



March 20, 2024

**SENT VIA EMAIL**

Re: Offer to become Director of Intercollegiate Athletics

Dear Troy:

I am pleased to offer you the position of Director of Intercollegiate Athletics (“Athletic Director”) for the Department of Intercollegiate Athletics (the “Department” or “Athletics”) at the University of Nebraska (the “University”) with a start date of March 22, 2024. This offer is contingent upon your ability to demonstrate that you are authorized to work in the United States, the successful completion of a background check, and the approval of your appointment consistent with University policy. You agree to approve and execute the needed documents or authorizations reasonably necessary to complete this review.

This letter presents the material terms of the offer and its terms will be elaborated upon and incorporated in a formal employment contract (the “Agreement”) with the Board of Regents of the University of Nebraska on behalf of Athletics for execution at the earliest possible date. The purpose of this letter is to describe our mutual understanding and agreement regarding the key terms of your employment with the University.

In consideration of your acceptance of employment, the University agrees:

1. Your contract for employment will begin on March 22, 2024 and continue until the later of March 31, 2030 unless terminated earlier by either party pursuant to the terms of the Agreement (the “Term”).
2. The University will pay the below annual gross Base Salary, less all required deductions, in twelve equal, monthly installments.

<u>Contract Year</u>	<u>Base Salary</u>
Start Date through March 31, 2025	\$1,600,000
April 1, 2025 through March 31, 2026	\$1,700,000
April 1, 2026 through March 31, 2027	\$1,800,000
April 1, 2027 through March 31, 2028	\$1,900,000
April 1, 2028 through March 31, 2029	\$2,000,000
April 1, 2029 through March 31, 2030	\$2,100,000

3. Upon completion of a fully executed employment agreement, the University shall pay or cause to be paid a signing/relocation bonus in the amount of One Million and no/100 dollars (\$1,000,000) which shall be made to you (less required withholding) by May 31, 2024 (“Payment Date”). In addition, the University shall pay any liquidated damages owed to the University of Washington.
4. The University shall pay or cause to be paid to you a retention bonus (each a “Stay Bonus”, collectively the “Stay Bonuses”), as shown below:



- a. If you continue to be employed until March 31, 2027 (“Stay Date”), a payment in the amount of Two Hundred Thousand and no/100 Dollars (\$200,000) shall be made to you (less required withholding) by April 30, 2027 (“Payment Date”).
  - b. If you continue to be employed until March 31, 2028 (“Stay Date”), a payment in the amount of Two Hundred Fifty Thousand and no/100 Dollars (\$250,000) shall be made to you (less required withholding) by April 30, 2028 (“Payment Date”).
  - c. If you continue to be employed until March 31, 2029 (“Stay Date”), a payment in the amount of Three Hundred Thousand and no/100 Dollars (\$300,000) shall be made to you (less required withholding) by April 30, 2029 (“Payment Date”).
  - d. If you continue to be employed until March 31, 2030 (“Stay Date”), a payment in the amount of Three Hundred Fifty Thousand and no/100 Dollars (\$350,000) shall be made to you (less required withholding) by April 30, 2030 (“Payment Date”).
5. Effective with the 2024-25 academic year, and throughout the term of this employment agreement with the University, you shall be eligible to receive at the end of each academic year the following performance bonuses based on the overall academic and athletic performance of the teams and student athletes within the Department of Intercollegiate Athletics ("Department" or "Athletics"). Such eligibility is conditioned on all the Department's Division I sports programs within Athletics meeting or achieving the NCAA's minimum Academic Progress Rate ("APR"). The NCAA currently requires teams to achieve a four-year average APR of 930 to compete in championships. Such bonuses, if earned, shall be paid within sixty (60) calendar days following the end of the relevant calendar year.

#### **Academic Performance Bonus**

The University will calculate an overall NCAA Academic Progress Rate ("APR") two-year average for all student athletes within Athletics based on the two most recently completed academic years. The APR is calculated as follows: (a) each student-athlete receiving athletically related financial aid earns one point for staying in school and one point for being academically eligible and (b) a team's total points are divided by points possible and then multiplied by 1,000 to equal the team's Academic Progress Rate. **You will** be eligible to receive a gross targeted bonus of one hundred thousand dollars (\$100,000.00) ("Target Academic Bonus") based on the Department's APR during that two-year period. If the Department's two year APR is between 970 and 984, the University will pay an academic performance bonus that equals one hundred percent (100%) of the Target Academic Bonus. If the Department's two-year **APR** is 985 or greater, the University will pay an academic performance bonus that equals one hundred ten percent (110%) of the Target Academic Bonus. If the Department's two-year **APR** is below 970, you will not receive an academic performance bonus.

