's golf (992), softball (963), soccer (986), swimming and diving (991)
  - "Perfect 1,000 APR" for the 2011-2012 single reporting year for 10 teams: men's cross-country, men's tennis, wrestling, women's basketball, women's cross-country, women's golf, softball, soccer, women's tennis, volleyball
- The football team posted the second-highest APR in the country among Football Bowl Subdivision schools. The football team was honored with a Public Recognition Award from the NCAA for having its multi-year score rank in the top 10 percent of FBS schools for the third consecutive year.
- All-Department grade point average (GPA) accomplishments:
  - Cumulative Fall 2012: 3.08 GPA
  - 69% of all student-athletes earned a 3.0+ GPA (Spring 2012)
- 321 All-Academic Conference honors
- Three Academic All-American awards (football, wrestling, and swimming and diving)
- Three Academic All-District awards (two football and one swimming and diving)
- More than 130 student-athletes received their degrees
- Student-athletes completed more than 2,600 hours of community service

Sports

- One bowl win (football)
- Four conference champions (men's tennis; swimming and diving; football; gymnastics)
- Men's basketball first time NCAA at-large bid
- 21 teams competed in post-season appearances
- 10 different teams ranked in the top 50 nationally
- NCAA National Champion (Kurt Felix, Men's Outdoor Track and Field – Decathlon)
- National Athlete of the Year (Amy Glass, Gymnastics)
- 11 League Athletes of the Year
- Three League Freshman of the Year
- 20 All-America Awards
- 43 League Champions
- 223 All-Conference Honors
- One Regional Coach of the Year (Greg Patton - Men's Tennis)
- Four League Coach of the Year (Kristin Hill- Swimming & Diving; Greg Patton- Men's Tennis; Tina Bird and Neil Resnick - Gymnastics)

Compliance

- Added an additional position in the Compliance Office.
- Augmented and strengthened the Drug Testing Policy

Ticketing

- Football records: season ticket sales, average home game attendance and Stueckle Sky Center sold out for the first-time ever
- Men's Basketball: increased home game attendance, average season student attendance, and single game student attendance
- Scheduling:
    - Football: home and home contests with Florida State, Oklahoma State, University of Connecticut
    - Basketball: University of Kentucky
- Highest recorded Olympic sports pass sales
- Soccer reported the third highest attendance in nine year span
- Softball record for average home game attendance

Fundraising

- Restructured the fundraising efforts in the Bronco Athletic Association
- Hired a new Associate Athletic Director for Fundraising
- Implemented the Priority Point System
- Developed a new benefits structure for all philanthropic giving
- Secured a $1,000,000 gift for the football facility
- Procured a gift to cover all expenses to renovate the intramural practice field
- Oversaw the creation of the new football center, which will also result in upgrading office space for the majority of the rest of the sports

Mountain West Comparisons – Contract Length and Salaries			
Coach	**School**	**Salary**	**Contract Length**
Hans Mueh	Air Force	165,300	Unknown
Tom Burman	Wyoming	236,004	4
Jack Graham	Colorado State	260,000	5
Thomas Boeh	Fresno State	262,789	Unknown
Cary Groth	Nevada	284,206	3
Ben Jay	Hawaii	293,000	5
Jim Sterk	San Diego State	295,000	5
Gene Bleymaier	San Jose State	313,092	5
Mark Coyle*	Boise State	331,500	5 Total: 3 yrs, 4 months remaining
Vacant	Nevada-Las Vegas	350,000 (prior)	3 (prior)
Scott Barnes	Utah State	350,108	Unknown
Paul Krebs	New Mexico	408,391	5
**proposed new terms for Mark Coyle, subject to SBOE approval*			
Regional PAC 12 – Contract Length and Salaries			
Coach	**School**	**Salary**	**Contract Length**
Chris Hill	University of Utah	450,000	Unknown
Bill Moos	Washington State	455,000	7
Rob Mullens	University of Oregon	500,000	5
Bob De Carolis	Oregon State	562,376	5

BOISE STATE UNIVERSITY

SUBJECT

Contract for Head Track and Cross Country Coach

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Section II.H.

BACKGROUND/DISCUSSION

Boise State University (BSU) is requesting approval of a contract for a new men's and women's head track and field coach. The term of the proposed agreement is two years and 10 months.

IMPACT

The base salary is $75,000 for year one (prorated for the period of September 1, 2013 to June 30, 2014), $78,750 for year two (FY15), and $82,688 in year three (FY16). Incentives are as follows:

Championship incentive pay:

Conference championship (up to three times)	$3,000
National championship (one time only)	$10,000

National Rank incentive pay (only one of the following per academic year paid once based upon the highest ranking achieved in all 6 sports):

Top 5 national ranking at end of season (one time only)	$5,000
Top 10 national ranking at end of season (one time only)	$3,000
Top 15 national ranking at end of season (one time only)	$2,500
Top 20 national ranking at end of season (one time only)	$2,000
Top 25 national ranking at end of season (one time only)	$1,000

Other incentive pay:

Qualify Team for NCAA first round:	$500 per sport
Qualify team for NCAA nationals:	$1,000 per sport
NCAA individual champion	$1,500 per champion
Conference individual champion	$500 per champion
NCAA individual scorer [2-8 Finish]	$500
Conference coach of the year	$2,000
NCAA regional coach of the year	$1,500
NCAA national coach of the year	$2,500

Academic incentive pay may be earned by coach for each of the six sports encompassing the University's intercollegiate track and field team (women's cross country, men's cross country, women's indoor track and field, men's indoor track and field, women's outdoor track and field, men's outdoor track and field). As such, coach may annually qualify for a maximum of six academic incentive payments as follows:

National APR score for each sport:

50 – 59.9 percent	=	$500
60 – 69.9 percent	=	$550
70 – 79.9 percent	=	$600
80 percent or more	=	$650

In the event the coach terminates the agreement for convenience, the following liquidated damages shall be due:

- If agreement is terminated on or before June 30, 2014, the sum of $20,000;
- If the agreement is terminated between June 30, 2014 and June 30, 2015, the sum of $10,000.

Total first year potential annual compensation (including base salary, supplemental compensation and signing bonus) is $106,900 (using an estimated number of one NCAA and conference individual champion, one NCAA individual scorer, and all six sports achieving the highest APR score).

Mr. Ihmels is also eligible to receive other supplemental compensation through University operated summer camps.

ATTACHMENTS

STAFF COMMENTS AND RECOMMENDATIONS

The academic achievement incentive is a maximum of $650 per team sport, so the coach could qualify annually for up to six academic payments for a maximum of $3,900 which is more than the supplemental compensation for a conference championship.

Board policy on liquidated damages is that all multi-year contracts "must contain a liquidated damages clause provision in favor of the institution, applicable in the event that the coach or athletic director terminates the contract for convenience, in an amount which is a reasonable approximation of damages which might be sustained if the contract is terminated." The Board will need to make a determination as to whether the liquidated damages in the contract meet this policy threshold.

The contract includes a new clause which provides that "In the event of non-renewal or termination of Coach's employment, Coach will use all accumulated annual leave prior to the end of the contract period." This addresses an issue that has been raised by several athletics directors recently regarding coaches not recording leave taken and then requiring a large pay-out upon termination.

The proposed contract conforms with the Board-approved model contract with the exception of BSU's use of an addendum for compensation terms.

BOARD ACTION

I move to approve the request by Boise State University to enter into an employment contract with Corey Ihmels as head track and cross country coach, for a term commencing September 1, 2013 and expiring on June 30, 2016 with an annual base salary of $75,000 and such base salary increases and supplemental compensation provisions, in substantial conformance with the terms of the contract set forth in Attachment 1.

Moved by __________ Seconded by __________ Carried Yes _____ No _____

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EMPLOYMENT AGREEMENT

This Employment Agreement (the "Agreement") is entered into this _______ day of________, 2013 ("Effective Date") by and between Boise State University ("University") and Corey Ihmels ("Coach").

ARTICLE 1

1.1. Employment. Subject to the terms and conditions of this Agreement, the University shall employ Coach as the head coach of its track and field team (the "Position"). Coach represents and warrants that Coach is fully qualified to serve, and is available for employment, in this capacity.

1.2. Reporting Relationship. Coach shall report and be responsible directly to the University's Director of Athletics (the "Director") or the Director's designee. Coach shall abide by the reasonable instructions of Director or the Director's designee and shall confer with the Director or the Director's designee on all administrative and technical matters. Coach shall also be under the general supervision of the University's President (the "President").

1.3. Duties. Coach shall manage and supervise the University's intercollegiate track and field team (the "Team") and shall perform such other duties in the University's athletic program as the Director may assign and as may be described elsewhere in this Agreement and any addenda hereto. Coach shall, to the best of Coach's ability, and consistent with University policies and procedures, perform all duties and responsibilities customarily associated with the Position.

ARTICLE 2

2.1. Term. This Agreement shall commence on September 1, 2013 and terminate, without further notice to Coach, on June 30, 2016 (the "Term"), unless sooner terminated in accordance with other provisions of this Agreement.

2.2. Extension or Renewal. This Agreement is renewable solely upon an offer from the University and an acceptance by Coach, both of which must be in writing and signed by the parties. Any renewal is subject to the prior approval of University's Board of Trustees. This Agreement in no way grants to Coach a claim to tenure in employment, nor shall Coach's service pursuant to this Agreement count in any way toward tenure at the University.

ARTICLE 3

3.1 Regular Compensation.

3.1.1 In consideration of Coach's services and satisfactory performance of this Agreement, the University shall provide to Coach:

a) A salary in the amount set forth in the attached Addendum, payable in biweekly installments in accordance with normal University procedures (except as provided in the Addendum), and such salary increases as may be determined appropriate by the Director and President and approved by the University's Board of Trustees;

b) The opportunity to receive such employee benefits calculated on the "base salary" as the University provides generally to non-faculty exempt employees; and

c) The opportunity to receive such employee benefits as the University's Department of Athletics (the "Department") provides generally to its employees of a comparable level. Coach hereby agrees to abide by the terms and conditions, as now existing or hereafter amended, of such employee benefits.

3.2 Supplemental Compensation. University may provide supplemental compensation, as set forth in the attached Addendum.

3.2.1 Any such supplemental compensation paid to Coach shall be accompanied with a detailed justification for the supplemental compensation and such justification shall be separately reported to the Board of Trustees as a document available to the public under the Idaho Public Records Act.

3.2.2 The Coach may receive the compensation hereunder from the University or the University's designated media outlet(s) or a combination thereof each year during the term of this Agreement in compensation for participation in media programs and public appearances (collectively, "Programs"). Agreements requiring the Coach to participate in Programs related to Coach's duties as an employee of University are the property of the University. The University shall have the exclusive right to negotiate and contract with all producers of media productions and all parties desiring public appearances by the Coach. Coach agrees to cooperate with the University in order for the Programs to be successful and agrees to provide Coach's services to and appear on the Programs and to cooperate in their production, broadcasting, and telecasting. It is understood that neither Coach nor any assistant coach shall appear without the prior written approval of the Director on any radio or television program (including but not limited to a coach's show, call-in show, or interview show) or a regularly scheduled news segment, except that this prohibition shall not apply to routine news media interviews for which no compensation is received. Without the prior written approval of the Director, Coach shall not appear in any commercial endorsements which are broadcast on radio or television that conflict with those broadcast on the University's designated media outlets.

3.2.3 Coach agrees that the University has the exclusive right to operate athletic camps ("Camps") on its campus using University facilities. The University shall allow Coach the opportunity to earn supplemental compensation by assisting with the Camps in Coach's capacity as a University employee. Coach hereby agrees to assist in the marketing, supervision, and general administration of the Camps. Coach also agrees that Coach will perform all obligations mutually agreed upon by the parties. In exchange for Coach's participation in the Camps, the University shall pay Coach supplemental compensation.

3.2.4 Coach agrees that the University has the exclusive right to select footwear, apparel and/or equipment for the use of its student-athletes and staff, including Coach, during official practices and games and during times when Coach or the Team is being filmed by motion picture or video camera or posing for photographs in their capacity as representatives of University. In order to avoid entering into an agreement with a competitor of any University selected vendors, Coach shall submit all outside consulting agreements to the University for review and approval prior to execution. Coach shall also report such outside income to the University in accordance with National Collegiate Athletic Association (the "NCAA") rules. Coach further agrees that Coach will not endorse any athletic footwear, apparel and/or equipment products, and will not participate in any messages or promotional appearances which contain a comparative or qualitative description of athletic footwear, apparel, or equipment products.

3.3 General Conditions of Compensation. All compensation provided by the University to Coach is subject to deductions and withholdings as required by law or the terms and conditions of any fringe benefit in which Coach participates. However, if any fringe benefit is based in whole or in part upon the compensation provided by the University to Coach, such fringe benefit shall be based only on the compensation provided pursuant to section 3.1.1 and paid from the University to Coach, except to the extent required by the terms and conditions of a specific fringe benefit program.

ARTICLE 4

4.1. Coach's Specific Duties and Responsibilities. In consideration of the compensation specified in this Agreement, Coach, in addition to the obligations set forth elsewhere in this Agreement, shall:

4.1.1. Devote Coach's full time and best efforts to the performance of Coach's duties under this Agreement;

4.1.2. Develop and implement programs and procedures with respect to the evaluation, recruitment, training, and coaching of Team members which enable them to compete successfully and reasonably protect their health, safety, and well-being;

4.1.3. Observe and uphold all academic standards, requirements, and policies of the University and encourage Team members to perform to their highest academic potential and to graduate in a timely manner; and

4.1.4. Know, recognize, and comply with all applicable laws and the policies, rules and regulations of the University, the University's governing board, the conference of which the University is a member (the "Conference"), and the NCAA; supervise and take appropriate steps to ensure that Coach's assistant coaches, any other employees for whom Coach is administratively responsible, and the members of the Team know, recognize, and comply with all such laws, policies, rules and regulations; and immediately report to the Director and to the University's Associate Athletic Director of Compliance if Coach has reasonable cause to believe that any person or entity, including without limitation representatives of the University's athletic interests, has violated or is likely to violate any such laws, policies, rules or regulations. Coach shall cooperate fully with the University and Department at all times. The applicable laws, policies, rules, and regulations include the following, as they may be amended from time-to-time: (a) State Board of Education and Board of Regents of the University of Idaho Governing Policies and Procedures and Rule Manual; (b) University's Policy Handbook; (c) University's Administrative Procedures Manual; (d) the policies of the Department; (e) NCAA rules and regulations; and (f) the rules and regulations of the Conference.

4.2 Outside Activities. Coach shall not undertake any business, professional or personal activities, or pursuits that would prevent Coach from devoting Coach's full time and best efforts to the performance of Coach's duties under this Agreement, that would otherwise detract from those duties in any manner, or that, in the opinion of the University, would reflect adversely upon the University or its athletic program. Subject to the terms and conditions of this Agreement, Coach may, with the prior written approval of the Director, who may consult with the President, enter into separate arrangements for outside activities and endorsements which are consistent with Coach's obligations under this Agreement. Coach may not use the University's name, logos, or trademarks in connection with any such arrangements without the prior written approval of the

Director and the President.

4.3 Outside Income. In accordance with NCAA rules, Coach shall obtain prior written approval from the President and Director for all athletically-related income and benefits from sources outside the University. Coach shall report the source and amount of all such income and benefits to the President whenever reasonably requested, but in no event less than annually before the close of business on June 30th of each year or the last regular University work day preceding June 30th. The report shall be in a format reasonably satisfactory to University. In no event shall Coach accept or receive directly or indirectly any monies, benefits, or gratuities whatsoever from any person, association, corporation, University booster club, University alumni association, University foundation, or other benefactor, if the acceptance or receipt of the monies, benefits, or gratuities would violate applicable law or the policies, rules, and regulations of the University, the University's governing board, the Conference, or the NCAA. Sources of such income shall include, but are not limited to, the following: (a) income from annuities; (b) sports camps, clinics, speaking engagements, consultations, directorships, or related activities; (c) housing benefits (including preferential housing arrangements); (d) country club membership(s); (e) complimentary tickets (i.e., tickets to a Stampede game); (f) television and radio programs; (g) endorsement or consultation contracts with athletic shoe, apparel, or equipment manufacturers.

4.4 Hiring Authority. Coach shall have the responsibility and the sole authority to recommend to the Director the hiring and termination of assistant coaches for the Team, but the decision to hire or terminate an assistant coach shall be made by the Director and shall, when necessary or appropriate, be subject to the approval of President and the University's Board of Trustees.

4.5 Scheduling. Coach shall consult with, and may make recommendations to, the Director or the Director's designee with respect to the scheduling of Team's competitions, but the final decision shall be made by the Director or the Director's designee.

4.6 Other Coaching Opportunities. Coach shall not, under any circumstances, interview for, negotiate for, or accept employment as a coach at any other institution of higher education or with any professional sports team requiring performance of duties set forth herein prior to the expiration of this Agreement, without the prior approval of the Director. Such approval shall not unreasonably be withheld. Coach shall not negotiate for or accept employment, under any circumstances, as a coach at any other institution of higher education or with any professional sports team requiring the performance of the duties set forth herein without first giving ten (10) days prior written notice to the Director.

ARTICLE 5

5.1 Termination of Coach for Cause. The University may, in its discretion, suspend Coach from some or all of Coach's duties, temporarily or permanently, and with or without pay; reassign Coach to other duties; or terminate this Agreement at any time for good or adequate cause, as those terms are defined in applicable rules, regulations, and policies.

