

Minutes of the Annual Meeting of the Board of Directors of the
University of Louisville Athletic Association, Inc.

In Open Session

Members of the Board of Directors of the University of Louisville Athletic Association, Inc.
Board of Directors met at 1:01 p.m. on Friday, February 21, 2014, in the Jefferson Room,
Grawemeyer Hall, Belknap Campus with members present and absent as follows:

Present: Dr. James Ramsey, Chair
Mr. William Armstrong
Mr. Robert Benson, Jr.
Mr. Chip Blankenship
Mr. Ron Butt
Mr. Junior Bridgeman
Dr. Carolyn Callahan
Prof. Carmine Esposito
Ms. Pamela Feldhoff
Mr. Ed Glasscock
Prof. Brenda Hart
Mr. Bruce Henderson
Prof. Mary Hums
Mr. Keith Inman
Mr. Harry Jones
Mr. Thomas Jurich
Prof. Bruce Kemelgor
Mr. Jim King
Ms. Carrie Mattingly
Ms. Cynthia McClellan
Dr. Christopher Peters
Mr. Sam Rechter
Dr. Robert Staat
Dr. Kenneth Schikler
Prof. Karen Turner
Dr. Shirley Willihnganz
Prof. Elaine Wise

Absent: Ms. Angelika Uremovich

From the
University: Ms. Susan Howarth
Ms. Angela D. Koshewa
Ms. Susan Howarth
Mr. Kevin Miller
Mr. Kenny Klein
Ms. Anne Rademaker

Mr. Jeff Spoelker
Ms. Karen Wilkerson
Ms. Kathleen Smith
Ms. Trisha Smith
Mr. Jake Beamer

I. Convene Meeting

Having determined a quorum present, Chair Ramsey called the meeting to order at 1:01 p.m.

Chair Ramsey welcomed new members Will Armstrong, Chip Blankenship, and Cynthia McClellen. Mr. Armstrong, Mr. Blankenship, and Ms. McClellen thanked the board for the honor and opportunity to serve.

II. Consent Agenda

Chair Ramsey read the consent agenda items.

- **Approval of Minutes, October 3, 2013**
From the Finance & Budget Committee
- **Approval of Contract, Football Coach**
- **Approval of 2014-15 Football Ticket Pricing**

Hearing no opposition, Mr. King made a motion, which Prof. Esposito seconded, to approve the consent agenda. The motion passed.

III. Report of the Athletic Director

The Athletic Director thanked the Board for approving Head Football Coach Bobby Petrino's contract. He commended the coach for "hitting the ground running" and for his hiring/staffing decisions. AD Jurich also remarked on Coach Petrino's positive reception by the football team.

AD Jurich then updated the board on the Men's and Women's Basketball teams, the new Ulmer Softball Stadium, the Dr. Mark and Cindy Lynn Soccer Stadium, Academic Fundraising – over half completed – and Spring sports, specifically the Baseball, Track and Field, Women's Lacrosse, Swimming, Diving, and Men's and Women's Golf Teams. He noted the purchase of the Cardinal Club and rebranding to University Golf Club was instrumental in making the Golf Teams competitive in the Atlantic Coast Conference.

Mr. Jurich again thanked his staff and the board for their support as UofL transitions from the American Athletic Conference to the Atlantic Coast Conference.

Chair Ramsey thanked the Athletic Director for his report.

IV. Report from the Committee on Academic Performance

Prof. Wise, Chair of the Committee on Academic Performance, briefed the Board on the 18th Annual Red and Black Banquet honoring those student athletes with a 3.25+ GPA, and their staff and faculty mentors. Over 269 student athletes received invitations to attend. She invited the Board to attend the event to recognize the quality of the University's athletic Programs.

Chair Ramsey thanked Prof. Wise for her report.

V. Report of the Chairman

Chair Ramsey showed a presentation highlighting the major foci for the Spring Semester, including the Legislative Session, the Capital Campaign, and the University of the 21st Century. He briefed the board on the challenging state budget and its slow revenue growth and structural imbalance, as well as the Governor's budget recommendations.