#### **Athletic Performance Bonus**

The University will measure the Department's overall athletic success in any given academic year based on the Department's placement in the final standings for that year's Learfield IMG College Directors' Cup ("Directors' Cup"), which is awarded annually by the National Association of College Directors of Athletics to the universities with the most success in collegiate athletics. **You will** be eligible to receive a gross targeted bonus of two hundred thousand dollars (\$200,000.00) (the "Target Athletic Bonus") based on the University's Directors' Cup standings at the end of each academic year. If the Department is ranked between number 26 and 30 in the Directors' Cup standings, the University will pay an athletic performance bonus that equals eighty percent (80%) of the Target Athletic Bonus. If the Department is ranked between number 21 and 25 in the Directors' Cup standings, the University will pay an athletic

performance bonus that equals ninety percent (90%) of the Target Athletic Bonus. If the Department is ranked between number 16 and 20 in the Directors' Cup standings, the University will pay an athletic performance bonus that equals one hundred percent (100%) of the Target Athletic Bonus. If the Department is ranked number 15 or better in the Directors' Cup standings, the University will pay an athletic performance bonus that equals one hundred ten percent (110%) of the Target Athletic Bonus. If the Department is ranked lower than number 30 in the Directors' Cup standings, you will not receive an athletic performance bonus.

### **Football Performance Bonus**

The University will pay a performance bonus of one hundred thousand dollars (\$100,000.00) if, during the preceding football season, the Department's football program won the Big Ten Championship. The University will pay a performance bonus of one hundred fifty thousand dollars (\$150,000.00) if, during the preceding football season, the Department's football program won the College Football Playoff (National Championship).

6. The University will provide you with benefits consistent with the benefits of employment received by other members of the academic-administrative staff.
7. Beginning on the effective date, you will be reimbursed in the manner provided by University policy for necessary and reasonable travel expenses related to the performance of your duties and responsibilities as Athletics Director. Your spouse plays an important role in the social and professional life of the University and Athletics. Consequently, University of Nebraska foundation funds or other non-state funds will be allocated to pay reasonable and customary travel expenses for your spouse's participation in selected University events, not to exceed thirty thousand dollars (\$30,000) per fiscal year in attributable costs or expense without prior approval from the President. In addition, spouse travel to other University related events such as Alumni Association activities may be paid for at the discretion of the Alumni Association or the University of Nebraska Foundation. It is understood and agreed that your spouse may be expected to participate in University activities as the spouse of the Athletic Director to facilitate the Athletics Director's ordinary and necessary duties as Athletics Director.
8. Beginning on your start date through December 31, 2024, and for each calendar year thereafter, you will be provided by the University or the University shall arrange for, up to 35 hours of private non-commercial flight time for your personal use; provided, however, such use shall be in compliance with the Department's Aircraft Use Policy. Unused flight time in any fiscal year (up to 15 hours per fiscal year) shall carry over, but not beyond the end of the Term. Flight time for partial fiscal year(s) during the Term shall be pro-rated. Such fringe benefit shall be reported as income to you at its fair market value, subject to applicable withholding of state and federal taxes as required by law and the rules and regulations of the Internal Revenue Service.
9. If the University exercises its right to terminate your employment for reasons other than "Adequate Cause" or re-assigns you to another position without your prior written consent, the University will pay you "Post-termination Payments" (defined below) for the number of months, including a prorated share based on days within partial months, remaining in the Term at the time of termination as if this Agreement had not been terminated, effective as of the date of termination (such period of time to be referred to herein as the "Post-termination Payment Period"). Post-termination Payments are defined as and will include your Base Salary outlined above for the entire Post-termination Payment Period plus any Stay Bonuses that have not yet been realized plus any earned but unpaid incentive bonuses in substantially equal monthly installments and subject to all applicable withholdings. Such amount shall

be paid in equal monthly installments and shall be made in accordance with your Form W-2 on file with the University and subject to your obligation to mitigate the Post-termination Payments. Based on the University's agreement to pay these Post-termination Payments, you will agree to waive and release the University, as well as all of its Regents, administrators, faculty, staff, employees, representatives, and agents from any and all claims or causes of action of any kind, whether known or unknown, arising out of or related to University's termination of your employment for reasons other than "Adequate Cause" or the University's reassignment of you to another position without your prior written consent, including without limitation any claims for any income or other benefits tied to your employment. These Post-termination Payments comprise the total amount of compensation owed by the University and encompass all other forms of compensation that may be due under the terms of this Agreement or University policy including without limitation any accrued, but unused, vacation or floating holidays..