5.1.1 In addition to the definitions contained in applicable rules and policies, University and Coach hereby specifically agree that the following shall constitute good or adequate cause for suspension, reassignment, or termination of this Agreement:

a) A deliberate or major violation of Coach's duties under this agreement or the refusal or unwillingness of Coach to perform such duties in good faith and to the best of Coach's abilities;

b) The failure of Coach to remedy any violation of any of the terms of this Agreement within thirty (30) days after written notice from the University;

c) A deliberate or major violation by Coach of any applicable law or the policies, rules, or regulations of the University, the University's governing board, the Conference, or the NCAA, including but not limited to any such violation which may have occurred during the employment of Coach at another NCAA or National Association of Intercollegiate Athletics ("NAIA") member institution;

d) Ten (10) working days' absence of Coach from duty without the University's consent;

e) Any conduct of Coach that constitutes moral turpitude or that would, in the University's judgment, reflect adversely on the University or its athletic programs;

f) The failure of Coach to represent the University and its athletic programs positively in public and private forums;

g) The failure of Coach to fully and promptly cooperate with the NCAA or the University in any investigation of possible violations of any applicable law or the policies, rules or regulations of the University, the University's governing board, the Conference, or the NCAA;

h) The failure of Coach to report a known violation of any applicable law or the policies, rules or regulations of the

University, the University's governing board, the Conference, or the NCAA, by one of Coach's assistant coaches, any other employees for whom Coach is administratively responsible, or a member of the Team; or

i) A violation of any applicable law or the policies, rules or regulations of the University, the University's governing board, the Conference, or the NCAA, by one of Coach's assistant coaches, any other employees for whom Coach is administratively responsible, or a member of the Team if Coach knew or should have known by ordinary supervision of the violation and could have prevented it by such ordinary supervision.

5.1.2 Suspension, reassignment, or termination for good or adequate cause shall be effectuated by the University as follows: before the effective date of the suspension, reassignment, or termination, the Director or Director's designee shall provide Coach with notice, which notice shall be accomplished in the manner provided for in this Agreement and shall include the reason(s) for the contemplated action. Coach shall then have an opportunity to respond. After Coach responds or fails to respond, University shall notify Coach whether, and if so when, the action will be effective.

5.1.3 In the event of any termination for good or adequate cause, the University's obligation to provide compensation and benefits to Coach, whether direct, indirect, supplemental or collateral, shall cease as of the date of such termination, and the University shall not be liable for the loss of any collateral business opportunities or other benefits, perquisites, or income resulting from outside activities or from any other sources.

5.1.4 If found in violation of NCAA regulations, Coach shall, in addition to the provisions of Section 5.1, be subject to disciplinary or corrective action as set forth in the provisions of the NCAA enforcement procedures. This section applies to violations occurring at the University or at previous institutions at which the Coach was employed.

5.2 <u>Termination of Coach for Convenience of University</u>.

5.2.1 At any time after commencement of this Agreement, University, for its own convenience, may terminate this Agreement by giving ten (10) days prior written notice to Coach.

5.2.2 In the event that University terminates this Agreement for its own convenience, University shall be obligated to pay to Coach, as liquidated damages and not a penalty, the "base salary" set forth in section 3.1.1(a), excluding all deductions required by law, on the regular paydays of the University until the Term of this Agreement ends or until Coach obtains reasonably comparable employment, whichever occurs first, provided however, in the event Coach obtains other employment after such termination, then the amount of compensation University pays will be adjusted and reduced by the amount of compensation paid Coach as a result of such other employment, such adjusted compensation to be calculated for each University pay-period by reducing the gross salary set forth in section 3.1.1(a) (before deductions required by law) by the gross compensation paid to the Coach under the other employment, then subtracting from this adjusted gross compensation deductions according to law. In addition, Coach will be entitled to continue the health insurance plan and group life insurance as if Coach remained a University employee until the term of this Agreement ends or until Coach obtains reasonably comparable employment or any other employment providing Coach with a reasonably comparable health plan and group life insurance, whichever occurs first. Coach shall be entitled to no other compensation or fringe benefits, except as otherwise provided herein or required by law. Coach specifically agrees to inform University within ten (10) business days of obtaining other employment and to advise University of all relevant terms of such employment, including without limitation, the nature and location of the employment, salary, other compensation, health insurance benefits, life insurance benefits, and other fringe benefits. Failure to so inform and advise University shall constitute a material breach of this Agreement and University's obligation to pay compensation under this provision shall end. Coach agrees not to accept employment for compensation at less than the fair market value of Coach's services, as determined by all circumstances existing at the time of employment. Coach further agrees to repay to University all compensation paid by University after the date Coach obtains other employment, to which Coach is not entitled under this provision.

5.2.3 The parties have both been represented by, or had the opportunity to consult with, legal counsel in the contract negotiations and have bargained for and agreed to the foregoing liquidated damages provision, giving consideration to the fact that the Coach may lose certain benefits, supplemental compensation, or outside compensation relating to Coach's employment with University, which damages are extremely difficult to determine with certainty. The parties further agree that the payment of such liquidated damages by University and the acceptance thereof by Coach shall constitute adequate and reasonable compensation to Coach for the damages and injury suffered by Coach because of such termination by University. The liquidated damages are not, and shall not be construed to be, a penalty.

5.2.4 In the event of non-renewal or termination of Coach's employment, Coach will use all accumulated annual leave prior to the end of the contract period.

5.3 <u>Termination by Coach for Convenience</u>.

5.3.1 The Coach recognizes that Coach's promise to work for University for the entire term of this Agreement is of the essence of this Agreement. The Coach also recognizes that the University is making a highly valuable investment in Coach's employment by entering into this Agreement and that its investment would be lost were Coach to resign or otherwise terminate Coach's employment with the University before the end of the contract Term.

5.3.2 The Coach, may terminate this Agreement for convenience during its term by giving prior written notice to the University. Termination shall be effective ten (10) days after such written notice is given to the University. Such termination must occur at a time outside the Team's season (including NCAA post-season competition) so as to minimize the impact on the program.

5.3.3 If the Coach terminates this Agreement for convenience at any time, all obligations of the University shall cease as of the effective date of the termination. If the Coach terminates this Agreement for convenience Coach shall pay to the University, as liquidated damages and not a penalty, for the breach of this Agreement the following sum: (a) if the Agreement is terminated on or before June 30, 2014, the sum of $20,000.00; (b) if the Agreement is terminated between July 1, 2014 and June 30, 2015 inclusive, the sum of $10,000.00. The liquidated damages shall be due and payable within twenty (20) days of the effective date of the termination, and any unpaid amount shall bear simple interest at a rate eight (8) percent per annum until paid.

5.3.4 The parties have both been represented by legal counsel in the contract negotiations and have bargained for and agreed to the foregoing liquidated damages provision, giving consideration to the fact that the University will incur administrative and recruiting costs in obtaining a replacement for Coach, in addition to potentially increased compensation costs if Coach terminates this Agreement for convenience, which damages are extremely difficult to determine with certainty. The parties further agree that the payment of such liquidated damages by Coach and the acceptance thereof by University shall constitute adequate and reasonable compensation to University for the damages and injury suffered by it because of such termination by Coach. The liquidated damages are not, and shall not be construed to be, a penalty. This section 5.3.4 shall not apply if Coach terminates this Agreement because of a material breach by the University.

5.3.5 Except as provide elsewhere in this Agreement, if Coach terminates this Agreement for convenience, Coach shall forfeit to the extent permitted by law Coach's right to receive all supplemental compensation and other payments.

5.4 <u>Termination Due to Disability or Death of Coach</u>.

5.4.1 Notwithstanding any other provision of this Agreement, this Agreement shall terminate automatically if Coach becomes totally or permanently disabled as defined by the University's disability insurance carrier, becomes unable to perform the essential functions of the position of head coach, or dies.

5.4.2 If this Agreement is terminated because of Coach's death, Coach's salary and all other benefits shall terminate as of the last day worked, except that the Coach's personal representative or other designated beneficiary shall be paid all compensation due or unpaid and death benefits, if any, as may be contained in any fringe benefit plan now in force or hereafter adopted by the University and due to the Coach's estate or beneficiaries hereunder.

5.4.3 If this Agreement is terminated because the Coach becomes totally or permanently disabled as defined by the University's disability insurance carrier, or becomes unable to perform the essential functions of the position of head coach, all salary and other benefits shall terminate, except that the Coach shall be entitled to receive any compensation due or unpaid and any disability-related benefits to which Coach is entitled by virtue of employment with the University.

5.5 Interference by Coach. In the event of suspension, reassignment or termination, Coach agrees that Coach will not interfere with the University's student-athletes or otherwise obstruct the University's ability to transact business or operate its intercollegiate athletics program.

5.6 No Liability. The University shall not be liable to Coach for the loss of any collateral business opportunities or any other benefits, perquisites or income from any sources that may ensue as a result of any termination of this Agreement by either party or due to death or disability or the suspension or reassignment of Coach, regardless of the circumstances.

5.7 Waiver of Rights. Because the Coach is receiving a multi-year contract and the opportunity to receive supplemental compensation and because such contracts and opportunities are not customarily afforded to University employees, if the University suspends or reassigns Coach, or terminates this Agreement for good or adequate cause or for convenience, Coach shall have all the rights provided for in this Agreement but hereby releases the University from compliance with the notice, appeal, and similar employment-related rights provided for in the State Board of Education and Board or Regents of the University of Idaho Rules (ID. ADMIN. CODE r. 08.01.01 et seq.) and Governing Policies and Procedures Manual, and the University Policies or Faculty-Staff Handbook.

ARTICLE 6

6.1 Board Approval. This Agreement shall not be effective until and unless approved of the University's Board of Trustees and executed by both parties as set forth below. In addition, the payment of any compensation pursuant to this Agreement shall be subject to: the approval of the University's Board of Trustees, the President, and the Director; the sufficiency of legislative appropriations; the receipt of sufficient funds in the account from which such compensation is paid; and the Board of Trustees and University's rules or policies regarding financial exigency.

6.2 University Property. All personal property, material, and articles of information, including, without limitation, keys, credit cards, personnel records, recruiting records, team information, films, statistics or any other personal property, material, or data, furnished to Coach by the University or developed by Coach on behalf of the University or at the University's direction or for the University's use or otherwise in connection with Coach's employment hereunder are and shall remain the sole property of the University. Within twenty-four (24) hours of the expiration of the Term of this Agreement or its earlier termination as provided herein, Coach shall immediately cause any such personal property, materials, and articles of information in Coach's possession or control to be delivered to the Director.

6.3 Assignment. Neither party may assign its rights or delegate its obligations under this Agreement without the prior written consent of the other party.

6.4 Waiver. No waiver of any default in the performance of this Agreement shall be effective unless in writing and signed by the waiving party. The waiver of a particular breach in the performance of this Agreement shall not constitute a waiver of any other or subsequent breach. The resort to a particular remedy upon a breach shall not constitute a waiver of any other available remedies.

6.5 Severability. If any provision of this Agreement is determined to be invalid or unenforceable, the remainder of the Agreement shall not be affected and shall remain in effect.

6.6 Governing Law. This Agreement shall be subject to and construed in accordance with the laws of the state of Idaho as an agreement to be performed in Idaho. Any action based in whole or in part on this Agreement shall be brought in state district court in Ada County, Boise, Idaho.

6.7 Oral Promises. Oral promises of an increase in annual salary or of any supplemental or other compensation shall not be binding upon the University.

6.8 Force Majeure. Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, inability to obtain labor or materials or reasonable substitutes therefore, governmental restrictions, governmental regulations, governmental controls, enemy or hostile governmental action, civil commotion, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform (including financial inability), shall excuse the performance by such party for a period equal to any such prevention, delay or stoppage.

6.9 Non-Confidentiality. The Coach hereby consents and agrees that this document may be released and made available to the public after it is signed by the Coach. The Coach further agrees that all documents and reports Coach is required to produce under this Agreement may be released and made available to the public at the University's sole discretion.

6.10 Notices. Any notice under this Agreement shall be in writing and be delivered in person or by public or private courier service (including U.S. Postal Service Express Mail) or certified mail with return receipt requested or by facsimile. All notices shall be addressed to the parties at the following addresses or at such other addresses as the parties may from time to time direct in writing:

the University:	Boise State University Director of Athletics 1910 University Drive Boise, Idaho 83725-1020
with a copy to:	Boise State University Office of the President 1910 University Drive Boise, Idaho 83725-1000
the Coach:	Corey Ihmels Address on file with University's Human Resource Services

Any notice shall be deemed to have been given on the earlier of: (a) actual delivery or refusal to accept delivery, (b) the date of mailing by certified mail, or (c) the day facsimile delivery is verified. Actual notice, however and from whoever received, shall always be effective.

6.11 Headings. The headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation hereof.

6.12 Binding Effect. This Agreement is for the benefit only of the parties hereto and shall inure to the benefit of and bind the parties and their respective heirs, legal representatives, successors and assigns.

6.13 Non-Use of Names and Trademarks. The Coach shall not, without the University's prior written consent in each case, use any name, trade name, trademark, or other designation of the University (including contraction, abbreviation or simulation), except in the course and scope of Coach's official University duties.

6.14 No Third Party Beneficiaries. There are no intended or unintended third party beneficiaries to this Agreement.

6.15 Entire Agreement; Amendments. This Agreement, and the attached Addendum, constitute the entire agreement between the parties and supersedes all prior agreements and understandings with respect to the same subject matter. No amendment or modification of this Agreement shall be effective unless in writing, signed by both parties, and approved by University's Board of Trustees.

6.16 Opportunity to Consult with Attorney. The Coach acknowledges that Coach has had the opportunity to consult and review this Agreement with an attorney. Accordingly, in all cases, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any party.

IN WITNESS WHEREOF, the parties agree to the terms and conditions of this Agreement and the incorporated documents attached hereto and have executed this Agreement freely and agree to be bound hereby as of the Effective Date.

UNIVERSITY	COACH
______________________________	______________________________
Dr. Robert Kustra, President	Corey Ihmels Head Track & Field Coach

Approved by the Board on the ____ day of ________ , 2013.

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Addendum to Employment Agreement between
Boise State University and Corey Ihmels

This Addendum (the "Addendum") to the Employment Agreement (the "Agreement") dated ___________________, 2013, by and between Boise State University (the "University") and Corey Ihmels ("Coach"), is entered into this ________ day of __________, 2013 ("Effective Date").

NOW THEREFORE, in consideration of the foregoing, and for good and valuable consideration, the parties make the following additions to the Agreement.

1. NCAA Compliance. Coach shall have a strong working knowledge and understanding of all National Collegiate Athletic Association (the "NCAA") Rules and Regulations ("NCAA Rules") regarding compliance issues. Per NCAA policy, Coach must annually pass the NCAA Coaches Certification Test before contacting any prospects off-campus.

2. NCAA Violations. In the event Coach or Coach's Team (as that term is defined in Section 1.3 of the Agreement) is found in violation of NCAA Rules, Coach shall be subject to disciplinary or corrective action up to and including as provided for in Section 5.1 of the Agreement.

3. University Name/Logo. Coach shall not use, directly or by implication, the University name or logo in the endorsement of commercial products or services for personal gain without obtaining prior written approval from the Director of Athletics (the "Director") and the University President (the "President").

4. Additional Rules and Regulations. Coach shall be subject to the State Board of Education Rules (ID. ADMIN. CODE r. 08.01.01 et seq.) and Governing Policies and Procedures Manual, University policies, the rules of the conference of which the University is a member, and the NCAA Rules as they now exist, and as they may be amended from time-to-time during the term of Coach's employment. Material violation of any of the above rules shall constitute cause for which the University may in its discretion institute discipline up to and including termination of employment as provided in Section 5.1 of the Agreement.

5. Specific Duties of Coach. In addition to the duties outlined in the Agreement, Coach is expected to devote full-time to recruitment and coaching duties as appropriate. Coach will work with and address the media, attend all staff meetings, public relations functions, dinners, awards banquets, and will make appearances as directed by the Director.

6. Compensation. University shall provide to Coach an annualized salary of $75,000 pro-rated for the period of September 1, 2013 to June 30, 2014, $78,750 the second year and

$82,688 the third year of the contract. The annual salary for this position includes compensation to employee in lieu of a courtesy vehicle.

7. Signing Bonus. University shall pay to Coach a signing bonus in the amount of $15,000 to be paid in equal installments on each pay day between September 1, 2013 through March 15, 2014, while coach is still employed by University.

8. Retention Bonuses. University shall provide to Coach an annual retention bonus in the amount of $15,000 to be paid in equal installments beginning the first pay day in August through the last pay day in December in years 2014 and 2015 while coach is still employed by University.

9. Athletic Incentive Pay. Coach may qualify for Athletic Incentive Pay as follows:

Championship incentive pay:

Conference Championship (up to three per academic year)	$3,000
National Championship (one time only per academic year)	$10,000

National ranking pay (only one of the following per academic year paid once based upon the highest ranking achieved in all 6 sports):

Top 5 National Ranking at end of season	$5,000
Top 10 National Ranking at end of season	$3,000
Top 15 National Ranking at end of season	$2,500
Top 20 National Ranking at end of season	$2,000
Top 25 National Ranking at end of season	$1,000

Other incentive pay:

Qualify Team (5 or more men OR women) for NCAA First Round (per sport)	$500
Qualify Team (5 or more men OR women) for NCAA Nationals (per sport)	$1,000
NCAA Individual Champion (per champion)	$1,500
Individual Conference Champion	$500

(per champion)

NCAA Individual Scorer [2 - 8 Finish]	$500
Conference Coach of the Year	$2,000
NCAA Regional Coach of the Year	$1,500
NCAA National Coach of the Year	$2,500

If Coach qualifies for Athletic Incentive Pay, University will pay Coach within 45 days of the event or award giving rise to the Incentive Pay, if Coach is still employed by University on that date.

10. Academic Incentive Pay. Coach may qualify for separate Academic Incentive Pay in each of the six (6) sports encompassing the Team (Women's Cross Country, Men's Cross Country, Women's Indoor Track and Field, Men's Indoor Track and Field, and Women's Outdoor Track and Field, and Men's Outdoor Track and Field) if the annual Academic Progress Rate ("APR") for a sport meets the following levels in the National Ranking:

National Rank within Sport		
50th -59.9%	=	$500
60th - 69.9 %	=	$550
70th – 79.9 %	=	$600
80th % or above	=	$650

For the purposes of clarification and for the avoidance of doubt, Coach may be eligible for up to six (6) separate annual Academic Incentive Payments per academic year. If Coach qualifies for Academic Incentive Pay, it will be paid as soon as reasonably practical following APR rating determination and verification by the NCAA, if Coach is still employed by the University on that date.

11. Effect on Agreement. No other terms or conditions of the Agreement shall be negated or changed as a result of this Addendum.

12. Headings. The headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation hereof.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto agree to the terms and conditions of this Addendum and have executed this Addendum freely and agree to be bound hereby as of the Effective Date.

