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University of South Carolina

BOARD OF TRUSTEES

Executive Committee

January 12, 2005

The Executive Committee of the University of South Carolina Board of Trustees met on Wednesday, January 12, 2005, at 4:35 p.m. in Osborne Building Room 206-B.

Members present were: Mr. Herbert C. Adams, Chairman; Mr. James Bradley; Dr. C. Edward Floyd; Mr. Miles Loadholt; Mr. Michael J. Mungo; and Mr. Mack I. Whittle, Jr. Other Trustees present were: Mr. William C. Hubbard; Mr. Samuel R. Foster, II; and Mr. Toney J. Lister.

Others present were: President Andrew A. Sorensen; Secretary Thomas L. Stepp; Vice President and Chief Financial Officer Richard W. Kelly; General Counsel Walter (Terry) H. Parham; Director of Athletics Michael B. McGee; Assistant to the Vice President, Office of Business and Finance, Ken Corbett; University Legislative Liaison John D. Gregory; Director of University Communications, Division of University Advancement, Russ McKinney, Jr.; and members of the media.

Chairman Adams called the meeting to order and invited Board members to introduce themselves. Mr. McKinney indicated that several members of the press were waiting in the lobby area of the building to attend that portion of the Open Session proceedings regarding athletics contracts.

Chairman Adams stated that notice of the meeting had been posted and the press notified as required by the Freedom of Information Act; the agenda and supporting materials had been circulated to members of the Committee; and a quorum was present to conduct business.

There were contractual matters relative to athletics contracts and the receipt of legal advice regarding the potential purchase of property which were appropriate for discussion in Executive Session. Chairman Adams called for a motion to enter Executive Session. Mr. Mungo so moved and Dr. Floyd seconded the motion. The vote was taken, and the motion carried.

The following persons were invited to remain: Dr. Sorensen, Mr. Stepp, Mr. Kelly, Mr. Parham, Dr. McGee, Mr. Gregory, Mr. Corbett, Mr. McKinney and Ms. Tweedy.

Return to Open Session

I. Contracts Valued in Excess of \$250,000: Athletics Contracts:

A. Tyrone Nix Employment Agreement: Mr. Parham stated that the Tyrone Nix employment agreement extended for a period of approximately two years beginning December 20, 2004 and ending December 31, 2006 with a base salary of \$150,000 per year.

Outside compensation included the following:

- For January 1, 2005 - December 31, 2005, Coach Nix will earn \$15,000 for services provided in connection with the football television and radio shows, to be paid directly by the Athletics Department's broadcast rights holder.
- For January 1, 2006 - December 31, 2006, Coach Nix will earn \$20,000 for services provided in connection with the football television and radio shows, to be paid directly by the Athletics Department's broadcast rights holder.

In the event that Coach Nix did not receive these amounts from the broadcast rights holder for his services, the Athletics Department will pay the difference.

In addition, Coach Nix will be provided the use of one vehicle.

The following standard termination clauses were also included:

- The University could terminate the contract for cause; if so, all obligations to pay Coach Nix would cease on the effective date of termination.
- The University could terminate the contract without cause upon 15 days written notice. If so, the institution will pay Coach Nix \$150,000 per year for the remaining term of the contract. However, Coach was required to seek other employment in order to mitigate his damages. If he found other employment, the University's obligation to pay liquidated damages would be reduced or offset by an amount equal to the total compensation received from such new employment until the expiration date of the term of this Employment Agreement.
- Coach Nix could terminate the contract upon 15 days written notice. If so, Coach Nix will pay \$100,000 per year for the remaining term of the contract.

Mr. Mungo moved approval of the Tyrone Nix Employment Agreement as presented. Mr. Bradley seconded the motion. The vote was taken, and the motion carried.

B. David Wommack Employment Agreement: Mr. Parham stated that the David Womack employment agreement also extended for a period of approximately two

years beginning December 20, 2004 and ending December 31, 2006 with a base salary of \$140,000 per year.

Outside compensation included the following:

- For January 1, 2005 - December 31, 2005, Coach Wommack will earn \$10,000 for services provided in connection with the football television and radio shows, to be paid directly by the Athletics Department's broadcast rights holder.
- For January 1, 2006 - December 31, 2006, Coach Wommack will earn \$16,000 for services provided in connection with the football television and radio shows, to be paid directly by the Athletics Department's broadcast rights holder.

In the event that Coach Wommack did not receive these amounts from the broadcast rights holder for his services, the Athletics Department will pay the difference.

In addition, Coach Wommack will be provided the use of one vehicle.

The following standard termination clauses were also included:

- The University could terminate the contract for cause; if so, all obligations to pay Coach Wommack would cease on the effective date of termination.
- The University could terminate the contract without cause upon 15 days written notice. If so, the institution will pay Coach Wommack \$140,000 per year for the remaining term of the contract. However, Coach Wommack was required to seek other employment in order to mitigate his damages. If he found other employment, the University's obligation to pay liquidated damages would be reduced or offset by an amount equal to the total compensation received from such new employment until the expiration date of the term of this Employment Agreement.
- Coach Wommack could terminate the contract upon 15 days written notice. If so, Coach Wommack will pay \$100,000 per year for the remaining term of the contract.

Mr. Mungo moved approval of the David Wommack Employment Agreement as presented. Mr. Bradley seconded the motion. The vote was taken, and the motion carried.

C. John Thompson Employment Agreement: Mr. Parham stated that the John Thompson employment agreement extended for a period of approximately three years beginning December 16, 2004 and ending December 31, 2007 with a base salary of \$155,000 per year.

Outside compensation was as follows:

During each contract year (January 1 - December 31), Coach Thompson will earn \$20,000 for services provided in connection with the football television and radio shows, to be paid directly by the Athletics Department's broadcast rights holder. In the event Coach Thompson did not receive \$20,000 from the broadcast rights holder for his services, the Athletics Department will pay the difference.

In addition, Coach Thompson will be provided the use of one vehicle.

The following standard termination clauses were also included:

- The University could terminate the contract for cause; if so, all obligations to pay Coach Thompson would cease on the effective date of termination.
- The University could terminate the contract without cause upon 15 days written notice. If so, the institution will pay Coach Thompson \$155,000 per year for the remaining term of the contract. However, Coach Thompson was required to seek other employment in order to mitigate his damages. If he found other employment, the University's obligation to pay liquidated damages would be reduced or offset by an amount equal to the total compensation received from such new employment until the expiration date of the term of this Employment Agreement.
- Coach Thompson could terminate the contract upon 15 days written notice. If so, Coach Thompson will pay \$100,000 per year for the remaining term of the contract.

Mr. Mungo moved approval of the John Thompson Employment Agreement as presented. Mr. Bradley seconded the motion. The vote was taken, and the motion carried.

II. Adjournment: Since there were no other matters to come before the Committee, Chairman Adams declared the meeting adjourned at 5:40 p.m.

Respectfully submitted,

Thomas L. Stepp
Secretary