

**BUSINESS AFFAIRS AND HUMAN RESOURCES  
DECEMBER 21, 2017**

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| <b>TAB</b> | <b>DESCRIPTION</b>  | <b>ACTION</b>     |
|------------|---|-------------------|
| <b>1</b>   | <b>IDAHO STATE UNIVERSITY</b><br>Multi-Year Employment Agreement – Men’s Football<br>Head Coach             | Motion to Approve |
| <b>2</b>   | <b>UNIVERSITY OF IDAHO</b><br>Amendment to Multi-Year Employment Agreement –<br>Men’s Basketball Head Coach | Motion to Approve |

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**IDAHO STATE UNIVERSITY**

**SUBJECT**

Multi-year contract for Head Men's Football Coach

**APPLICABLE STATUTE, RULE, OR POLICY**

Idaho State Board of Education Governing Policies & Procedures, Section II.H.1 and II.F.2.

**BACKGROUND/DISCUSSION**

Idaho State University (ISU) wishes to extend a multi-year contract to Rob Phenicie as Head Men's Football Coach. Coach Phenicie assumed duties as the Head Men's Football Coach on March 31, 2017 upon the departure of former Head Men's Football Coach Michael Kramer. Coach Phenicie's ten-month contract terminates January 31, 2018. Material changes to the Model Athletics Multi-Year Contract include:

- Supplemental compensation terms for earning recognition as the Big Sky Conference Football Coach of the Year (see Section 3.2.5)
- Supplemental compensation terms for attaining a certain number of regular season wins (see Section 3.2.6)
- Supplemental compensation terms for advancing in the NCAA Football Championship Subdivision post-season playoffs (see Section 3.2.7)
- Revisions to the liquidated damages for termination for convenience by the Coach (see Section 5.3.3)

**IMPACT**

The annual base salary of \$165,006.40 will be paid from appropriated funds. Coach Phenicie will also be eligible to receive an increase in compensation each fiscal year in accordance with increases as determined by the Athletic Director and University President and approved by the Board.

In addition, Coach Phenicie has the opportunity to earn the following as supplemental compensation:

- Two week's pay of annual salary each year the team is the conference champion or co-champion (see Section 3.2.1)
- Two week's pay of annual salary each year the team competes in the NCAA Football Championship Subdivision post-season playoffs (see Section 3.2.2)
- Up to \$8,000 based on academic achievement and behavior of the team members (see Section 3.2.3)

Four Year APR Score  
Score of 970-979

Incentive Pay Up To:  
\$ 2,000.00

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|                  |             |
|------------------|-------------|
| Score of 980-989 | \$ 4,000.00 |
| Score of 990-999 | \$ 6,000.00 |
| Score of 1,000   | \$ 8,000.00 |

- Up to \$10,000 based on ticket sales (see Section 3.2.4)

| <u>Average Home Attendance</u> | <u>Incentive Pay up to:</u> |
|--------------------------------|-----------------------------|
| 6,000-6,999                    | \$2,000.00                  |
| 7,000-7,999                    | \$4,000.00                  |
| 8,000-8,999                    | \$6,000.00                  |
| 9,000-9,999                    | \$8,000.00                  |
| 10,000+                        | \$10,000.00                 |

- Two week's pay of annual salary each year Coach is recognized as the Big Sky Conference Football Coach of the Year (see Section 3.2.5)

- Up to \$10,000 for regular season wins

| <u>Wins</u> | <u>Incentive Pay up to:</u> |
|-------------|-----------------------------|
| 8 wins:     | \$2,000.00                  |
| 9 wins:     | \$4,000.00                  |
| 10 wins:    | \$6,000.00                  |
| 11 wins:    | \$8,000.00                  |
| 12 wins:    | \$10,000.00                 |

- Up to \$10,000 each year the team advances in the NCAA Football Championship Subdivision post-season playoffs

|         |          |                     |             |
|---------|----------|---------------------|-------------|
| Play-in | 8 Teams  | 1 <sup>st</sup> Win | \$5,000.00  |
| Round 2 | 16 Teams | 2 <sup>nd</sup> Win | \$5,000.00  |
| Round 3 | 8 Teams  | 3 <sup>rd</sup> Win | \$5,000.00  |
| Round 4 | 4 Teams  | 4 <sup>th</sup> Win | \$8,000.00  |
| Round 5 | 2 Teams  | 5 <sup>th</sup> Win | \$10,000.00 |

Possible national championship winner computation bonus total:  
\$28,000.00/\$33,000.00

- Coach Phenicie has waived the right to receive supplemental pay for participating in "money games". Instead, the payment will be distributed as follows: one percent (1%) of the contractual payment will be paid in equal shares to each assistant coach if the team loses, and three percent (3%) of the contractual payment will be paid in equal shares to each assistant coach if the team wins.