Signed:

____

Dr. Robert Kustra
President

____

Corey Ihmels
Head Coach - Track & Field

Approved by the Board on the ____ day of ________ , 2013.

EMPLOYMENT AGREEMENT

This Employment Agreement (the "Agreement") is entered into this _______ day of________, 2013 ("Effective Date") by and between Boise State University ("University") and Corey Ihmels ("Coach").

ARTICLE 1

1.1. Employment. Subject to the terms and conditions of this Agreement, the University shall employ Coach as the head coach of its track and field team (the "Position"). Coach represents and warrants that Coach is fully qualified to serve, and is available for employment, in this capacity.

1.2. Reporting Relationship. Coach shall report and be responsible directly to the University's Director of Athletics (the "Director") or the Director's designee. Coach shall abide by the reasonable instructions of Director or the Director's designee and shall confer with the Director or the Director's designee on all administrative and technical matters. Coach shall also be under the general supervision of the University's President (the "President").

1.3. Duties. Coach shall manage and supervise the University's intercollegiate track and field team (the "Team") and shall perform such other duties in the University's athletic program as the Director may assign and as may be described elsewhere in this Agreement~~. The University (College) shall have the right, at~~ and any ~~time, to reassign~~addenda hereto. Coach shall, to ~~duties at~~ the ~~University (College) other than as head coach~~best of ~~the Team, provided that~~ Coach's ~~compensation and benefits shall not be affected by any such reassignment, except that the opportunity to earn supplemental compensation as provided in sections 3.2.1 through _ (Depending on supplemental pay provisions used) ____ shall cease~~ability, and consistent with University policies and procedures, perform all duties and responsibilities customarily associated with the Position.

ARTICLE 2

2.1. Term. This Agreement ~~is for a fixed-term appointment of ______ (__) years, commencing~~shall commence on September 1, 2013 and ~~terminating~~terminate, without further notice to Coach, on June 30, 2016 (the "Term"), unless sooner terminated in accordance with other provisions of this Agreement.

2.2. Extension or Renewal. This Agreement is renewable solely upon an offer from the University and an acceptance by Coach, both of which must be in writing and signed by the parties. Any renewal is subject to the prior approval of University's Board of Trustees. This Agreement in no way grants to Coach a claim to tenure in employment, nor shall Coach's service pursuant to this Agreement count in any way toward tenure at the University.

ARTICLE 3

3.1 Regular Compensation.

3.1.1 In consideration of Coach's services and satisfactory performance of this Agreement, the University shall provide to Coach:

a) ~~An annual~~A salary ~~of $__________ per year~~in the amount set forth in the attached Addendum, payable in biweekly installments in accordance with normal University procedures (except as provided in the Addendum), and such salary increases as may be determined appropriate by the Director and President and approved by the University's Board of Trustees;

b) The opportunity to receive such employee benefits calculated on the "base salary" as the University provides generally to non-faculty exempt employees; and

c) The opportunity to receive such employee benefits as the University's Department of Athletics (the "Department") provides generally to its employees of a comparable level. Coach hereby agrees to abide by the terms and conditions, as now existing or hereafter amended, of such employee benefits.

3.2 Supplemental Compensation. University may provide supplemental compensation, as set forth in the attached Addendum.

3.2.1 Any such supplemental compensation paid to Coach shall be accompanied with a detailed justification for the supplemental compensation and such justification shall be separately reported to the Board of Trustees as a document available to the public under the Idaho Public Records Act.

~~3.2.5 The Coach shall receive the sum of (amount or computation)~~ 3.2.2 The Coach may receive the compensation hereunder from the University or the University's designated media outlet(s) or a combination thereof each year during the term of this Agreement in compensation for participation in media programs and public appearances (collectively, "Programs~~). Coach's right to receive such a payment shall vest on the date of the Team's last regular season or post-season competition, whichever occurs later. This sum shall be paid (terms or conditions of payment) .~~"). Agreements requiring the Coach to participate in Programs related to ~~his~~Coach's duties as an employee of University are the property of the University. The University shall have the exclusive right to negotiate and contract with all producers of media productions and all parties desiring public appearances by the Coach. Coach agrees to cooperate with the University in order for the Programs to be successful and agrees to provide ~~his~~Coach's services to and ~~perform~~appear on the Programs and to cooperate in their production, broadcasting, and telecasting. It is understood that neither Coach nor any assistant ~~coaches~~coach shall appear without the prior written approval of the Director on any ~~competing~~ radio or television program (including but not limited to a coach's show, call-in show, or interview show) or a regularly scheduled news segment, except that this prohibition shall not apply to routine news media interviews for which no compensation is received. Without the prior written approval of the Director, Coach shall not appear in any commercial endorsements which are broadcast on radio or television that conflict with those broadcast on the University's designated media outlets.

3.2.3 Coach agrees that the University has the exclusive right to operate athletic camps ("Camps") on its campus using University facilities. The University shall allow Coach the opportunity to earn supplemental compensation by assisting with the Camps in Coach's capacity as a University employee. Coach hereby agrees to assist in the marketing, supervision, and general administration of the Camps. Coach also agrees that Coach will perform all obligations mutually agreed upon by the parties. In exchange for Coach's participation in the Camps, the University shall pay Coach ~~(amount) per year as~~ supplemental compensation ~~during each year of his employment as head (Sport) coach at the University (College). This amount shall be paid (terms of payment)~~.

3.2.4 Coach

~~3.2.7 Coach~~ agrees that the University has the exclusive right to select footwear, apparel and/or equipment for the use of its student-athletes and staff, including Coach, during official practices and games and during times when Coach or the Team is being filmed by motion picture or video camera or posing for photographs in their capacity as representatives of University~~Coach recognizes that the University (College) is negotiating or has entered into an agreement with (Company Name) to supply the University (College) with athletic footwear, apparel and/or equipment. Coach agrees that, upon the University (College)'s reasonable request, Coach will consult with appropriate parties concerning an (Company Name) product's design or performance, shall act as an instructor at a clinic sponsored in whole or in part by~~

~~(Company Name) , or give a lecture at an event sponsored in whole or in part by (Company Name) , or make other educationally-related appearances as may be reasonably requested by the University (College). Notwithstanding the foregoing sentence, Coach shall retain the right to decline such appearances as Coach reasonably determines to conflict with or hinder his duties and obligations as head (Sport) coach. In order to avoid entering into an agreement with a competitor of (Company Name) , Coach shall submit all outside consulting agreements to the University (College).~~ In order to avoid entering into an agreement with a competitor of any University selected vendors, Coach shall submit all outside consulting agreements to the University for review and approval prior to execution. Coach shall also report such outside income to the University in accordance with National Collegiate Athletic Association (the "NCAA ~~(or NAIA)~~") rules. Coach further agrees that Coach will not endorse any athletic footwear, apparel and/or equipment products, and will not participate in any messages or promotional appearances which contain a comparative or qualitative description of athletic footwear, apparel, or equipment products.

3.3 General Conditions of Compensation. All compensation provided by the University to Coach is subject to deductions and withholdings as required by law or the terms and conditions of any fringe benefit in which Coach participates. However, if any fringe benefit is based in whole or in part upon the compensation provided by the University to Coach, such fringe benefit shall be based only on the compensation provided pursuant to section 3.1.1 and paid from the University to Coach, except to the extent required by the terms and conditions of a specific fringe benefit program.

ARTICLE 4

4.1. Coach's Specific Duties and Responsibilities. In consideration of the compensation specified in this Agreement, Coach, in addition to the obligations set forth elsewhere in this Agreement, shall:

4.1.1. Devote Coach's full time and best efforts to the performance of Coach's duties under this Agreement;

4.1.2. Develop and implement programs and procedures with respect to the evaluation, recruitment, training, and coaching of Team members which enable them to compete successfully and reasonably protect their health, safety, and well-being;

4.1.3. Observe and uphold all academic standards, requirements, and policies of the University and encourage Team members to perform to their highest academic potential and to graduate in a timely manner; and

4.1.4. Know, recognize, and comply with all applicable laws and the policies, rules and regulations of the University, the University's governing board, the conference of which the University is a member (the "Conference"), and the NCAA; supervise and take appropriate steps to ensure that Coach's assistant coaches, any other employees for whom Coach is administratively responsible, and the members of the Team know, recognize, and comply with all such laws, policies, rules and regulations; and immediately report to the Director and to the University's Associate Athletic Director of Compliance if Coach has reasonable cause to believe that any person or entity, including without limitation representatives of the University's athletic interests, has violated or is likely to violate any such laws, policies, rules or regulations. Coach shall cooperate fully with the University and Department at all times. The applicable laws, policies, rules, and regulations include the following, as they may be amended from time-to-time: (a) State Board of Education and Board of Regents of the University of Idaho Governing Policies and Procedures and Rule Manual; (b) University's Policy Handbook; (c) University's Administrative Procedures Manual; (d) the policies of the Department; (e) NCAA rules and regulations; and (f) the rules and regulations of the Conference.

4.2 Outside Activities. Coach shall not undertake any business, professional or personal activities, or pursuits that would prevent Coach from devoting Coach's full time and best efforts to the performance of Coach's duties under this Agreement, that would otherwise detract from those duties in any manner, or that, in the opinion of the University, would reflect adversely upon the University or its athletic program. Subject to the terms and conditions of this Agreement, Coach may, with the prior written approval of the Director, who may consult with the President, enter into separate arrangements for outside activities and endorsements which are consistent with Coach's obligations under this Agreement. Coach may not use the University's name, logos, or trademarks in connection with any such arrangements without the prior written approval of the Director and the President.

4.3 ~~NCAA (or NAIA) Rules.~~Outside Income. In accordance with NCAA rules, Coach shall obtain prior written approval from the President and Director for all athletically-related income and benefits from sources outside the University. Coach shall report the source and amount of all such income and benefits to the President whenever reasonably requested, but in no event less than annually before the close of business on June 30th of each year or the last regular University work day preceding June 30th. The report shall be in a format reasonably satisfactory to University. In no event shall Coach accept or receive directly or indirectly any monies, benefits, or gratuities whatsoever from any person, association, corporation, University booster club, University alumni association, University foundation, or other benefactor, if the acceptance or receipt of the monies, benefits, or gratuities would violate applicable law or the policies, rules, and regulations of the University, the University's governing board, the Conference, or the NCAA. Sources of such income shall include, but are not limited to, the following: (a) income from annuities; (b) sports camps, clinics, speaking engagements, consultations, directorships, or related activities;

(c) housing benefits (including preferential housing arrangements); (d) country club membership(s); (e) complimentary tickets (i.e., tickets to a Stampede game); (f) television and radio programs; (g) endorsement or consultation contracts with athletic shoe, apparel, or equipment manufacturers.

4.4 Hiring Authority. Coach shall have the responsibility and the sole authority to recommend to the Director the hiring and termination of assistant coaches for the Team, but the decision to hire or terminate an assistant coach shall be made by the Director and shall, when necessary or appropriate, be subject to the approval of President and the University's Board of Trustees.

4.5 Scheduling. Coach shall consult with, and may make recommendations to, the Director or the Director's designee with respect to the scheduling of Team's competitions, but the final decision shall be made by the Director or the Director's designee.

4.~~7~~6 Other Coaching Opportunities. Coach shall not, under any circumstances, interview for, negotiate for, or accept employment as a coach at any other institution of higher education or with any professional sports team requiring performance of duties set forth herein prior to the expiration of this Agreement, without the prior approval of the Director. Such approval shall not unreasonably be withheld. Coach shall not negotiate for or accept employment, under any circumstances, as a coach at any other institution of higher education or with any professional sports team requiring the performance of the duties set forth herein without first giving ten (10) days prior written notice to the Director.

ARTICLE 5

5.1 Termination of Coach for Cause. The University may, in its discretion, suspend Coach from some or all of Coach's duties, temporarily or permanently, and with or without pay; reassign Coach to other duties; or terminate this Agreement at any time for good or adequate cause, as those terms are defined in applicable rules~~ and~~, regulations~~.~~, and policies.

5.1.1 In addition to the definitions contained in applicable rules and ~~regulations~~policies, University and Coach hereby specifically agree that the following shall constitute good or adequate cause for suspension, reassignment, or termination of this Agreement:

a) A deliberate or major violation of Coach's duties under this agreement or the refusal or unwillingness of Coach to perform such duties in good faith and to the best of Coach's abilities;

b) The failure of Coach to remedy any violation of any of the terms of this Agreement within thirty (30) days after written notice from the University;

c) A deliberate or major violation by Coach of any applicable law or the policies, rules, or regulations of the University, the University's governing board, the Conference, or the NCAA, including but not limited to any such violation which may have occurred during the employment of Coach at another NCAA or National Association of Intercollegiate Athletics ("NAIA") member institution;

d) Ten (10) working days' absence of Coach from duty without the University's consent;

e) Any conduct of Coach that constitutes moral turpitude or that would, in the University's judgment, reflect adversely on the University or its athletic programs;

f) The failure of Coach to represent the University and its athletic programs positively in public and private forums;

g) The failure of Coach to fully and promptly cooperate with the NCAA or the University in any investigation of possible violations of any applicable law or the policies, rules or regulations of the University, the University's governing board, the Conference, or the NCAA;

h) The failure of Coach to report a known violation of any applicable law or the policies, rules or regulations of the University, the University's governing board, the Conference, or the NCAA, by one of Coach's assistant coaches, any other employees for whom Coach is administratively responsible, or a member of the Team; or

i) A violation of any applicable law or the policies, rules or regulations of the University, the University's governing board, the Conference, or the NCAA, by one of Coach's assistant coaches, any other employees for whom Coach is administratively responsible, or a member of the Team if Coach knew or should have known by ordinary supervision of the violation and could have prevented it by such ordinary supervision.

5.1.2 Suspension, reassignment, or termination for good or adequate cause shall be effectuated by the University as follows: before the effective date of the suspension, reassignment, or termination, the Director or Director's designee shall provide Coach with notice, which notice shall be accomplished in the manner provided for in this Agreement and shall include the reason(s) for the contemplated action. Coach shall then have an opportunity to respond. After Coach responds or fails to respond, University shall notify Coach whether, and if so when, the action will be effective.

5.1.3 In the event of any termination for good or adequate cause, the University's obligation to provide compensation and benefits to Coach, whether direct, indirect, supplemental or collateral, shall cease as of the date of such termination, and the University shall not be liable for the loss of any collateral business opportunities or other benefits, perquisites, or income resulting from outside activities or from any other sources.

5.1.4 If found in violation of NCAA regulations, Coach shall, in addition to the provisions of Section 5.1, be subject to disciplinary or corrective action as set forth in the provisions of the NCAA enforcement procedures. This section applies to violations occurring at the University or at previous institutions at which the Coach was employed.

5.2 Termination of Coach for Convenience of University.

5.2.1 At any time after commencement of this Agreement, University, for its own convenience, may terminate this Agreement by giving ten (10) days prior written notice to Coach.

5.2.2 In the event that University terminates this Agreement for its own convenience, University shall be obligated to pay to Coach, as liquidated damages and not a penalty, the "base salary" set forth in section 3.1.1(a), excluding all deductions required by law, on the regular paydays of the University until the Term of this Agreement ends~~;~~ or until Coach obtains reasonably comparable employment, whichever occurs first, provided~~,~~ however, in the event Coach obtains other employment ~~of any kind or nature~~ after such termination, then the amount of compensation ~~the~~ University pays will be adjusted and reduced by the amount of compensation paid Coach as a result of such other employment, such adjusted compensation to be calculated for each University pay-period by reducing the gross salary set forth in section 3.1.1(a) (before deductions required by law) by the gross compensation paid to the Coach under the other employment, then subtracting from this adjusted gross compensation deductions according to law. In addition, Coach will be entitled to continue ~~his~~the health insurance plan and group life insurance as if Coach remained a University employee until the term of this Agreement ends or until Coach obtains reasonably comparable employment or any other employment providing Coach with a reasonably comparable health plan and group life insurance, whichever occurs first. Coach shall be entitled to no other compensation or fringe benefits, except as otherwise provided herein or required by law. Coach specifically agrees to inform University within ten (10) business days of obtaining other employment and to advise University of all relevant terms of such employment, including without limitation, the nature and location of the employment, salary, other compensation, health insurance benefits, life insurance benefits, and other fringe benefits. Failure to so inform and advise University shall constitute a material breach of this Agreement and University's obligation to pay compensation under this provision shall end. Coach agrees not to accept employment for compensation at less than the fair market value of Coach's services, as determined by all circumstances existing at the time of employment. Coach further agrees to repay to University all compensation paid ~~to him~~ by University after the date Coach obtains other employment, to which Coach is not entitled under this provision.

5.2.3 The parties have both been represented by, or had the opportunity to consult with, legal counsel in the contract negotiations and have bargained for and agreed to the foregoing liquidated damages provision, giving consideration to the fact that the Coach may lose certain benefits, supplemental compensation, or outside compensation relating to Coach's employment with University, which damages are extremely difficult to determine with certainty. The parties further agree that the payment of such liquidated damages by University and the acceptance thereof by Coach shall constitute adequate and reasonable compensation to Coach for the damages and injury suffered by Coach because of such termination by University. The liquidated damages are not, and shall not be construed to be, a penalty.

5.2.4 In the event of non-renewal or termination of Coach's employment, Coach will use all accumulated annual leave prior to the end of the contract period.

5.3 Termination by Coach for Convenience.

5.3.1 The Coach recognizes that Coach's promise to work for University for the entire term of this Agreement is of the essence of this Agreement. The Coach also recognizes that the University is making a highly valuable investment in Coach's employment by entering into this Agreement and that its investment would be lost were Coach to resign or otherwise terminate Coach's employment with the University before the end of the contract Term.

5.3.2 The Coach, ~~for his own convenience,~~ may terminate this Agreement for convenience during its term by giving prior written notice to the University. Termination shall be effective ten (10) days after such written notice is given to the University. Such termination must occur at a time outside the Team's season (including NCAA post-season competition) so as to minimize the impact on the program.