Chair Ramsey gave an update on the Capital Campaign and hinted at an announcement of good news at the April Board of Trustees Meeting.

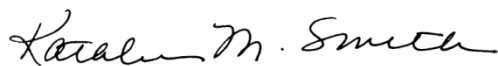
Chair Ramsey reminded the Board of the mission and purpose of the University of the 21st Century – to enable UofL to continue its upward trajectory in four areas of emphasis: technology, engagement, and globalization; academic and research priorities; financial health; and culture of excellence.

Chair Ramsey lauded the athletic program, and stated he firmly believes that academic and athletic excellence go hand in hand. He thanked AD Jurich for his leadership and work in athletics that allowed the academy to flourish. Chair Ramsey presented to the AD a Year of the Cardinal poster. The Board gave the AD a round of applause.

Chair Ramsey then fielded questions from the Board.

VI. Adjournment

Prof. Wise made a motion, which Mr. Armstrong seconded, to adjourn the meeting at 1:43 p.m.


Assistant Secretary

**RECOMMENDATION TO THE BOARD OF DIRECTORS
UNIVERSITY OF LOUISVILLE ATHLETIC ASSOCIATION, INC.
CONCERNING EMPLOYMENT CONTRACT OF
COACH ROBERT PETRINO**

**Finance and Budget Committee – February 21, 2014
Board of Directors – February 21, 2014**

RECOMMENDATION:

The Athletic Director recommends that the Board of Directors authorize the Chairman of the Board to execute an employment contract for Head Football Coach Robert Petrino and authorize the Vice President for Athletics to negotiate the terms of Coach Petrino's employment contract consistent with the term sheet as presented.

Committee Action:

Passed: X

Did not Pass:

Other:

Date:

Board Action:

Passed: X

Did not Pass:

Other:

Date:

Approved by:

Kathleen M. Smith

Assistant Secretary

Approved by:

Kathleen M. Smith

Assistant Secretary

Contract Terms for Robert P. Petrino

Today's date:	January 9, 2014
Beginning date:	January 9, 2014 (Pending ULAA Approval)
Term:	Seven years (Thru December 31, 2020)
Football Annual Base Salary:	\$1.5M (Guaranteed per contract terms)
Media Base Salary:	\$1.5M (Guaranteed per contract terms)
APR	\$500K (see j. below for achievement)
Total base subject to incentives and annual increases:	\$3M/\$3.5M (if APR achieved)

Achievement Bonuses:

- a. Football team is Conference Champion or Co-Champion \$25K
- b. Post Season Bowl Bonus to be 1/12 of total base salary
- c. If football team is ranked in top 25 of the final ESPN/USA Today or Associated Press, Coach shall receive a bonus of \$25,000. If team is ranked in top 10, bonus shall be \$50,000 in lieu of Top 25 bonus.
- d. BCS Bowl participant, Coach shall receive \$100,000 bonus.
- e. If team participates in the BCS Championship Game, Coach will be entitled to \$50,000 bonus.
- f. If team shall win the BCS National Championship Game, Coach will be entitled to additional bonus of \$50,000.
- g. If Coach is selected as "ACC Coach of the Year", Coach will be entitled to a \$50,000 bonus.
- h. If Coach is selected as "National Coach of the Year", Coach will be entitled to a \$50,000 bonus.
- i. GPA Incentive-Employee shall be entitled to the following bonuses for academic achievement by the members of the football team receiving athletic grants

(“Scholarship Players”) during any academic year while under the direction of the Head Coach:

1. Collective GPA’s of 2.5-2.74	\$25,000
2. Collective GPA’s of 2.75-3.0	\$50,000
3. Collective GPA’s of 3.0 and higher	\$75,000

The above bonuses are non-cumulative.

j. APR Salary-If the APR as determined by the UL Athletic Compliance Department is 935 or above in a given year, the Employee shall be entitled to additional salary of \$500,000. The APR is computed by UL Athletics in October following the fiscal year. (For example, the APR for 2013-14 will be calculated in October 2014. If rate for 2013-14 is 935 or above, Coach will receive additional salary of \$500,000 in November 2014 for incentive earned for 2014-15.)