Maximum potential annual compensation is \$226,006.40, excluding revenue from youth football camps.

The proposed liquidated damages are consistent with past Head Football Coach contracts and as previously approved by the Board. Liquidated damages (see

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Section 5.3.3) in the event Coach Phenicie terminates the contract for convenience are:

- If the Agreement is terminated on or before January 31, 2019, the sum of \$30,000.00
- If the Agreement is terminated between February 1, 2019 and January 31, 2020 inclusive, the sum of \$20,000.00
- If the Agreement is terminated between February 1, 2020 and January 31, 2021 inclusive, the sum of \$10,000.00

Coach Phenicie is eligible for the Courtesy Car program whereby local dealers provide courtesy vehicles for use by various coaches. The Idaho Department of Administration Risk Management Program insures the courtesy vehicles for business use, and the coach is required to provide personal, non-owned car coverage pursuant to Board policy II.F.2.b.vi.

**ATTACHMENTS**

|  |         |
|--|---------|
| Attachment 1 – Coach Contract Checklist                                | Page 5  |
| Attachment 2 – Clean version—Model Athletics Multi-Year Contract       | Page 7  |
| Attachment 3 – Exhibit C (see 4.1.4)                                   | Page 21 |
| Attachment 4 – Redline version—Model Athletics Multi-Year Contract     | Page 23 |
| Attachment 5 – 4-year history of APR/national average APR              | Page 41 |
| Attachment 6 – Base salaries, incentives - other coaches in conference | Page 43 |
| Attachment 7 – Liquidated damages - other coaches in conference        | Page 45 |

**STAFF COMMENTS AND RECOMMENDATIONS**

The proposed three-year employment agreement for Coach Phenicie requires Board approval because the potential maximum annual compensation (when bonuses are included) is \$200,000 or more. There are incentives for the academic performance of student athletes in the program. The proposed contract and accompanying support material in the attachments conform to the requirements established in Board policy for coach and athletic director contracts.

Staff recommends approval.

**BOARD ACTION**

I move to approve the request by Idaho State University to enter into a multi-year employment agreement with Rob Phenicie as Men's Football Head Coach, for a term expiring January 21, 2021 (or as per the terms of the contract) as presented in Attachment 2.

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

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**UNIVERSITY OF IDAHO**

**SUBJECT**

Amendment to University of Idaho multi-year contract for Men's Basketball Team Head Coach.

**REFERENCE**

October 2014 Idaho State Board of Education (Board) approved multi-year contract

October 2017 Board approved multi-year contract extension

**APPLICABLE STATUTE, RULE, OR POLICY**

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

**BACKGROUND/DISCUSSION**

The University of Idaho (UI) requests Regents' approval of an amendment to the contract of employment for the Men's Basketball Team Head Coach to correct an error in the document approved by the Board on October 19, 2017. The Amendment eliminates the 4% annual salary increases that were erroneously included in section 3.1.1.a of the approved contract. The UI and Coach agree that this term was included in error and was not part of the agreed upon terms. Instead, Coach is entitled to consideration for university-wide changes in employee compensation upon approval by the Director, the President, and the Board of Regents.

**IMPACT**

The term of the employment contract runs through June 30, 2021.

The proposed Amendment results in the following change in the agreed compensation:

| <u>Year</u> | <u>Original Agreement</u> | <u>Amended Agreement</u> |
|-------------|---------------------------|--------------------------|
| 2017-18     | \$185,432.00              | \$185,432.00*            |
| 2018-19     | \$192,849.28              | \$185,432.00*            |
| 2019-20     | \$200,563.25              | \$185,432.00*            |
| 2020-21     | \$208,585.78              | \$185,432.00*            |

\*Subject to University-wide changes in employee compensation upon approval by the Director, the President, and the Board of Regents.

All other terms, covenants and conditions of the contract as approved remain.

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**ATTACHMENTS**

Attachment 1 – Amendment

Page 3

**STAFF COMMENTS AND RECOMMENDATIONS**

Board approval of Coach Don Verlin’s employment agreement is required because the contract duration (greater than three years) and total potential maximum compensation, including bonuses (\$200,000 or greater) exceed the thresholds in Board Policy II.H. The elimination of the erroneous automatic 4% annual increase does not negate either the duration or total compensation thresholds in this particular case.

Staff recommends approval.

**BOARD ACTION**

I move to approve the University of Idaho’s request to amend the multi-year employment contract for the Men’s Basketball Team Head Coach, which was approved by the Board on October 19, 2017, in substantial conformance to the Amendment form submitted to the Board in Attachment 1.

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_