5.3.3 If the Coach terminates this Agreement for convenience at any time, all obligations of the University shall cease as of the effective date of the termination. If the Coach terminates this Agreement for ~~his~~ convenience Coach shall pay to the University, as liquidated damages and not a penalty, for the breach of this Agreement the following sum: (a) if the Agreement is terminated on or before June 30, 2014, the sum of $20,000.00; (b) if the Agreement is terminated between July 1, 2014 and June 30, 2015 inclusive, the sum of $10,000.00. The liquidated damages shall be due and payable within twenty (20) days of the effective date of the termination, and any unpaid amount shall bear simple interest at a rate eight (8) percent per annum until paid.

5.3.4 The parties have both been represented by legal counsel in the contract negotiations and have bargained for and agreed to the foregoing liquidated damages provision, giving consideration to the fact that the University will incur administrative and recruiting costs in obtaining a replacement for Coach, in addition to potentially increased compensation costs if Coach terminates this Agreement for convenience, which damages are extremely difficult to determine with certainty. The parties further agree that the payment of such liquidated damages by Coach and the acceptance thereof by University shall constitute adequate and reasonable compensation to University for the damages and injury suffered by it because of such termination by Coach. The liquidated damages are not, and shall not be construed to be, a penalty. This section 5.3.4 shall not apply if Coach terminates this Agreement because of a material breach by the University.

5.3.5 Except as provide elsewhere in this Agreement, if Coach terminates this Agreement for convenience, Coach shall forfeit to the extent permitted by law Coach's right to receive all supplemental compensation and other payments.

5.4 Termination Due to Disability or Death of Coach.

5.4.1 Notwithstanding any other provision of this Agreement, this Agreement shall terminate automatically if Coach becomes totally or permanently disabled as defined by the University's disability insurance carrier, becomes unable to perform the essential functions of the position of head coach, or dies.

5.4.2 If this Agreement is terminated because of Coach's death, Coach's salary and all other benefits shall terminate as of the last day worked, except that the Coach's personal representative or other designated beneficiary shall be paid all compensation due or unpaid and death benefits, if any, as may be contained in any fringe benefit plan now in force or hereafter adopted by the University and due to the Coach's estate or beneficiaries hereunder.

5.4.3 If this Agreement is terminated because the Coach becomes totally or permanently disabled as defined by the University's disability insurance carrier, or becomes unable to perform the essential functions of the position of head coach, all salary and other benefits shall terminate, except that the Coach shall be entitled to receive any compensation due or unpaid and any disability-related benefits to which Coach is entitled by virtue of employment with the University.

5.5 Interference by Coach. In the event of suspension, reassignment or termination, Coach agrees that Coach will not interfere with the University's student-athletes or otherwise obstruct the University's ability to transact business or operate its intercollegiate athletics program.

5.6 No Liability. The University shall not be liable to Coach for the loss of any collateral business opportunities or any other benefits, perquisites or income from any sources that may ensue as a result of any termination of this Agreement by either party or due to death or disability or the suspension or reassignment of Coach, regardless of the circumstances.

5.7 Waiver of Rights. Because the Coach is receiving a multi-year contract and the opportunity to receive supplemental compensation and because such contracts and opportunities are not customarily afforded to University employees, if the University suspends or reassigns Coach, or terminates this Agreement for good or adequate cause or for convenience, Coach shall have all the rights provided for in this Agreement but hereby releases the University from compliance with the notice, appeal, and similar employment-related rights provided for in the State Board of Education and Board of Regents of the University of Idaho Rules (ID. ADMIN. CODE r. 08.01.01 et seq.) and Governing Policies and Procedures Manual, and the University Policies or Faculty-Staff Handbook.

ARTICLE 6

6.1 Board Approval. This Agreement shall not be effective until and unless approved of the University's Board of Trustees and executed by both parties as set forth below. In addition, the payment of any compensation pursuant to this Agreement shall be subject to: the approval of the University's Board of Trustees, the President, and the Director; the sufficiency of legislative appropriations; the receipt of sufficient funds in the account from which such compensation is paid; and the Board of Trustees and University's rules or policies regarding financial exigency.

6.2 University Property. All personal property, material, and articles of information, including, without limitation, keys, credit cards, personnel records, recruiting records, team information, films, statistics or any other personal property, material, or data, furnished to Coach by the University or developed by

Coach on behalf of the University or at the University's direction or for the University's use or otherwise in connection with Coach's employment hereunder are and shall remain the sole property of the University. Within twenty-four (24) hours of the expiration of the Term of this Agreement or its earlier termination as provided herein, Coach shall immediately cause any such personal property, materials, and articles of information in Coach's possession or control to be delivered to the Director.

6.3 Assignment. Neither party may assign its rights or delegate its obligations under this Agreement without the prior written consent of the other party.

6.4 Waiver. No waiver of any default in the performance of this Agreement shall be effective unless in writing and signed by the waiving party. The waiver of a particular breach in the performance of this Agreement shall not constitute a waiver of any other or subsequent breach. The resort to a particular remedy upon a breach shall not constitute a waiver of any other available remedies.

6.5 Severability. If any provision of this Agreement is determined to be invalid or unenforceable, the remainder of the Agreement shall not be affected and shall remain in effect.

6.6 Governing Law. This Agreement shall be subject to and construed in accordance with the laws of the state of Idaho as an agreement to be performed in Idaho. Any action based in whole or in part on this Agreement shall be brought in state district court in Ada County, Boise, Idaho.

6.7 Oral Promises. Oral promises of an increase in annual salary or of any supplemental or other compensation shall not be binding upon the University.

6.8 Force Majeure. Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, inability to obtain labor or materials or reasonable substitutes therefore, governmental restrictions, governmental regulations, governmental controls, enemy or hostile governmental action, civil commotion, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform (including financial inability), shall excuse the performance by such party for a period equal to any such prevention, delay or stoppage.

6.9 Non-Confidentiality. The Coach hereby consents and agrees that this document may be released and made available to the public after it is signed by the Coach. The Coach further agrees that all documents and reports Coach is required to produce under this Agreement may be released and made available to the public at the University's sole discretion.

6.10 Notices. Any notice under this Agreement shall be in writing and be delivered in person or by public or private courier service (including U.S. Postal Service Express Mail) or certified mail with return receipt requested or by facsimile. All notices shall be addressed to the parties at the following addresses or at such other addresses as the parties may from time to time direct in writing:

the University:	Boise State University Director of Athletics 1910 University Drive Boise, Idaho 83725-1020
with a copy to:	Boise State University Office of the President 1910 University Drive Boise, Idaho 83725-1000
the Coach:	Corey Ihmels Address on file with University's Human Resource Services

Any notice shall be deemed to have been given on the earlier of: (a) actual delivery or refusal to accept delivery, (b) the date of mailing by certified mail, or (c) the day facsimile delivery is verified. Actual notice, however and from whoever received, shall always be effective.

6.11 Headings. The headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation hereof.

6.12 Binding Effect. This Agreement is for the benefit only of the parties hereto and shall inure to the benefit of and bind the parties and their respective heirs, legal representatives, successors and assigns.

6.13 Non-Use of Names and Trademarks. The Coach shall not, without the University's prior written consent in each case, use any name, trade name, trademark, or other designation of the University (including contraction, abbreviation or simulation), except in the course and scope of Coach's official University duties.

6.14 No Third Party Beneficiaries. There are no intended or unintended third party beneficiaries to this Agreement.

6.15 Entire Agreement; Amendments. This Agreement ~~constitutes~~, and the attached Addendum, constitute the entire agreement ~~of~~between the parties and supersedes all prior agreements and understandings with respect to the same subject matter. No amendment or modification of this Agreement shall be effective unless in writing, signed by both parties, and approved by University's Board of Trustees.

6.16 Opportunity to Consult with Attorney. The Coach acknowledges that Coach has had the opportunity to consult and review this Agreement with an attorney. Accordingly, in all cases, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any party.

IN WITNESS WHEREOF, the parties agree to the terms and conditions of this Agreement and the incorporated documents attached hereto and have executed this Agreement freely and agree to be bound hereby as of the Effective Date.

UNIVERSITY	COACH
______________________________	______________________________
Dr. Robert Kustra, President	Corey Ihmels Head Track & Field Coach

Approved by the Board on the ____ day of ________ , 2013.

Corey Ihmels, Boise State University, Head Track and Field Coach – 2013 – Multi-Year Contract

	Model Contract Section	Contract Section	Justification for Modification
3.2	Supplemental Compensation	3.2 Supplemental Compensation; language added	Language added regarding specific supplemental compensation information to be provided in the attached Addenda.
3.2.1, 3.2.2, 3.2.3, 3.2.4	Supplemental Compensation	3.2 Supplemental Compensation; language deleted	Language deleted, as specific supplemental compensation information is provided in attached Addenda.
3.2.5	Supplemental Compensation	3.2.2 Supplemental Compensation; language deleted	Deleted language specific to Coach's right to receive payments for participation in media programs and public appearances.
3.2.6	Supplemental Compensation; Summer Camp Operated by University	3.2.3 Supplemental Compensation; summer camp; language deleted	Deleted language regarding summer camp operated by coach.
3.2.7	Supplemental Compensation	3.2.4 Supplemental Compensation; language deleted	Deleted unnecessary language regarding athletic footwear, apparel and equipment contracts.
4.3	Outside Income	4.3 Outside Income; added language	Added a list of sources of outside income that must receive prior approval by the President and the Athletic Director.
4.7	Other Coaching Opportunities	4.6 Other Coaching Opportunities; added language	Added language providing that Coach cannot pursue other employment without prior notice.
5.2	Termination of Coach for Convenience of University	5.2.4 Termination of Coach for Convenience of University; added language	Added language requiring Coach to use all accumulated annual leave

Corey Ihmels, Boise State University, Head Track and Field Coach – 2013 – Multi-Year Contract

			prior to the end of the contract year, if the Coach's contract is non-renewed or terminated.
5.3	Termination by Coach for Convenience	5.3.2 Termination by Coach for Convenience; added language	Added language requiring any termination of convenience by Coach to occur outside the team's season and post-season competition.
6.15	Entire Agreement; Amendments	6.15 Entire Agreement; Amendments; added language	Added language clarifying that the attached Addendum is also a part of the entire agreement between the parties.

UNIVERSITY OF IDAHO

SUBJECT

Multi-year contract for Women's Basketball Team Head Coach

REFERENCE

June 2009	Board approved new multi-year employment contract for Jon Newlee, Head Women's Basketball Coach
August 2010	Board approved contract extension through March 26, 2015

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Polices & Procedures Section II.H.1.

DISCUSSION

The University of Idaho (UI) requests Regents' approval to extend the employment of the Women's Basketball Team Head Coach through June 30, 2016 (a total term of 3 years from the date of extension) with some modifications to add a rolling extension term for each year the coach has at least 15 wins or advances to the NCAA Tournament, modifying terms of the Net Game Guarantee payment, and modifying terms for termination by the Coach. Attachment 1 to these materials shows the specific substantive changes in terms from the current contract. Other non-substantive changes have been made to improve clarity and for consistency with the Model Coach Contract – Multi Year.

The University submits the attached multi-year contract (Attachment 2) to the Regents for approval. The primary terms of the agreement are set forth below. A redlined version showing changes from the Board model contract is contained in Attachment 3.

Attachment 4 sets out the accomplishments of Coach Newlee in support of the addition of a rolling term provision.

IMPACT

The annual base salary is as follows:

- 2013-14 $92,483.20
- 2014-15 $96,182.53
- 2015-16 $100,029.83

The salary increases are expressly contingent upon the following: (1) academic achievement and behavior of team members, as described in Paragraph 3.2.4 of the agreement; (2) appropriate behavior by, and supervision of, all assistant coaches, as determined by the Athletic Director; (3) compliance with the University's financial stewardship policies as set forth in the University's

Administrative Procedures Manual Chapter 25; and (4) approval by the president, in the president's sole discretion.

Annual media payments are $18,000.00.

Coach is entitled to receive the following incentive/supplemental compensation:

1. Conference champions or co-champion or team becomes eligible for the NCAA tournament – $7,114 (1/13th of annual salary)
2. Team ranked in the top 25 in any published national final poll – $7,114 (1/13th of annual salary)
3. Conference Coach of the Year = $2,000
4. Academic achievement and behavior of team based on APR national rank exceeding 960 - $1,500
5. Team Victories
    a. $3,000 for 14 victories
    b. Additional $3,000 for 17 or more victories
    c. Additional $3,000 for 20 or more victories
6. Team progresses to the Round of 16 in the NCAA tournament - $5,000
7. Team receives an invitation to participate and plays in the post season WNIT - $3,500
8. Team receives an invitation to participate and plays in the WBI - $1,000
9. Gate Receipts – 25% of gate receipts in excess of $15,000
10. Away Game Guarantee (non-conference) – The amount by which the game guaranty revenue paid to the University for all non-conference opponents paying a game guaranty exceeds the sum of $10,000 plus any game guarantees (including travel, hotel or other support) provided by the University to an opponent.

Maximum potential annual compensation (base salary, media payment and estimated maximum potential incentive) is as follows:

- 2013-14 $146,711.38
- 2014-15 $150,979.84
- 2015-16 $155,419.03

Coach may participate in youth basketball camps as follows:
- Remaining income from any University operated camp, less $500, after all claims, insurance, and expenses of camp have been paid, OR
- In the event the University elects not to operate a camp, coach may do so within Board guidelines for such camps.

ATTACHMENTS

Attachment 1 – Employment Contract – clean Page 5
Attachment 2 – Employment Contract – redline Page 21
Attachment 3 – Coach Newlee accomplishment summary Page 39

STAFF COMMENTS AND RECOMMENDATIONS

The proposed incentive pay for academic achievement is the second to the lowest in dollar amount of all the incentive/supplemental compensation opportunities.

In the event the coach terminates the agreement for convenience, the following liquidated damages shall be due:

- If the agreement is terminated with more than two years on the contact, the sum of $75,000;
- If the agreement is terminated with more than one year and less than two, the sum of $50,000.

UI is proposing giving the president authority and discretion to approve an annual 4% base salary increase for Mr. Newlee without Board approval. If the Board is comfortable delegating this level of authority to presidents, it would be helpful to direct staff to document this discretion in the model contract or Board policy.

UI requests approval of a three-year year contract with a contingent rolling extension provision. Board policy provides as follows:
"The chief executive officer of an institution is authorized to enter into a contract for the services of a head coach or athletic director with that institution for a term of more than one (1) year, but not more than three (3) years … A contract in excess of three (3) years, or a rolling three (3) year contract, may be considered by the Board upon the documented showing of extraordinary circumstances."

The Board will need to make a determination as to whether UI has met its burden of proof demonstrating extraordinary circumstances.

The proposed employment agreement is in substantial compliance with the Board-approved model contract.

BOARD ACTION

I move to approve the request by University of Idaho of a three (3) year employment contract with Jon Newlee as Women's Basketball Team Head Coach for a term extending through June 30, 2016, with a provision for rolling one year extensions, and an annual base salary of $92,483.20 and such base salary increases and supplemental compensation provisions, in substantial conformance to the form submitted to the Board in Attachment 1.

Moved by _______ Seconded by ________ Carried Yes _____ No _____

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EMPLOYMENT AGREEMENT

This Employment Agreement (Agreement) is entered into by and between the University of Idaho (University), and Jon Newlee (Coach).

ARTICLE 1

1.1. Employment. Subject to the terms and conditions of this Agreement, the University shall employ Coach as the head coach of its intercollegiate women's basketball team. Coach represents and warrants that Coach is fully qualified to serve, and is available for employment, in this capacity.

1.2. Reporting Relationship. Coach shall report and be responsible directly to the University's Director of Athletics (Director) or the Director's designee. Coach shall abide by the reasonable instructions of Director or the Director's designee and shall confer with the Director or the Director's designee on all administrative and technical matters. Coach shall also be under the general supervision of the University's President (President).

1.3. Duties. Coach shall manage and supervise the Team and shall perform such other duties in the University's athletic program as the Director may assign and as may be described elsewhere in this Agreement. The University shall have the right, at any time, to reassign Coach to duties at the University other than as head coach of the Team, provided that Coach's compensation and benefits shall not be affected by any such reassignment, except that the opportunity to earn supplemental compensation as provided in sections 3.2.1 through 3.2.12 shall cease.

ARTICLE 2

2.1. Term. This Agreement is for a fixed-term appointment of 3 years commencing on date of the last signature hereto, and terminating, without further notice to Coach, on June 30, 2016, unless extended (in section 2.3 only) or unless sooner terminated in accordance with other provisions of this Agreement.

2.2. Extension or Renewal. This Agreement is renewable solely upon an offer from the University and an acceptance by Coach, both of which must be in writing and signed by the parties. Any renewal is subject to the prior approval of University's Board of Regents. This Agreement in no way grants to Coach a claim to tenure in employment, nor shall Coach's service pursuant to this agreement count in any way toward tenure at the University.

2.3 Extensions to Initial Term. The term of this Agreement will be automatically extended by one (1) additional year commencing on July 1, and concluding on June 30, for each season in which the Team earns at least fifteen (15) wins versus Division I classified institutions or advances to the NCAA Tournament.

ARTICLE 3

3.1 Regular Compensation.

3.1.1 In consideration of Coach's services and satisfactory performance of this Agreement, the University shall provide to Coach:

a) An annual salary of $92,483.20 per year payable in biweekly installments in accordance with normal University procedures, such amount will increase by (4%) on July 1 of each year of the Agreement. The above salary amount is payable in biweekly installments in accordance with normal University procedures. Any salary increases are expressly contingent upon the following: (1) academic achievement and behavior of Team members, as described in Paragraph 3.2.4 of this Agreement; (2) appropriate behavior by, and supervision of, all assistant coaches, as determined by the Director; (3) compliance with the University's financial stewardship policies as set forth in University's Administrative Procedures Manual Chapter 25; and (4) approval by the President, in the President's sole discretion.

b) The opportunity to receive such employee benefits as the University provides generally to non-faculty exempt employees; and

c) The opportunity to receive such employee benefits as the University's Department of Athletics (Department) provides generally to its employees of a comparable level. Coach hereby agrees to abide by the terms and conditions, as now existing or hereafter amended, of such employee benefits.