Other Incentives:

- a. Coach shall receive two courtesy cars..
- b. One month paid vacation per year.
- c. Golf Membership at the Cardinal Club and another golf membership at a Louisville Country Club to be mutually agreed upon by Coach and AD.
- d. Buyout provision: If Coach terminates his contract with University of Louisville, Coach shall pay to University liquidated damages as follows:

	<u>Tom Jurich AD</u>	<u>Tom Jurich Not AD</u>
1. 2014	\$10M	\$5M
2. 2015	\$10M	\$5M
3. 2016	\$10M	\$5M
4. 2017	\$10M	\$5M
5. 2018	\$8.5M	\$4.25M
6. 2019	\$7.0M	\$3.5M
7. 2020	\$5.50M	\$2.75M

Please note that if Coach leaves early and does not Coach, there is no penalty. However, if he decides to return to coaching, he will owe the University of Louisville a penalty based on the above penalty when he re-enters the coaching profession. For example, if Coach leaves in 2015 and does not enter the coaching profession, but returns in 2018 to coach elsewhere, he will owe UL \$8.5M.

Severance settlement

If University dismisses Coach “Without Cause”, the University will limit its liability to the lesser of the following:

- (a) Continued payment of the current year the coach is being dismissed without cause thru December 31 plus three years of base salary (\$3.5M @ 3 years = \$10.5M)
or
- (b) The remaining terms on the current contract (if less than 3 years)

All of the above terms are subject to review and signature of final contract.

**RECOMMENDATION TO THE UOFL ATHLETIC ASSOCIATION BOARD OF
DIRECTORS REGARDING FOOTBALL TICKET PRICES**

**Finance & Budget Committee – February 21, 2014
Board of Directors – February 21, 2014**

Recommendation:

The Athletic Director recommends that the Board of Directors approve for Football a season ticket package for 2014 as outlined below:

Category	2012 <u>(7 games)</u>	2013 <u>(7 games)</u>	2014 <u>(6 games)</u>
<u>Lower Bowl of Stadium:</u>			
Reserved	\$322	\$336	\$300
Club/Suites	\$378	\$392	\$348
Faculty/Staff	\$308	\$308	\$276
L-Club	\$308	\$322	\$288
Family Plan	\$1,092 (\$273 X 4 tkts)	\$1,148 (\$287 X 4 tkts.)	\$1,032 (\$258 X 4 tkts)
<u>Upper Level (East Side):</u>			
Reserved	\$154	\$168	\$156
Four Pack	\$504 (\$126 X 4 tkts)	\$560 (\$140 X 4 tkts)	\$528 (\$132 X 4 tkts)
Mezzanine	\$322	\$336	\$300
<u>Other:</u>			
Students-Football only: Students	\$72	\$72	\$72
Student Combination: Student only	\$210	\$210	\$210
Single Game Reserved	\$12/\$50/\$78	\$12/\$52/\$56	\$14/\$54/\$78

Background:

Planning for the 2014-15 budget has been initiated. The season ticket prices for football are being forwarded for consideration to allow: (1) budget planning and (2) football marketing to begin immediately. The pricing is reasonable when measured against comparable and national programs, including those of the ACC.

Beginning in 2007, a \$2 charge per game dedicated to the Stadium Expansion was included in the cost of the ticket. This was recommended by Johnson Consulting and also endorsed by the Stadium Expansion Advisory Committee. The fee is similar to the fee that is assessed YUM! Arena.

Marketing will develop group packages and special promotions for games where visiting tickets are returned to be sold.

Committee Action:

Passed: X

Did Not Pass:

Other:

Katalin M. Smith

Assistant Secretary

Board Action:

Passed: X

Did Not Pass:

Other:

Katalin M. Smith

Assistant Secretary