In consideration of the offer of employment and its associated terms, you agree:

1. You will perform all duties necessary for the supervision and administration of the Department, including duties and directives that may be assigned by the President of the University (the "President") or other authorized University officials to benefit the University, Athletics and their respective programs and missions. In addition to other obligations which will be contained within your Agreement, you will faithfully and conscientiously perform assigned duties and maintain the high ethical and moral standards expected of an Athletic Director at the University.
2. You will perform your duties in strict compliance with the constitution, bylaws, rules and regulations of the NCAA, the rules and regulations of the Big Ten Conference, all applicable rules and regulations of the University, and the rules and regulations of any successor organizations to these entities, as well as all applicable federal, state and municipal laws. You understand that the University may place you on administrative leave pending an investigation into any allegations that you have violated any of the above laws, rules, or regulations. If an investigation reveals that you have violated any of these laws, rules, regulations either during or preceding your employment with the University, the University may take whatever disciplinary or corrective action against you it deems appropriate including without limitation suspension without pay for up to sixty (60) days or termination of employment.
3. You will comply with all applicable policies, including Athletics Policy on Standards of Professional Performance for Athletic Staff and Procedure for Disciplinary Actions and Athletics Policy on HuskerVision Television Programming, which will be incorporated into your Agreement and are available to you upon request, as they may be amended from time to time. The University may discipline, suspend, or terminate your employment for cause in accordance with Athletics' Policy on Standards of Professional Performance for Athletic Staff and Procedure for Disciplinary Action. As part of any termination of your employment for cause, you shall forfeit any right you may have to further compensation, including any exceptional performance bonus that has not been earned prior to termination or any accrued, but unused, vacation or floating holidays. This forfeiture will not include any final base salary paid for work previously performed or any compensation paid as part of a vested retirement benefit.
4. You will obtain approval from the President prior to agreeing to any engagement in any activity outside the University for which you will receive any form of remuneration as a consequence of your position as Athletic Director.

5. You will not engage in any activity which is inconsistent with the University's multi-media rights agreement or grants of rights entered into or provided by Athletics.
6. In the event you resign during the Term, you will pay to the University as liquidated damages the relevant amount below within sixty calendar days following the effective date of your resignation. In electing to resign prior to the completion of the Term, you forfeit any right to further compensation from the University following your effective date of resignation, including any exceptional performance bonus that has not already been earned or any accrued, but unused, vacation or floating holidays.

<u>Date University is Informed of Athletic Director's Resignation</u>	<u>Amount Owed</u>
Start Date through March 31, 2025	\$12,200,000
April 1, 2025 through March 31, 2026	\$10,600,000
April 1, 2026 through March 31, 2027	\$ 8,900,000
April 1, 2027 through March 31, 2028	\$ 6,900,000
April 1, 2028 through March 31, 2029	\$ 4,750,000
April 1, 2029 through March 31, 2030	\$ - 0 -

7. In the event the University would terminate your employment for reasons other than cause, you agree to use reasonable efforts to mitigate any liquidated damages the University may be obligated to pay by actively seeking comparable employment. Any new employment will reduce the University's liquidated damages obligation to you during the period of such new employment that falls within the originally-scheduled term hereof.
8. Information regarding, related to, or part of this letter is a public record as provided by the Nebraska public records statutes (Neb. Rev. Stat. §§ 84-712 to 84-712.09) and shall be made available by the University to the public for examination in accordance with the University's interpretation and application of Nebraska law. You consent to the public disclosure of this letter and the Agreement at the University's discretion and, if requested, you will cooperate with the University in the production of records responsive to a request.

The parties agree that good faith efforts will be made to mutually conclude full execution of the Agreement within thirty (30) days of your start date. Unless or until an Agreement is entered into by the parties, this letter shall be binding upon and inure to the benefit of the parties.

If you accept the terms of this offer, please sign below where indicated. Your acceptance of this offer and its approval by University administration will constitute a binding agreement between you and the University, and electronic counterpart signatures to this letter shall be acceptable and binding.

Sincerely,

DocuSigned by:



Chris J. Kabourek  
Interim President, University of Nebraska

Accepted By:



3/20/2024