3.2 Supplemental Compensation

3.2.1. Each year the Team is the conference champion or co-champion or becomes eligible for the NCAA tournament pursuant to NCAA Division I guidelines, and if Coach continues to be employed as University's head women's basketball coach as of the ensuing July 1st, the University shall pay to Coach supplemental compensation in an amount equal to one-thirteenth (1/13) of Coach's Annual Salary during the fiscal year in which the championship or NCAA tournament eligibility are achieved. The University shall determine the appropriate manner in which it shall pay Coach any such supplemental compensation.

3.2.2 Each year the Team is ranked in the top 25 in any published national final poll of intercollegiate women's basketball teams and if Coach continues to be employed as University's head women's basketball coach as of the ensuing July 1st, the University shall pay Coach supplemental compensation in an amount equal to one-thirteenth (1/13) of Coach's Annual Salary in effect on the date of the final poll. The University shall determine the appropriate manner in which it shall pay Coach any such supplemental compensation.

3.2.3 Each year Coach is named Conference Coach of the Year, and if Coach continues to be employed as University's head women's basketball coach as of the ensuing July 1st, Coach shall receive supplemental compensation of $2,000. The University shall determine the appropriate manner in which it shall pay Coach any such supplemental compensation.

3.2.4 Coach shall be eligible to receive supplemental compensation each year based on the academic achievement and behavior of Team members. If the Team's annual APR exceeds 960, and if Coach continues to be employed as University's head basketball coach as of the ensuing July 1st, Coach shall receive supplemental compensation of $1,500. Any such supplemental compensation paid to Coach shall be accompanied with a justification for the supplemental compensation based on the factors listed above, and such justification shall be separately reported to the Board of Regents as a document available to the public under the Idaho Public Records Act.

3.2.5 The Coach shall receive the sum of $18,000 from the University or the University's designated media outlet(s) or a combination thereof each year during the term of this Agreement in compensation for participation in media programs and public appearances (Programs). Each year, one-half of this sum shall be paid prior to the first regular season women's basketball game, and one-half shall be paid no later than two weeks after the last regular season women's basketball game or post season game, whichever occurs later. Coach's right to receive the second half of such payment shall vest on the date of the Team's last regular season or post-season competition, whichever occurs later, and contingent upon Coach's continued employment as of that date. Coach's right to receive any such media payment under this Paragraph is expressly contingent on Coach's compliance with University's financial stewardship policies as set forth in University's Administrative Procedures Manual Chapter 25. Agreements requiring the Coach to participate in Programs related to his duties as an employee of University are the property of the University. The University shall have the exclusive right to negotiate and contract with all producers of media productions and all parties desiring public appearances by the Coach. Coach agrees to cooperate with the University in order for the Programs to be successful and agrees to provide his services to and perform on the Programs and to cooperate in their production, broadcasting, and telecasting. It is understood that neither Coach nor any assistant coaches shall appear without the prior written approval of the Director on any competing radio or television program (including but not limited to a coach's show, call-in show, or interview show) or a regularly scheduled news segment, except that this prohibition shall not apply to routine news media interviews for which no compensation is received. Without the prior written approval of the Director, Coach shall not appear in any commercial endorsements that are broadcast on radio or television and that conflict with those broadcast on the University's designated media outlets.

3.2.6 If Coach continues to be employed as University's head women's basketball coach as of the ensuing July 1st, Coach shall receive supplemental compensation of $3,000 for 14 victories; an additional $3,000 for 17 victories; and an additional $3,000 for 20 victories. The victories will include contests in both non-conference and conference competition. The University shall determine the appropriate manner in which it shall pay Coach any such supplemental compensation.

3.2.7 Each year gate receipts for women's basketball exceed $15,000, and if Coach continues to be employed as University's head women's basketball coach as of the ensuing July 1st, Coach shall receive supplemental compensation of 25% of the gate receipts that exceed $15,000. The University shall determine the appropriate manner in which it shall pay Coach any such supplemental compensation.

3.2.8 Each year the Team progresses to the Round of 16 in the NCAA tournament the Coach shall receive supplemental compensation of $5,000. The University shall determine the appropriate manner in which it shall pay Coach any such supplemental compensation.

3.2.9 Each year the Team receives an invitation to participate and plays in the post season WNIT the Coach shall receive supplemental compensation of $3,500. The University shall determine the appropriate manner in which it shall pay Coach any such supplemental compensation.

3.2.10 Each year the Team receives an invitation to participate and plays in the WBI the Coach shall receive supplemental compensation of $1,000. The University shall determine the appropriate manner in which it shall pay Coach any such supplemental compensation.

3.2.11 Non-Conference Basketball Net Game Guarantee:

a. Each year Coach continues to be employed as University's head coach of its intercollegiate women's basketball team as of the ensuing May 1st following the end of the competitive season, the University shall pay to Coach supplemental compensation equal to a Net Game Guarantee (as defined in paragraph b below). Such supplemental compensation will be paid to Coach prior to the end of the current fiscal year in an appropriate manner as determined by the University.

b. The Net Game Guarantee will be calculated as follows: From the gross revenue paid to the University by all non-conference opponents during the regular competitive season, the University will deduct a base amount of $10,000, and will further deduct any game guarantees (including travel, hotel or other support provided to an opponent) paid out to non-conference opponents during the same regular competitive season. The remaining balance shall be the Game Guarantee paid to the Coach.

c. Following the 2013-14 season basketball season, Coach shall schedule at least one non-conference game each regular competitive season, in consultation with the Director of Athletics, that will generate net revenue to the University of a minimum of $10,000. Additional Game Guarantee (Money) Games may be scheduled subject to the following:

i. The total number of guarantee games is limited to two unless approved in advance by the Director of Athletics.

3.2.12 Coach agrees that the University has the exclusive right to operate youth basketball camps on its campus using University facilities. The University shall allow Coach the opportunity to earn supplemental compensation by assisting with the University's camps in Coach's capacity as a University employee. Coach hereby agrees to assist in the marketing, supervision, and general administration of the University's youth basketball camps. Coach also agrees that Coach will perform all obligations mutually agreed upon by the parties. In exchange for Coach's participation in the University's youth basketball camps, the University shall pay Coach the remaining income from the youth basketball camps, less $500, after all claims, insurance, and expenses of such camps have been paid.

Alternatively, in the event the University notifies Coach, in writing that it does not intend to operate youth basketball camps for a particular period of time during the term of this Agreement, then, during such time period, Coach shall be permitted to operate youth basketball camps on the University's campus and using its facilities under the following terms and conditions:
:

a) The summer youth camp operation reflects positively on the University of Idaho and the Department;

b) The summer youth camp is operated by Coach directly or through a private enterprise owned and managed by Coach. The Coach shall not use University of Idaho personnel, equipment, or facilities without the prior written approval of the Director;

c) Assistant coaches at the University of Idaho are given priority when the Coach or the private enterprise selects coaches to participate;

d) The Coach complies with all NCAA, Conference, and University of Idaho rules and regulations related, directly or indirectly, to the operation of summer youth camps;

e) The Coach or the private enterprise enters into a contract with University of Idaho and Sodexho for all campus goods and services required by the camp.

f) The Coach or private enterprise pays for use of University of Idaho facilities.

g) Within thirty days of the last day of the summer youth camp(s), Coach shall submit to the Director a preliminary "Camp Summary Sheet" containing financial and other information related to the operation of the camp. Within ninety days of the last day of the summer youth camp(s), Coach shall submit to Director a final accounting and "Camp Summary Sheet." A copy of the "Camp Summary Sheet" is attached to this Agreement as Exhibit A.

h) The Coach or the private enterprise shall provide proof of liability insurance as follows: (1) liability coverage: spectator and staff--$1 million; (2) catastrophic coverage: camper and staff--$1 million maximum coverage with $100 deductible.

i) To the extent permitted by law, the Coach or the private enterprise shall defend and indemnify the University of Idaho against any claims, damages, or liabilities arising out of the operation of the summer youth camp(s).

j) All employees of the summer youth camp(s) shall be employees of the Coach or the private enterprise and not the University of Idaho while engaged in camp activities. The Coach and all other University of Idaho employees involved in the operation of the camp(s) shall be on annual leave status or leave without pay during the days the camp is in operation. The Coach or private enterprise shall provide workers' compensation insurance in accordance with Idaho law and comply in all respects with all federal and state wage and hour laws.

In the event of termination of this Agreement, suspension, or reassignment, University of Idaho shall not be under any obligation to permit a summer youth camp to be held by the Coach after the effective date of such termination, suspension, or reassignment, and the University of Idaho shall be released from all obligations relating thereto.

3.2.13 Coach agrees that the University has the exclusive right to select footwear, apparel and/or equipment for the use of its student-athletes and staff, including Coach, during official practices and games and during times when Coach or the Team is being filmed by motion picture or video camera or posing for photographs in their capacity as representatives of University. Coach recognizes that the University is negotiating or has entered into an agreement with Nike to supply the University with athletic footwear, apparel and/or equipment. Coach agrees that, upon the University's reasonable request, Coach will consult with appropriate parties concerning Nike products design or performance, shall act as an instructor at a clinic sponsored in whole or in part by Nike, or give a lecture at an event sponsored in whole or in part by Nike, or make other educationally-related appearances as may be reasonably requested by the University. Notwithstanding the foregoing sentence, Coach shall retain the right to decline such appearances as Coach reasonably determines to conflict with or hinder his duties and obligations as head women's basketball coach. In order to avoid entering into an agreement with a competitor of Nike, Coach shall submit all outside consulting agreements to the University for review and approval prior to execution. Coach shall also report such outside income to the University in accordance with NCAA rules. Coach further agrees that Coach will not endorse any athletic footwear, apparel and/or equipment products, including Nike, and will not participate in any messages or promotional appearances that contain a comparative or qualitative description of athletic footwear, apparel or equipment products.

3.3 General Conditions of Compensation. All compensation provided by the University to Coach is subject to deductions and withholdings as required by law or the terms and conditions of any fringe benefit in which Coach participates. However, if any fringe benefit is based in whole or in part upon the compensation provided by the University to Coach, such fringe benefit shall be based only on the compensation provided pursuant to section 3.1.1, except to the extent required by the terms and conditions of a specific fringe benefit program.

ARTICLE 4

4.1. Coach's Specific Duties and Responsibilities. In consideration of the compensation specified in this Agreement, Coach, in addition to the obligations set forth elsewhere in this Agreement, shall:

4.1.1. Devote Coach's full time and best efforts to the performance of Coach's duties under this Agreement;

4.1.2. Develop and implement programs and procedures with respect to the evaluation, recruitment, training, and coaching of Team members that enable them to compete successfully and reasonably protect their health, safety, and well-being;

4.1.3. Observe and uphold all academic standards, requirements, and policies of the University and encourage Team members to perform to their highest academic potential and to graduate in a timely manner; and

4.1.4. Know, recognize, and comply with all applicable laws and the policies, rules and regulations of the University, the University's governing board, the conference, and the NCAA; supervise and take appropriate steps to ensure that Coach's assistant coaches, any other employees for whom Coach is administratively responsible, and the members of the Team know, recognize, and comply with all such laws, policies, rules and regulations; and immediately report to the Director and to the Department's Director of Compliance if Coach has reasonable cause to believe that any person or entity, including without limitation representatives of the University's athletic interests, has violated or is likely to violate any such laws, policies, rules or regulations. Coach shall cooperate fully with the University and Department at all times. The names or titles of employees whom Coach supervises are attached as **Exhibit B**. The applicable laws, policies, rules, and regulations include: (a) State Board of Education and Board of Regents of the University of Idaho Governing Policies and Procedures and Rule Manual; (b) University's Faculty-Staff Handbook; (c) University's Administrative Procedures Manual; (d) the policies of the Department; (e) NCAA rules and regulations; and (f) the rules and regulations of the women's basketball conference of which the University is a member.

4.2 Outside Activities. Coach shall not undertake any business, professional or personal activities, or pursuits that would prevent Coach from devoting Coach's full time and best efforts to the performance of Coach's duties under this Agreement, that would otherwise detract from those duties in any manner, or that, in the opinion of the University, would reflect adversely upon the University or its athletic program. Subject to the terms and conditions of this Agreement, Coach may, with the prior written approval of the Director, who may consult with the President, enter into separate arrangements for outside activities and endorsements that are consistent with Coach's obligations under this Agreement. Coach may not use the University's name, logos, or trademarks in connection with any such arrangements without the prior written approval of the Director and the President.

4.3 NCAA Rules. In accordance with NCAA rules, Coach shall obtain prior written approval from the University's President for all athletically related income and benefits from sources outside the University and shall provide a written detailed account of the source and amount of all such income and benefits to the University's President whenever reasonably requested, but in no event less than annually before the close of business on June 30th of each year or the last regular University work day preceding June 30th. The report shall be in a format reasonably satisfactory to University. Sources of such income 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.

In no event shall Coach accept or receive directly or indirectly any monies, benefits, or gratuities whatsoever from any person, association, corporation, University booster club, University alumni association, University foundation, or other benefactor, if the acceptance or receipt of the monies, benefits, or gratuities would violate applicable law or the policies, rules, and regulations of the University, the University's governing board, the conference, or the NCAA.

4.4 Hiring Authority. Coach shall have the responsibility and the sole authority to recommend to the Director the hiring and termination of assistant coaches for the Team, but the decision to hire or terminate an assistant coach shall be made by the Director and shall, when necessary or appropriate, be subject to the approval of the President and the University's Board of Regents.

4.5 Scheduling. Coach shall consult with, and may make recommendations to, the Director or the Director's designee with respect to the scheduling of Team competitions, but the final decision shall be made by the Director or the Director's designee.

4.6 Other Coaching Opportunities. Coach shall not, under any circumstances, interview for, negotiate for, or accept employment as a coach at any other institution of higher education or with any professional sports team, requiring performance of duties prior to the expiration of this Agreement, without the prior approval of the Director. Such approval shall not be unreasonably withheld.

ARTICLE 5

5.1 Termination of Coach for Cause. The University may, in its discretion, suspend Coach from some or all of Coach's duties, temporarily or permanently, and with or without pay; reassign Coach to other duties; or terminate this Agreement at any time for good or adequate cause, as those terms are defined in applicable rules and regulations.

5.1.1 In addition to the definitions contained in applicable rules and regulations, University and Coach hereby specifically agree that the following shall constitute good or adequate cause for suspension, reassignment, or termination of this Agreement:

a) A deliberate or major violation of Coach's duties under this agreement or the refusal or unwillingness of Coach to perform such duties in good faith and to the best of Coach's abilities;

b) The failure of Coach to remedy any violation of any of the terms of this agreement within 30 days after written notice from the University;

c) A deliberate or major violation by Coach of any applicable law or the policies, rules or regulations of the University, the University 's governing board, the conference or the NCAA, including but not limited to any such violation that may have occurred during the employment of Coach at another NCAA or NAIA member institution;

d) Ten (10) working days' absence of Coach from duty without the University 's consent;

e) Any conduct of Coach that constitutes moral turpitude or that would, in the University's judgment, reflect adversely on the University or its athletic programs;

f) The failure of Coach to represent the University and its athletic programs positively in public and private forums;

g) The failure of Coach to fully and promptly cooperate with the NCAA or the University in any investigation of possible violations of any applicable law or the policies, rules or regulations of the University, the University's governing board, the conference, or the NCAA;

h) The failure of Coach to report a known violation of any applicable law or the policies, rules or regulations of the University, the University's governing board, the conference, or the NCAA, by one of Coach's assistant coaches, any other employees for whom Coach is administratively responsible, or a member of the Team; or

i) A violation of any applicable law or the policies, rules or regulations of the University, the University's governing board, the conference, or the NCAA, by one of Coach's assistant coaches, any other employees for whom Coach is administratively responsible, or a member of the Team if Coach knew or should have known of the violation and could have prevented it by ordinary supervision.

5.1.2 Suspension, reassignment, or termination for good or adequate cause shall be effectuated by the University as follows: before the effective date of the suspension, reassignment, or termination, the Director or his designee shall provide

Coach with notice, which notice shall be accomplished in the manner provided for in this Agreement and shall include the reason(s) for the contemplated action. Coach shall then have an opportunity to respond. After Coach responds or fails to respond, University shall notify Coach whether, and if so when, the action will be effective.

5.1.3 In the event of any termination for good or adequate cause, the University's obligation to provide compensation and benefits to Coach, whether direct, indirect, supplemental or collateral, shall cease as of the date of such termination, and the University shall not be liable for the loss of any collateral business opportunities or other benefits, perquisites, or income resulting from outside activities or from any other sources.

5.1.4 If found in violation of NCAA regulations, Coach shall, in addition to the provisions of Section 5.1, be subject to disciplinary or corrective action as set forth in the provisions of the NCAA enforcement procedures, including suspension without pay or termination of employment for significant or repetitive violations. This section applies to violations occurring at the University or at previous institutions at which the Coach was employed.

5.2 Termination of Coach for Convenience of University.

5.2.1 At any time after commencement of this Agreement, University, for its own convenience, may terminate this Agreement by giving ten (10) days prior written notice to Coach.

5.2.2 In the event that University terminates this Agreement for its own convenience, University shall pay to Coach, the salary set forth in section 3.1.1(a), excluding all deductions required by law, on the regular paydays of University until the term of this Agreement ends or until Coach obtains reasonably comparable employment, whichever occurs first, provided however, in the event Coach obtains lesser employment after such termination, then the amount of compensation the University pays will be adjusted and reduced by the amount of compensation paid Coach as a result of such lesser employment, such adjusted compensation to be calculated for each University pay-period by reducing the gross salary set forth in section 3.1.1(a) (before deductions required by law) by the gross compensation paid to Coach under the lesser employment, then subtracting from this adjusted gross compensation deductions according to law. In addition, Coach will be entitled to continue his health insurance plan and group life insurance as if he remained a University employee until the term of this Agreement ends or until Coach obtains reasonably comparable employment or any other employment providing Coach with a reasonably comparable health plan and group life insurance, whichever occurs first. Coach shall be entitled to no other compensation or fringe benefits, except as otherwise provided herein or required by law. Coach specifically agrees to inform University within ten business days of obtaining other employment and to advise University of all relevant terms of such employment, including without limitation the nature and location of the employment, salary, other compensation, health insurance benefits, life insurance benefits, and other fringe benefits. Failure to so inform and advise University shall constitute a material breach of this Agreement and University's obligation to pay compensation under this provision shall end. Coach further agrees to repay to University all compensation paid to him by University after the date he obtains other employment, to which he is not entitled under this provision.

5.2.3 University has been represented by legal counsel, and coach has either been represented by legal counsel or has chosen to proceed without legal counsel in the contract negotiations. The parties have bargained for and agreed to the foregoing provision, giving consideration to the fact that the Coach may lose certain benefits, supplemental compensation, or outside compensation relating to his employment with University that are extremely difficult to determine with certainty. The parties further agree that the payment of such compensation by University and the acceptance thereof by Coach shall constitute adequate and reasonable compensation to Coach. Such compensation is not, and shall not be construed to be, a penalty.

5.3 Termination by Coach for Convenience.

5.3.1 The Coach recognizes that his promise to work for University for the entire term of this Agreement is of the essence of this Agreement. The Coach also recognizes that the University is making a highly valuable investment in his employment by entering into this Agreement and that its investment would be lost were he to resign or otherwise terminate his employment with the University before the end of the contract term.

5.3.2 The Coach, for his own convenience, may terminate this Agreement during its term by giving prior written notice to the University. Termination shall be effective ten (10) days after notice is given to the University.

5.3.3 5.3.3 If the Coach terminates this Agreement for convenience at any time, all obligations of the University shall cease as of the effective date of the termination. If the Coach terminates this Agreement for his convenience he shall pay to the University, as liquidated damages and not a penalty, for the breach of this Agreement the following sum: (a) if the Agreement is terminated with greater than two years on the contract; the sum of $75,000.00; (b) if the Agreement is terminated with greater than one (1) year and less than two (2) years remaining on the contract; the sum of $50,000.00; (c) In the event that less than one (1) year remains on the contract, the sum of zero. The liquidated damages shall be due and payable within twenty (20) days of the effective date of the termination, and any unpaid amount shall bear simple interest at a rate eight (8) percent per annum until paid.

5.3.4 University has been represented by legal counsel, and Coach has either been represented by legal counsel or has chosen to proceed without legal counsel in the contract negotiations. The parties have bargained for and agreed to the foregoing provision, giving consideration to the fact that the University will incur administrative and recruiting costs in obtaining a replacement for Coach, in addition to potentially increased compensation costs if Coach terminates this Agreement for convenience that are extremely difficult to determine with certainty. The parties further agree that the payment of such sums by Coach and the acceptance thereof by University shall constitute adequate and reasonable compensation to University. Such payments are not, and shall not be construed to be, a penalty. This section 5.3.4 shall not apply if Coach terminates this Agreement because of a material breach by the University.

5.3.5 Except as provided elsewhere in this Agreement, if Coach terminates this Agreement for convenience, he shall forfeit his right to receive all supplemental compensation and other payments unpaid as of the date Coach gives notice of termination, unless Coach’s right to receive those payments has vested pursuant to the terms of this Agreement.

5.4 Termination due to Disability or Death of Coach.

5.4.1 Notwithstanding any other provision of this Agreement, this Agreement shall terminate automatically if Coach becomes totally or permanently disabled as defined by the University's disability insurance carrier, becomes unable to perform the essential functions of the position of head coach, or dies.

5.4.2 If this Agreement is terminated because of Coach's death, Coach's salary and all other benefits shall terminate as of the last day worked, except that the Coach's personal representative or other designated beneficiary shall be paid all compensation due or unpaid and death benefits, if any, as may be contained in any fringe benefit plan now in force or hereafter adopted by the University and due to the Coach's estate or beneficiaries thereunder.

5.4.3 If this Agreement is terminated because the Coach becomes totally or permanently disabled as defined by the University's disability insurance carrier, or becomes unable to perform the essential functions of the position of head coach, all salary and other benefits shall terminate, except that the Coach shall be entitled to receive any compensation due or unpaid and any disability-related benefits to which he is entitled by virtue of employment with the University.

5.5 Interference by Coach. In the event of termination, suspension, or reassignment, Coach agrees that Coach will not interfere with the University’s student-athletes or otherwise obstruct the University’s ability to transact business or operate its intercollegiate athletics program.

5.6 No Liability. The University shall not be liable to Coach for the loss of any collateral business opportunities or any other benefits, perquisites or income from any sources that may ensue as a result of any termination of this Agreement by either party or due to death or disability or the suspension or reassignment of Coach, regardless of the circumstances.

5.7 Waiver of Rights. Because the Coach is receiving a multi-year contract and the opportunity to receive supplemental compensation and because such contracts and opportunities are not customarily afforded to University employees, if the University suspends or reassigns Coach, or terminates this Agreement for good or adequate cause or for convenience, Coach shall have all the rights provided for in this Agreement but hereby releases the University from compliance with the notice, appeal, and similar employment-related rights provide for in the State Board of Education and Board of Regents of the University of Idaho Rule Manual (IDAPA 08) and Governing Policies and Procedures Manual, and the University Faculty-Staff Handbook.

ARTICLE 6

6.1 Board Approval. This Agreement shall not be effective until and unless approved by the University's Board of Regents and executed by both parties as set forth below. In addition, the payment of any compensation pursuant to this Agreement shall be subject to the approval of the University's Board of Regents, the President, and the Director; the sufficiency of legislative appropriations; the receipt of sufficient funds in the account from which such compensation is paid; and the Board of Regents and University's rules regarding financial exigency.

6.2 University Property. All personal property (excluding vehicle(s) provided through the Vandal Wheels program), material, and articles of information, including, without limitation, keys, credit cards, personnel records, recruiting records, team information, films, statistics or any other personal property, material, or data, furnished to Coach by the University or developed by Coach on behalf of the University or at the University's direction or for the University's use or otherwise in connection with Coach's employment hereunder are and shall remain the sole property of the University. Within twenty-four (24) hours of the expiration of the term of this Agreement or its earlier termination as provided herein, Coach shall immediately cause any such personal property, materials, and articles of information in Coach's possession or control to be delivered to the Director.

6.3 Assignment. Neither party may assign its rights or delegate its obligations under this Agreement without the prior written consent of the other party.

6.4 Waiver. No waiver of any default in the performance of this Agreement shall be effective unless in writing and signed by the waiving party. The waiver of a particular breach in the performance of this Agreement shall not constitute a waiver of any other or subsequent breach. The resort to a particular remedy upon a breach shall not constitute a waiver of any other available remedies.

6.5 Severability. If any provision of this Agreement is determined to be invalid or unenforceable, the remainder of the Agreement shall not be affected and shall remain in effect.

6.6 Governing Law. This Agreement shall be subject to and construed in accordance with the laws of the state of Idaho as an agreement to be performed in Idaho. Any action based in whole or in part on this Agreement shall be brought in the courts of the state of Idaho.

6.7 Oral Promises. Oral promises of an increase in annual salary or of any supplemental or other compensation shall not be binding upon the University.

6.8 Force Majeure. Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, inability to obtain labor or materials or reasonable substitutes therefore, governmental restrictions, governmental regulations, governmental controls, enemy or hostile governmental action, civil commotion, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform (including financial inability), shall excuse the performance by such party for a period equal to any such prevention, delay or stoppage.

6.9 Confidentiality. The Coach hereby consents and agrees that this document may be released and made available to the public after it is signed by the Coach. The Coach further agrees that all documents and reports he is required to produce under this Agreement may be released and made available to the public at the University's sole discretion.

6.10 Notices. Any notice under this Agreement shall be in writing and be delivered in person or by public or private courier service (including U.S. Postal Service Express Mail) or certified mail with return receipt requested or by facsimile. All notices shall be addressed to the parties at the following addresses or at such other addresses as the parties may from time to time direct in writing:

the University: Director of Athletics
University of Idaho
P.O. Box 442302
Moscow, Idaho 83844-2302

with a copy to: President
University of Idaho
P.O. Box 443151
Moscow, ID 83844-3151

the Coach: Jon Newlee
Last known address on file with
University's Human Resource Services

Any notice shall be deemed to have been given on the earlier of: (a) actual delivery or refusal to accept delivery, (b) the date of mailing by certified mail, or (c) the day facsimile delivery is verified. Actual notice, however and from whomever received, shall always be effective.

6.11 Headings. The headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation hereof.

6.12 Binding Effect. This Agreement is for the benefit only of the parties hereto and shall inure to the benefit of and bind the parties and their respective heirs, legal representatives, successors and assigns.

6.13 Non-Use of Names and Trademarks. The Coach shall not, without the University's prior written consent in each case, use any name, trade name, trademark, or other designation of the University (including contraction, abbreviation or simulation), except in the course and scope of his official University duties.

6.14 No Third Party Beneficiaries. There are no intended or unintended third party beneficiaries to this Agreement.

6.15 Entire Agreement; Amendments. This Agreement constitutes the entire agreement of the parties and supersedes all prior agreements and understandings with respect to the same subject matter. No amendment or modification of this Agreement shall be effective unless in writing, signed by both parties, and approved by University's Board of Regents.

6.16 Opportunity to Consult with Attorney. The Coach acknowledges that he has had the opportunity to consult and review this Agreement with an attorney. Accordingly, in all cases, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any party.

UNIVERSITY		**COACH**	
______________________________		______________________	
Don Burnett, Interim President	Date	Jon Newlee	Date

Approved by the Board of Regents on the ____day of ________, 2013.

~~**(MODEL ATHLETICS CONTRACT)**~~

EMPLOYMENT AGREEMENT

This Employment Agreement (Agreement) is entered into by and between ~~____________________~~ ~~(~~the University ~~(College)~~of Idaho (University), and ~~____________________~~Jon Newlee (Coach).

ARTICLE 1

1.1. Employment. Subject to the terms and conditions of this Agreement, the University ~~(College)~~ shall employ Coach as the head coach of its intercollegiate ~~(Sport)~~ women's basketball team ~~(Team)~~. Coach represents and warrants that Coach is fully qualified to serve, and is available for employment, in this capacity.

1.2. Reporting Relationship. Coach shall report and be responsible directly to the University ~~(College)~~'s Director of Athletics (Director) or the Director's designee. Coach shall abide by the reasonable instructions of Director or the Director's designee and shall confer with the Director or the Director's designee on all administrative and technical matters. Coach shall also be under the general supervision of the University ~~(College)~~'s President (President).

1.3. Duties. Coach shall manage and supervise the Team and shall perform such other duties in the University ~~(College)~~'s athletic program as the Director may assign and as may be described elsewhere in this Agreement. The University ~~(College)~~ shall have the right, at any time, to reassign Coach to duties at the University ~~(College)~~ other than as head coach of the Team, provided that Coach's compensation and benefits shall not be affected by any such reassignment, except that the opportunity to earn supplemental compensation as provided in sections 3.2.1 through ~~(Depending on supplemental pay provisions used)~~ 3.2.12 shall cease.

ARTICLE 2

2.1. Term. This Agreement is for a fixed-term appointment of ~~______ (___)~~3 years~~,~~ commencing on ~~__________~~date of the last signature hereto, and terminating, without further notice to Coach, on ~~__________~~June 30, 2016, unless extended (in section 2.3 only) or unless sooner terminated in accordance with other provisions of this Agreement.

2.2. Extension or Renewal. This Agreement is renewable solely upon an offer from the University ~~(College)~~ and an acceptance by Coach, both of which must be in writing and signed by the parties. Any renewal is subject to the prior approval of University ~~(College)~~'s Board of ~~(~~Regents ~~or Trustees)~~. This Agreement in no way grants to Coach a claim to tenure in employment, nor shall Coach's service pursuant to this agreement count in any way toward tenure at the University ~~(College)~~.

2.3 Extensions to Initial Term. The term of this Agreement will be automatically extended by one (1) additional year commencing on July 1, and concluding on June 30, for each season in which the Team earns at least fifteen (15) wins versus Division I classified institutions or advances to the NCAA Tournament.

ARTICLE 3

3.1 Regular Compensation.

3.1.1 In consideration of Coach's services and satisfactory performance of this Agreement, the University ~~(College)~~ shall provide to Coach:

a) An annual salary of $~~__________~~92,483.20 per year~~,~~ payable in biweekly installments in accordance with normal University ~~(College)~~ procedures, ~~and such salary increases as may be determined appropriate by the Director and President and approved by the University (College)'s Board of _(Regents or Trustees)_____~~ ~~;~~such amount will increase by (4%) on July 1 of each year of the Agreement. The above salary amount is payable in biweekly installments in accordance with normal University procedures. Any salary increases are expressly contingent upon the following: (1) academic achievement and behavior of Team members, as described in Paragraph 3.2.4 of this Agreement; (2) appropriate behavior by, and supervision of, all assistant coaches, as determined by the Director; (3) compliance with the University's financial stewardship policies as set forth in University's Administrative Procedures Manual Chapter 25; and (4) approval by the President, in the President's sole discretion.

b) The opportunity to receive such employee benefits as the University ~~(College)~~ provides generally to non-faculty exempt employees; and

c) The opportunity to receive such employee benefits as the University~~ (College)~~'s Department of Athletics (Department) provides generally to its employees of a comparable level. Coach hereby agrees to abide by the terms and conditions, as now existing or hereafter amended, of such employee benefits.

3.2 Supplemental Compensation

3.2.1. Each year the Team is the conference champion or co-champion ~~and also~~or becomes eligible for ~~a (bowl game~~the NCAA tournament pursuant to NCAA Division I guidelines~~ or post-season tournament or post-season playoffs)~~, and if Coach continues to be employed as University~~ (College)~~'s head ~~(Sport)~~ women's basketball coach as of the ensuing July 1st, the University ~~(College)~~ shall pay to Coach supplemental compensation in an amount equal to ~~(amount or computation)~~ one-thirteenth (1/13) of Coach's Annual Salary during the fiscal year in which the championship ~~and (bowl or other post-season)~~ or NCAA tournament eligibility are achieved. The University ~~(College)~~ shall determine the appropriate manner in which it shall pay Coach any such supplemental compensation.

3.2.2 Each year the Team is ranked in the top 25 in ~~the (~~any published national ~~rankings, such as~~ final ~~ESPN/USA Today coaches~~ poll of ~~Division IA football~~intercollegiate women's basketball teams~~)~~, and if Coach continues to be employed as University~~ (College)~~'s head ~~(Sport)~~ women's basketball coach as of the ensuing July 1st, the University ~~(College)~~ shall pay Coach supplemental compensation in an amount equal to ~~(amount or computation)~~ one-thirteenth (1/13) of Coach~~'~~'s Annual Salary in effect on the date of the final poll. The University ~~(College)~~ shall determine the appropriate manner in which it shall pay Coach any such supplemental compensation.

3.2.3 Each year Coach is named Conference Coach of the Year, and if Coach continues to be employed as University's head women's basketball coach as of the ensuing July 1st, Coach shall receive supplemental compensation of $2,000. The University shall determine the appropriate manner in which it shall pay Coach any such supplemental compensation.

3.2.4 Coach shall be eligible to receive supplemental compensation ~~in an amount up to (amount or computation)~~ each year based on the academic achievement and behavior of Team members. ~~The determination of whether Coach will~~If the Team's annual APR exceeds 960, and if Coach continues to be employed as University's head basketball coach as of the ensuing July 1st, Coach shall receive ~~such~~ supplemental compensation ~~and the timing of the payment(s) shall be at the discretion of the President in consultation with the Director. The determination shall be based on the following factors: grade point averages; difficulty of major course of study; honors such as scholarships, designation as Academic All-American, and conference academic recognition; progress toward graduation for all athletes, but particularly those who entered the University (College) as academically at-risk students; the conduct of Team members on the University (College) campus, at authorized University (College) activities, in the community, and elsewhere.~~of $1,500. Any such supplemental compensation paid to Coach shall be accompanied with a ~~detailed~~ justification for the supplemental compensation based on the factors listed above, and such justification shall be separately reported to the Board of ~~(~~Regents ~~or Trustees)~~ as a document available to the public under the Idaho Public Records Act.

~~3.2.4 Each year Coach shall be eligible to receive supplemental compensation in an amount up to __(amount or computation)_____ based on the overall development of the intercollegiate (men's/women's) _(Sport)__ program; ticket sales; fundraising; outreach by Coach to various constituency groups, including University (College) students, staff, faculty, alumni and boosters; and any other factors the President wishes to consider. The determination of whether Coach will receive such supplemental compensation and the timing of the payment(s) shall be at the discretion of the President in consultation with the Director.~~

3.2.5 The Coach shall receive the sum of ~~_(amount or computation)~~ $18,000 from the University ~~(College)~~ or the University ~~(College)~~'s designated media outlet(s) or a combination thereof each year during the term of this Agreement in compensation for participation in media programs and public appearances (Programs). ~~Coach'~~Each year, one-half of this sum shall be paid prior to the first regular season women's basketball game, and one-half shall be paid no later than two weeks after the last regular season women's basketball game or post season game, whichever occurs later. Coach's right to receive the second half of such ~~a~~ payment shall vest on the date of the Team~~'~~'s last regular season or post-season competition, whichever occurs later~~. This sum shall be paid (terms or conditions of payment)______ .~~, and contingent upon Coach's continued employment as of that date. Coach's right to receive any such media payment under this Paragraph is expressly contingent on Coach's compliance with University's financial stewardship policies as set forth in University's Administrative Procedures Manual Chapter 25. Agreements requiring the Coach to participate in Programs related to his duties as an employee of University ~~(College)~~ are the property of the University ~~(College)~~. The University ~~(College)~~ shall have the exclusive right to negotiate and contract with all producers of media productions and all parties desiring public appearances by the Coach. Coach agrees to cooperate with the University ~~(College)~~ in order for the Programs to be successful and agrees to provide his services to and perform on the Programs and to cooperate in their production, broadcasting, and telecasting. It is understood that neither Coach nor any assistant coaches shall appear without the prior written approval of the Director on any competing radio or television program (including but not limited to a coach's show, call-in show, or interview show) or a regularly scheduled news segment, except that this prohibition shall not apply to routine news media interviews for which no compensation is received. Without the prior written approval of the Director, Coach shall not appear in any commercial endorsements ~~which~~that are broadcast on radio or television and that conflict with those broadcast on the University ~~(College)~~'s designated media outlets.

3.2.6 ~~**(SUMMER CAMP—OPERATED BY UNIVERSITY (COLLEGE))**~~If Coach continues to be employed as University's head women's basketball coach as of the ensuing July 1st, Coach shall receive supplemental compensation of $3,000 for 14 victories; an additional $3,000 for 17 victories; and an additional $3,000 for 20 victories. The victories will include contests in both non-conference and conference competition. The University shall determine the appropriate manner in which it shall pay Coach any such supplemental compensation.

3.2.7 Each year gate receipts for women's basketball exceed $15,000, and if Coach continues to be employed as University's head women's basketball coach as of the ensuing July 1st, Coach shall receive supplemental compensation of 25% of the gate receipts that exceed $15,000. The University shall determine the appropriate manner in which it shall pay Coach any such supplemental compensation.

3.2.8 Each year the Team progresses to the Round of 16 in the NCAA tournament the Coach shall receive supplemental compensation of $5,000. The University shall determine the appropriate manner in which it shall pay Coach any such supplemental compensation.

3.2.9 Each year the Team receives an invitation to participate and plays in the post season WNIT the Coach shall receive supplemental compensation of $3,500. The University shall determine the appropriate manner in which it shall pay Coach any such supplemental compensation.

3.2.10 Each year the Team receives an invitation to participate and plays in the WBI the Coach shall receive supplemental compensation of $1,000. The University shall determine the appropriate manner in which it shall pay Coach any such supplemental compensation.

3.2.11 Non-Conference Basketball Net Game Guarantee:

a. Each year Coach continues to be employed as University's head coach of its intercollegiate women's basketball team as of the ensuing May 1st following the end of the competitive season, the University shall pay to Coach supplemental compensation equal to a Net Game Guarantee (as defined in paragraph b below). Such supplemental compensation will be paid to Coach prior to the end of the current fiscal year in an appropriate manner as determined by the University.

b. The Net Game Guarantee will be calculated as follows: From the gross revenue paid to the University by all non-conference opponents during the regular competitive season, the University will deduct a base amount of $10,000, and will further deduct any game guarantees (including travel, hotel or other support provided to an opponent) paid out to non-conference opponents during the same regular competitive season. The remaining balance shall be the Game Guarantee paid to the Coach.

c. Following the 2013-14 season basketball season, Coach shall schedule at least one non-conference game each regular competitive season, in consultation with the Director of Athletics, that will generate net revenue to the University of a minimum of $10,000. Additional Game

Guarantee (Money) Games may be scheduled subject to the following:

i. The total number of guarantee games is limited to two unless approved in advance by the Director of Athletics.

3.2.12 Coach agrees that the University ~~(College)~~ has the exclusive right to operate youth ~~(Sport)~~ basketball camps on its campus using University ~~(College)~~ facilities. The University ~~(College)~~ shall allow Coach the opportunity to earn supplemental compensation by assisting with the University ~~(College)~~'s camps in Coach's capacity as a University ~~(College)~~ employee. Coach hereby agrees to assist in the marketing, supervision, and general administration of the University ~~(College)'s football~~'s youth basketball camps. Coach also agrees that Coach will perform all obligations mutually agreed upon by the parties. In exchange for Coach's participation in the University ~~(College)'s summer football~~'s youth basketball camps, the University ~~(College) shall pay Coach _(amount)__ per year as supplemental compensation during each year of his employment as head _(Sport)_ coach at the University (College). This amount shall be paid __(terms of payment)_____~~ shall pay Coach the remaining income from the youth basketball camps, less $500, after all claims, insurance, and expenses of such camps have been paid.

~~(SUMMER CAMP—OPERATED BY COACH) Coach may~~Alternatively, in the event the University notifies Coach, in writing that it does not intend to operate youth basketball camps for a particular period of time during the term of this Agreement, then, during such time period, Coach shall be permitted to operate ~~a summer~~ youth ~~_(Sport)__ camp at~~basketball camps on the University ~~(College)~~'s campus and using its facilities under the following terms and conditions:

:

a) The summer youth camp operation reflects positively on the University ~~(College)~~of Idaho and the Department;

b) The summer youth camp is operated by Coach directly or through a private enterprise owned and managed by Coach. The Coach shall not use University ~~(College)~~of Idaho personnel, equipment, or facilities without the prior written approval of the Director;

c) Assistant coaches at the University ~~(College)~~of Idaho are given priority when the Coach or the private enterprise selects coaches to participate;

d) The Coach complies with all NCAA ~~(NAIA)~~, Conference, and University ~~(College)~~of Idaho rules and regulations related, directly or indirectly, to the operation of summer youth camps;

e) The Coach or the private enterprise enters into a contract with University ~~(College) and ____________ (campus concessionaire)~~of Idaho and Sodexho for all campus goods and services required by the camp.

f) The Coach or private enterprise pays for use of University ~~(College)~~of Idaho facilities~~ including the ____________~~.

g) Within thirty days of the last day of the summer youth camp(s), Coach shall submit to the Director a preliminary "Camp Summary Sheet" containing financial and other information related to the operation of the camp. Within ninety days of the last day of the summer youth camp(s), Coach shall submit to Director a final accounting and "Camp Summary Sheet." A copy of the "Camp Summary Sheet" is attached to this Agreement as ~~an exhibit~~Exhibit A.

h) The Coach or the private enterprise shall provide proof of liability insurance as follows: (1) liability coverage: spectator and staff--$1 million; (2) catastrophic coverage: camper and staff--$1 million maximum coverage with $100 deductible~~;~~.

i) To the extent permitted by law, the Coach or the private enterprise shall defend and indemnify the University ~~(College)~~of Idaho against any claims, damages, or liabilities arising out of the operation of the summer youth camp(s).

j) All employees of the summer youth camp(s) shall be employees of the Coach or the private enterprise and not the University ~~(College)~~of Idaho while engaged in camp activities. The Coach and all other University ~~(College)~~of Idaho employees involved in the operation of the camp(s) shall be on annual leave status or leave without pay during the days the camp is in operation. The Coach or private enterprise shall provide workers' compensation insurance in accordance with Idaho law and comply in all respects with all federal and state wage and hour laws.

In the event of termination of this Agreement, suspension, or reassignment, University ~~(College)~~of Idaho shall not be under any obligation to permit a summer youth camp to be held by the Coach after the effective date of such termination, suspension, or reassignment, and the University ~~(College)~~of Idaho shall be released from all obligations relating thereto.

~~3.2.7~~3.2.13 Coach agrees that the University ~~(College)~~ has the exclusive right to select footwear, apparel and/or equipment for the use of its student-athletes and staff, including Coach, during official practices and games and during times when Coach or the Team is being filmed by motion picture or video camera or posing for photographs in their capacity as representatives of University ~~(College)~~. Coach recognizes that the University ~~(College)~~ is negotiating or has entered into an agreement with ~~(Company Name)~~ Nike to supply the University ~~(College)~~ with athletic footwear, apparel and/or equipment. Coach agrees that, upon the University ~~(College)~~'s reasonable request, Coach will consult with appropriate parties concerning ~~an (Company Name) product's~~Nike products design or performance, shall act as an instructor at a clinic sponsored in whole or in part by ~~(Company Name)~~ Nike, or give a lecture at an event sponsored in whole or in part by ~~(Company Name)~~ Nike, or make other educationally-related appearances as may be reasonably requested by the University ~~(College)~~. Notwithstanding the foregoing sentence, Coach shall retain the right to decline such appearances as Coach reasonably determines to conflict with or hinder his duties and obligations as head ~~(Sport)~~ women's basketball coach. In order to avoid entering into an agreement with a competitor of ~~(Company Name)~~ Nike, Coach shall submit all outside consulting agreements to the University ~~(College)~~ for review and approval prior to execution. Coach shall also report such outside income to the University ~~(College)~~ in accordance with NCAA ~~(or NAIA)~~ rules. Coach further agrees that Coach will not endorse any athletic footwear, apparel and/or equipment products, including ~~(Company Name)~~Nike, and will not participate in any messages or promotional appearances ~~which~~ that contain a comparative or qualitative description of athletic footwear, apparel or equipment products.

3.3 General Conditions of Compensation. All compensation provided by the University ~~(College)~~ to Coach is subject to deductions and withholdings as required by law or the terms and conditions of any fringe benefit in which Coach participates. However, if any fringe benefit is based in whole or in part upon the compensation provided by the University ~~(College)~~ to Coach, such fringe benefit shall be based only on the compensation provided pursuant to section 3.1.1, except to the extent required by the terms and conditions of a specific fringe benefit program.

ARTICLE 4

4.1. Coach's Specific Duties and Responsibilities. In consideration of the compensation specified in this Agreement, Coach, in addition to the obligations set forth elsewhere in this Agreement, shall:

4.1.1. Devote Coach's full time and best efforts to the performance of Coach's duties under this Agreement;

4.1.2. Develop and implement programs and procedures with respect to the evaluation, recruitment, training, and coaching of Team members ~~which~~ that enable them to compete successfully and reasonably protect their health, safety, and well-being;

4.1.3. Observe and uphold all academic standards, requirements, and policies of the University ~~(College)~~ and encourage Team members to perform to their highest academic potential and to graduate in a timely manner; and

4.1.4. Know, recognize, and comply with all applicable laws and the policies, rules and regulations of the University ~~(College)~~, the University ~~(College)~~'s governing board, the conference, and the NCAA ~~(or NAIA)~~; supervise and take appropriate steps to ensure that Coach's assistant coaches, any other employees for whom Coach is administratively responsible, and the members of the Team know, recognize, and comply with all such laws, policies, rules and regulations; and immediately report to the Director and to the Department's Director of Compliance if Coach has reasonable cause to believe that any person or entity, including without limitation representatives of the University ~~(College)~~'s athletic interests, has violated or is likely to violate any such laws, policies, rules or regulations. Coach shall cooperate fully with the University ~~(College)~~ and Department at all times. The names or titles of employees whom Coach supervises are attached as **Exhibit ~~C~~B**. The applicable laws, policies, rules, and regulations include: (a) State Board of Education and Board of Regents of the University of Idaho Governing Policies and Procedures and Rule Manual; (b) University ~~(College)~~'s Faculty-Staff Handbook; (c) University ~~(College)~~'s Administrative Procedures Manual; (d) the policies of the Department; (e) NCAA ~~(or NAIA)~~ rules and regulations; and (f) the rules and regulations of the ~~(Sport)~~ women's basketball conference of which the University ~~(College)~~ is a member.

4.2 Outside Activities. Coach shall not undertake any business, professional or personal activities, or pursuits that would prevent Coach from devoting Coach's full time and best efforts to the performance of Coach's duties under this Agreement, that would otherwise detract from those duties in any manner, or that, in the opinion of the University ~~(College)~~, would reflect adversely upon the University ~~(College)~~ or its athletic program. Subject to the terms and conditions of this Agreement, Coach may, with the prior written approval of the Director, who may consult with the President, enter into separate arrangements for outside activities and endorsements ~~which~~ that are consistent with Coach's obligations under this Agreement. Coach may not use the University ~~(College)~~'s name, logos, or trademarks in connection with any such arrangements without the prior written approval of the Director and the President.

4.3 NCAA ~~(or NAIA)~~ Rules. In accordance with NCAA ~~(or NAIA)~~ rules, Coach shall obtain prior written approval from the University ~~(College)~~'s President for all athletically related income and benefits from sources outside the University ~~(College)~~ and shall ~~report~~provide a written detailed account of the source and amount of all such income and benefits to the University ~~(College)~~'s President whenever reasonably requested, but in no event less than annually before the close of business on June 30th of each year or the last regular University ~~(College)~~ work day preceding June 30th. The report shall be in a format reasonably satisfactory to University ~~(College)~~. Sources of such income 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.

In no event shall Coach accept or receive directly or indirectly any monies, benefits, or gratuities whatsoever from any person, association, corporation, University ~~(College)~~ booster club, University ~~(College)~~ alumni association, University ~~(College)~~ foundation, or other benefactor, if the acceptance or receipt of the monies, benefits, or gratuities would violate applicable law or the policies, rules, and regulations of the University ~~(College)~~, the University ~~(College)~~'s governing board, the conference, or the NCAA ~~(or NAIA)~~.

4.4 Hiring Authority. Coach shall have the responsibility and the sole authority to recommend to the Director the hiring and termination of assistant coaches for the Team, but the decision to hire or terminate an assistant coach shall be made by the Director and shall, when necessary or appropriate, be subject to the approval of the President and the University ~~(College)~~'s Board of ~~(Trustees or~~ Regents~~)~~.

4.5 Scheduling. Coach shall consult with, and may make recommendations to, the Director or the Director's designee with respect to the scheduling of Team competitions, but the final decision shall be made by the Director or the Director's designee.

~~4.7~~4.6 Other Coaching Opportunities. Coach shall not, under any circumstances, interview for, negotiate for, or accept employment as a coach at any other institution of higher education or with any professional sports team, requiring performance of duties prior to the expiration of this Agreement, without the prior approval of the Director. Such approval shall not be unreasonably ~~be~~ withheld.

ARTICLE 5

5.1 Termination of Coach for Cause. The University ~~(College)~~ may, in its discretion, suspend Coach from some or all of Coach's duties, temporarily or permanently, and with or without pay; reassign Coach to other duties; or terminate this Agreement at any time for good or adequate cause, as those terms are defined in applicable rules and regulations.

5.1.1 In addition to the definitions contained in applicable rules and regulations, University ~~(College)~~ and Coach hereby specifically agree that the following shall constitute good or adequate cause for suspension, reassignment, or termination of this Agreement:

a) A deliberate or major violation of Coach's duties under this agreement or the refusal or unwillingness of Coach to perform such duties in good faith and to the best of Coach's abilities;

b) The failure of Coach to remedy any violation of any of the terms of this agreement within 30 days after written notice from the University ~~(College)~~;

c) A deliberate or major violation by Coach of any applicable law or the policies, rules or regulations of the University ~~(College)~~, the University ~~(College)~~'s governing board, the conference or the NCAA ~~(NAIA)~~, including but not limited to any such violation ~~which~~ that may have occurred during the employment of Coach at another NCAA or NAIA member institution;

d) Ten (10) working days' absence of Coach from duty without the University ~~(College)~~'s consent;

e) Any conduct of Coach that constitutes moral turpitude or that would, in the University ~~(College)~~'s judgment, reflect adversely on the University ~~(College)~~ or its athletic programs;

f) The failure of Coach to represent the University ~~(College)~~ and its athletic programs positively in public and private forums;

g) The failure of Coach to fully and promptly cooperate with the NCAA ~~(NAIA)~~ or the University ~~(College)~~ in any investigation of possible violations of any applicable law or the policies, rules or regulations of the University ~~(College)~~, the University ~~(College)~~'s governing board, the conference, or the NCAA ~~(NAIA)~~;

h) The failure of Coach to report a known violation of any applicable law or the policies, rules or regulations of the University ~~(College)~~, the University ~~(College)~~'s governing board, the conference, or the NCAA ~~(NAIA)~~, by one of Coach's assistant coaches, any other employees for whom Coach is administratively responsible, or a member of the Team; or

i) A violation of any applicable law or the policies, rules or regulations of the University ~~(College)~~, the University ~~(College)~~'s governing board, the conference, or the NCAA ~~(NAIA)~~, by one of Coach's assistant coaches, any other employees for whom Coach is administratively responsible, or a member of the Team if Coach knew or should have known of the violation and could have prevented it by ordinary supervision.

5.1.2 Suspension, reassignment, or termination for good or adequate cause shall be effectuated by the University ~~(College)~~ as follows: before the effective date of the suspension, reassignment, or termination, the Director or his designee shall provide Coach with notice, which notice shall be accomplished in the manner provided for in this Agreement and shall include the reason(s) for the contemplated action. Coach shall then have an opportunity to respond. After Coach responds or fails to respond, University ~~(College)~~ shall notify Coach whether, and if so when, the action will be effective.

5.1.3 In the event of any termination for good or adequate cause, the University ~~(College)~~'s obligation to provide compensation and benefits to Coach, whether direct, indirect, supplemental or collateral, shall cease as of the date of such termination, and the University ~~(College)~~ shall not be liable for the loss of any collateral business opportunities or other benefits, perquisites, or income resulting from outside activities or from any other sources.

5.1.4 If found in violation of NCAA ~~(NAIA)~~ regulations, Coach shall, in addition to the provisions of Section 5.1, be subject to disciplinary or corrective action as set forth in the provisions of the NCAA ~~(NAIA)~~ enforcement procedures, including suspension without pay or termination of employment for significant or repetitive violations. This section applies to violations occurring at the University ~~(College)~~ or at previous institutions at which the Coach was employed.

5.2 Termination of Coach for Convenience of University~~ (College)~~.

5.2.1 At any time after commencement of this Agreement, University~~ (College)~~, for its own convenience, may terminate this Agreement by giving ten (10) days prior written notice to Coach.

5.2.2 In the event that University~~ (College)~~ terminates this Agreement for its own convenience, University ~~(College) ~~shall ~~be obligated~~pay to ~~pay ~~Coach~~, as liquidated damages and not a penalty~~, the salary set forth in section 3.1.1(a), excluding all deductions required by law, on the regular paydays of University~~ (College)~~ until the term of this Agreement ends~~;~~ or until Coach obtains reasonably comparable employment, whichever occurs first, provided~~,~~ however, in the event Coach obtains ~~other~~lesser employment~~ of any kind or nature~~ after such termination, then the amount of compensation the University pays will be adjusted and reduced by the amount of compensation paid Coach as a result of such ~~other~~lesser employment, such adjusted compensation to be calculated for each University pay-period by reducing the gross salary set forth in section 3.1.1(a) (before deductions required by law) by the gross compensation paid to Coach under the ~~other~~lesser employment, then subtracting from this adjusted gross compensation ~~deduction~~deductions according to law. In addition, Coach will be entitled to continue his health insurance plan and group life insurance as if he remained a University~~ (College)~~ employee until the term of this Agreement ends or until Coach obtains reasonably comparable employment or any other employment providing Coach with a reasonably comparable health plan and group life insurance, whichever occurs first. Coach shall be entitled to no other compensation or fringe benefits, except as otherwise provided herein or required by law. Coach specifically agrees to inform University within ten business days of obtaining other employment~~,~~ and to advise University of all relevant terms of such employment, including without limitation the nature and location of the employment, salary, other compensation, health insurance benefits, life insurance benefits, and other fringe benefits. Failure to so inform and advise University shall constitute a material breach of this Agreement and University's obligation to pay compensation under this provision shall end. ~~Coach agrees not to accept employment for compensation at less than the fair value of Coach's services, as determined by all circumstances existing at the time of employment. ~~Coach further agrees to repay to University all compensation paid to him by University after the date he obtains other employment, to which he is not entitled under this provision.

5.2.3 ~~The parties have both~~University has been represented by legal counsel, and coach has either been represented by legal counsel or has chosen to proceed without legal counsel in the contract negotiations~~ and~~. The parties have bargained for and agreed to the foregoing~~ liquidated damages~~ provision, giving consideration to the fact that the Coach may lose certain benefits, supplemental compensation, or outside compensation relating to his employment with University ~~(College), which damages~~that are extremely difficult to determine with certainty. The parties further agree that the payment of such ~~liquidated damages~~compensation by University ~~(College)~~ and the acceptance thereof by Coach shall constitute adequate and reasonable compensation to Coach ~~for the damages and injury suffered by Coach because of such termination by University (College). The liquidated damages are~~ . Such compensation is not, and shall not be construed to be, a penalty.

5.3 Termination by Coach for Convenience.

5.3.1 The Coach recognizes that his promise to work for University ~~(College)~~ for the entire term of this Agreement is of the essence of this Agreement. The Coach also recognizes that the University ~~(College)~~ is making a highly valuable investment in his employment by entering into this Agreement and that its investment would be lost were he to resign or otherwise terminate his employment with the University ~~(College)~~ before the end of the contract term.

5.3.2 The Coach, for his own convenience, may terminate this Agreement during its term by giving prior written notice to the University ~~(College)~~. Termination shall be effective ten (10) days after notice is given to the University ~~(College)~~.

5.3.3 5.3.3 If the Coach terminates this Agreement for convenience at any time, all obligations of the University ~~(College)~~ shall cease as of the effective date of the termination. If the Coach terminates this Agreement for his convenience he shall pay to the University ~~(College)~~, as liquidated damages and not a penalty, ~~the following sum: ______________________~~ for the breach of this Agreement the following sum: (a) if the Agreement is terminated with greater than two years on the contract; the sum of $75,000.00; (b) if the Agreement is terminated with greater than one (1) year and less than two (2) years remaining on the contract; the sum of $50,000.00; (c) In the event that less than one (1) year remains on the contract, the sum of zero. The liquidated damages shall be due and payable within twenty (20) days of the effective date of the termination, and any unpaid amount shall bear simple interest at a rate eight (8) percent per annum until paid.

5.3.4 ~~The parties have both~~University has been represented by legal counsel, and Coach has either been represented by legal counsel or has chosen to proceed without legal counsel in the contract negotiations ~~and~~. The parties have bargained for and agreed to the foregoing ~~liquidated damages~~ provision, giving consideration to the fact that the University ~~(College)~~ will incur administrative and recruiting costs in obtaining a replacement for Coach, in addition to potentially increased compensation costs if Coach terminates this Agreement for convenience~~, which damages~~ that are extremely difficult to determine with certainty. The parties further agree that the payment of such ~~liquidated damages~~ sums by Coach and the acceptance thereof by University ~~(College)~~ shall constitute adequate and reasonable compensation to University ~~(College) for the damages and injury suffered by it because of such termination by Coach. The liquidated damages~~ . Such payments are not, and shall not be construed to be, a penalty. This section 5.3.4 shall not apply if Coach terminates this Agreement because of a material breach by the University~~ (College)~~.

5.3.5 Except as ~~provide~~provided elsewhere in this Agreement, if Coach terminates this Agreement for convenience, he shall forfeit~~ to the extent permitted by law~~ his right to receive all supplemental compensation and other payments unpaid as of the date Coach gives notice of termination, unless Coach's right to receive those payments has vested pursuant to the terms of this Agreement.

5.4 Termination due to Disability or Death of Coach.

5.4.1 Notwithstanding any other provision of this Agreement, this Agreement shall terminate automatically if Coach becomes totally or permanently disabled as defined by the University~~ (College)~~'s disability insurance carrier, becomes unable to perform the essential functions of the position of head coach, or dies.

5.4.2 If this Agreement is terminated because of Coach's death, Coach's salary and all other benefits shall terminate as of the last day worked, except that the Coach's personal representative or other designated beneficiary shall be paid all compensation due or unpaid and death benefits, if any, as may be contained in any fringe benefit plan now in force or hereafter adopted by the University ~~(College) ~~and due to the Coach's estate or beneficiaries thereunder.

5.4.3 If this Agreement is terminated because the Coach becomes totally or permanently disabled as defined by the University~~ (College)~~'s disability insurance carrier, or becomes unable to perform the essential functions of the position of head coach, all salary and other benefits shall terminate, except that the Coach shall be entitled to receive any compensation due or unpaid and any disability-related benefits to which he is entitled by virtue of employment with the University~~ (College)~~.

5.5 Interference by Coach. In the event of termination, suspension, or reassignment, Coach agrees that Coach will not interfere with the University~~ (College)~~'s student-athletes or otherwise obstruct the University~~ (College)~~'s ability to transact business or operate its intercollegiate athletics program.

~~5.7~~5.6 No Liability. The University~~ (College)~~ shall not be liable to Coach for the loss of any collateral business opportunities or any other benefits, perquisites or income from any sources that may ensue as a result of any termination of this Agreement by either party or due to death or disability or the suspension or reassignment of Coach, regardless of the circumstances.

~~5.8 ~~5.7 Waiver of Rights. Because the Coach is receiving a multi-year contract and the opportunity to receive supplemental compensation and because such contracts and opportunities are not customarily afforded to University~~ (College)~~ employees, if the University ~~(College)~~ suspends or reassigns Coach, or terminates this Agreement for good or adequate cause or for convenience, Coach shall have all the rights provided for in this Agreement but hereby releases the University ~~(College)~~ from compliance with the notice, appeal, and similar employment-related rights provide for in the State Board of Education and Board ~~or~~of Regents of the University of Idaho Rule Manual (IDAPA 08) and Governing Policies and Procedures Manual, and the University ~~(College)~~ Faculty-Staff Handbook.

ARTICLE 6

6.1 Board Approval. This Agreement shall not be effective until and unless approved ~~of~~by the University~~ (College)~~'s Board of ~~(~~Regents~~ or Trustees)~~ and executed by both parties as set forth below. In addition, the payment of any compensation pursuant to this ~~agreement~~Agreement shall be subject to the approval of the University~~ (College)~~'s Board of ~~(~~Regents~~ or Trustees)~~, the President, and the Director; the sufficiency of legislative appropriations; the receipt of sufficient funds in the account from which such compensation is paid; and the Board of ~~(~~Regents ~~or Trustees)~~ and University~~ (College)~~'s rules regarding financial exigency.

6.2 University~~ (College)~~ Property. All personal property (excluding vehicle(s) provided through the Vandal Wheels program), material, and articles of information, including, without limitation, keys, credit cards, personnel records, recruiting records, team information, films, statistics or any other personal property, material, or data, furnished to Coach by the University~~ (College)~~ or developed by Coach on behalf of the University ~~(College)~~ or at the University~~ (College)~~'s direction or for the University~~ (College)~~'s use or otherwise in connection with Coach's employment hereunder are and shall remain the sole property of the University~~ (College)~~. Within twenty-four (24) hours of the expiration of the term of this ~~agreement~~Agreement or its earlier termination as provided herein, Coach shall immediately cause any such personal property, materials, and articles of information in Coach's possession or control to be delivered to the Director.

6.3 Assignment. Neither party may assign its rights or delegate its obligations under this Agreement without the prior written consent of the other party.

6.4 Waiver. No waiver of any default in the performance of this Agreement shall be effective unless in writing and signed by the waiving party. The waiver of a particular breach in the performance of this Agreement shall not constitute a waiver of any other or subsequent breach. The resort to a particular remedy upon a breach shall not constitute a waiver of any other available remedies.

6.5 Severability. If any provision of this Agreement is determined to be invalid or unenforceable, the remainder of the Agreement shall not be affected and shall remain in effect.

6.6 Governing Law. This Agreement shall be subject to and construed in accordance with the laws of the state of Idaho as an agreement to be performed in Idaho.

Any action based in whole or in part on this Agreement shall be brought in the courts of the state of Idaho.

6.7 Oral Promises. Oral promises of an increase in annual salary or of any supplemental or other compensation shall not be binding upon the University~~ (College)~~.

6.8 Force Majeure. Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, inability to obtain labor or materials or reasonable substitutes ~~therefor~~therefore, governmental restrictions, governmental regulations, governmental controls, enemy or hostile governmental action, civil commotion, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform (including financial inability), shall excuse the performance by such party for a period equal to any such prevention, delay or stoppage.

6.9 Confidentiality. The Coach hereby consents and agrees that this document may be released and made available to the public after it is signed by the Coach. The Coach further agrees that all documents and reports he is required to produce under this Agreement may be released and made available to the public at the University~~ (College)~~'s sole discretion.

6.10 Notices. Any notice under this Agreement shall be in writing and be delivered in person or by public or private courier service (including U.S. Postal Service Express Mail) or certified mail with return receipt requested or by facsimile. All notices shall be addressed to the parties at the following addresses or at such other addresses as the parties may from time to time direct in writing:

the University~~ (College)~~: Director of Athletics
University of Idaho
P.O. Box 442302
Moscow, Idaho 83844-2302

with a copy to: President
University of Idaho
P.O. Box 443151
Moscow, ID 83844-3151

the Coach: Jon Newlee
Last known address on file with
University~~ (College)~~'s Human Resource Services

Any notice shall be deemed to have been given on the earlier of: (a) actual delivery or refusal to accept delivery, (b) the date of mailing by certified mail, or (c) the day facsimile delivery is verified. Actual notice, however and from whomever received, shall always be effective.

6.11 Headings. The headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation hereof.

6.12 Binding Effect. This Agreement is for the benefit only of the parties hereto and shall inure to the benefit of and bind the parties and their respective heirs, legal representatives, successors and assigns.

6.13 Non-Use of Names and Trademarks. The Coach shall not, without the University~~ (College)~~'s prior written consent in each case, use any name, trade name, trademark, or other designation of the University~~ (College)~~ (including contraction, abbreviation or simulation), except in the course and scope of his official University~~ (College)~~ duties.

6.14 No Third Party Beneficiaries. There are no intended or unintended third party beneficiaries to this Agreement.

6.15 Entire Agreement; Amendments. This Agreement constitutes the entire agreement of the parties and supersedes all prior agreements and understandings with respect to the same subject matter. No amendment or modification of this Agreement shall be effective unless in writing, signed by both parties, and approved by University~~ (College)~~'s Board of ~~(~~Regents~~ or Trustees)~~.

6.16 Opportunity to Consult with Attorney. The Coach acknowledges that he has had the opportunity to consult and review this Agreement with an attorney. Accordingly, in all cases, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any party.

UNIVERSITY~~ (COLLEGE)~~ **COACH**

__________________________________ _________________________

~~,~~Don Burnett, Interim President Date Jon Newlee Date ~~Date~~

Approved by the Board of ~~(~~Regents ~~or Trustees)~~ on the ____ day of _________, ~~2010.~~2013.

Idaho Women's Basketball 2008-2013
57-87 (.396)/42-38 WAC (.525) 2008-13
20-67 (.230)/11-37 WAC (.230) 2005-08

6-4 (.600) record in WAC Tournament
Top 4 in WAC 4 out of 5 years

2013 WAC Champions

Honorable mention All-American (1)
Yinka Olorunnife – 2010-11

Academic All-American (1)
Alyssa Charlston – 2011-12

WAC Coach of the Year (1)
Jon Newlee – 2008-09

WAC Newcomer of the Year (1)
Derisa Taleni – 2008-09

WAC Tournament MVP (1)
Stacey Barr - 2013

First-Team All-WAC (2)
Alyssa Charlston - 2011-12, 2012-13

Second-Team All-WAC (4)
Yinka Olorunnife – 2008-09, 2011-12
Derisa Taleni – 2008-09
Rachele Kloke – 2010-11

Third-Team All-WAC (1)
Stacey Barr - 2012-13

WAC All-Defensive Team (2)
Yinka Olorunnife 2008-09, 2010-11

WAC All-Freshman Team (3)
Shaena Kuehu – 2008-09
Krissy Karr – 2011-12
Christina Salvatore – 2012-13

WAC All-Tournament Team (5)
Yinka Olorunnife – 2010, 2011
Alyssa Charlston – 2012, 2013
Stacey Barr – 2013

WAC Player of the Week (6)
Yinka Olorunnife (2)
Derisa Taleni (1)
Rachele Kloke (1)
Alyssa Charlston (2)

Academic All-WAC
20 selections through 2011-12 season
(2012-13 not yet released)

Milestones

- First conference title since 1985
- First NCAA appearance since 1985
- Two postseason berths
  - 2013 NCAA Tournament
  - 2011 WBI

Individual Records

- Yinka Olorunnife 1,070 career rebounds (Idaho and WAC record)
- Yinka Olorunnife 329 rebounds in 2010-11 (Idaho single season record)
- Christina Salvatore 87 3-pointers made in 2012-13 (Idaho single season record)

Team Records

- 266 3-pointers made in 2012-13 (Idaho single season record)
- 15 3-pointers made on Jan. 5, 2013 (Idaho single game record)

Coaching Records
Jon Newlee is…

- 3rd at Idaho in conf. win pct. (.525)
- 4th at Idaho in career wins (68)
- 4th at Idaho in conf. wins (42)

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UNIVERSITY OF IDAHO

SUBJECT

Proposed procedures for University of Idaho staff classification system

APPLICABLE STATUTE, RULE, OR POLICY

Idaho State Board of Education Governing Policies & Procedures, Section II.D.1(b)

BACKGROUND/DISCUSSION

Idaho State Board of Education policy defining classified employees at the University of Idaho provides “Classified employees at the University of Idaho (UI) are subject to the policies and procedures of the University of Idaho for its classified employees. Such policies and procedures require approval by the Board, and should be, in so much as practical, parallel to the provisions provided for state of Idaho classified employees in Chapter 53, Title 67, Idaho Code.” (Idaho State Board of Education: Governing Policies and Procedures, Section: II.D1(b))

Regarding compensation of classified employees at the University of Idaho, Regents policy states further that “compensation for University of Idaho classified employees shall be in accordance with the policies of the University of Idaho and these policies.” (Idaho State Board of Education: Governing Policies and Procedures, Section: II.E.(2))

University classified employee compensation should parallel, to the extent practicable, the relevant sections of Idaho Code. Regents approval is necessary when substantial changes to University policies and procedures are proposed.

In late 2012, the University embarked on a classification study to update job descriptions and develop one classification system for both its classified and non-classified staff and gather market analysis data to compare University staff to the labor market and best measure the University’s internal equity position. The University engaged Sibson Consulting to help develop a classification system that would meet the needs of the University and work well with the breadth of positions within these two employee classifications. The drafted process and outcomes differ slightly from the Hay Point Factor classification system used by the state’s Division of Human Resources for classified positions (See Idaho Code § 67-5309B(1)), but still closely parallels Idaho Code, as discussed in more detail below.

The University of Idaho, with the help of Sibson Consulting, identified benchmarked jobs. Sibson matched these benchmarked jobs to comparable positions in the relevant labor markets. This matching and the relevant median salary data guided Sibson to assign benchmarked jobs to specific grades. It was also this median salary data that informed their recommendation to the University for the number of grades, the median salary in those grades, and the spread between the median salaries in each grade.

The next step had the UI Human Resources (HR) staff reviewed approximately 1,500 position description questionnaires submitted by University classified staff and their supervisors, and become familiar enough with each to be able to compare jobs using the job value factors (on the right side of Chart 1 below). HR then applied the job value factors to the non-benchmarked jobs and matched those jobs to the benchmarked positions.

This process ties the market to the classification system at the beginning instead of the end as is typically done in the Hay Point system.

The markets used for this staff study varied slightly by type of position. For classified staff positions, the University used regional market data covering Spokane, Coeur D'Alene, Moscow, Pullman and Boise.

The University of Idaho currently has classified employees in 11 different pay grades. The proposed system will have classified staff in nine pay grades. Both systems have a salary table that includes a minimum, midpoint and a maximum developed based on market data collected by Sibson's market analysis

Both the Hay Point Factor comparison methodology and Sibson Consulting's recommended Factor Comparison model evaluate jobs against a set of common factors that measure inputs, throughputs and outputs. In Hay methodology, points are assigned to an individual position based on these factors. The UI factor comparison model compares one position to others using very similar factors.

Chart 1: Comparison of Factors - Hay Points and the UI Factor Comparison System

Hay Point Factors	UI Factor Comparison System
Depth and breadth of specialized knowledge	Knowledge, skills and abilities
Managerial know-how	Knowledge, skills and abilities and managerial responsibilities
Human relations skills	Communication
Thinking environment/thinking challenge	Difficulty of tasks performed, thinking challenge, complexity and problem-solving
Freedom to act	Freedom to act/authority
Job impact on end results; Magnitude or scope	Scope - variety of work, breadth of responsibility; Consequences of an error
Working conditions	No direct comparison but incorporated under difficulty of tasks performed

IMPACT

The financial impact of the revised classification system will be approximately $180,000 added to base salaries to bring up to the minimum, both classified and non-classified staff members whose pay rates are below the minimum pay rates of the new pay ranges. These resources will be identified and reallocated internally.

The University of Idaho currently has approximately 1,180 individual titles (with about 1,560 employees) and classifications covering non-classified and classified staff. This many classifications are unmanageable and inconsistent. The revised system would bring that number of classifications down to about 270. This will help with compliance, administration, understandability, fairness and equity.

STAFF COMMENTS AND RECOMMENDATIONS

Staff recommends approval.

BOARD ACTION

I move to approve the request by the University of Idaho to implement the revised classification system for classified employees at the University of Idaho.

Moved by __________ Seconded by __________ Carried Yes _____ No _____

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