

Athletics

December 9, 2019

To: Jeff Scott ("Coach")

From: Michael Kelly, Vice President of Athletics

Re: Letter of Offer

Mr. Jeff Scott:

The University of South Florida and its Department of Athletics ("University" or "USF") are enthusiastic about the opportunity for you to become the University's next Head Football Coach. On behalf of the University, we extend an offer of employment to you as the Head Coach of our Football program.

The material terms of our offer, which are binding upon the parties' signatures, include:

- 1. <u>Term of Employment</u>: An initial term of five (5) years through December 31, 2024, or the end of the then current season, whichever is later.
- 2. <u>Coach's Duties</u>: Coach will serve as the Head Coach of the University's Football program and devote his full professional time, energy, and abilities for the exclusive benefit of the University as specifically set forth in the Head Coaching Agreement. Coach will act under the supervision of and perform to the reasonable satisfaction of the Vice President of Athletics, and abide by all applicable NCAA, Conference, and University rules and policies. Coach's duties specifically include active participation in fundraising activities for USF Athletics and the Football program in particular. Coach is expected to routinely attend various fundraising events at the reasonable direction of the Vice President of Athletics.
- 3. <u>Base Salary and Benefits</u>: For the term of employment, an annualized Base Salary of \$500,000 plus benefits provided to University employees based upon the Base Salary. Coach's Base Salary will not be subject to state legislative appropriations or other University salary increase programs. Coach will receive any and all other regular employment benefits provided by the State of Florida to similarly situated at-will employees; except, however, Coach agrees to waive all rights to a payout for accrual of vacation and sick leave time through the term of this Agreement.





Athletics

4. Additional Compensation and Benefits:

- a) At the reasonable direction of the Vice President of Athletics and/or University, Coach will provide a variety of other services to the University including, but not limited to, promotional activities, appearances, fundraising and development events, television or radio broadcasts, etc., For these services, the University will pay Coach an annualized amount ("Supplemental Compensation") as described below:
 - i. On January 17, 2020, \$500,000.
 - ii. For the period of 01/01/2020 through 12/31/2020: \$1,300,000
 - iii. For the period of 01/01/2021 through 12/31/2021: \$1,900,000
 - iv. For the period of 01/01/2022 through 12/31/2022: \$2,000,000
 - v. For the period of 01/01/2023 through 12/31/2023: \$2,100,000
 - vi. For the period of 01/01/2024 through 12/31/2024: \$2,200,000

University will make Supplemental Compensation payments for subsections ii. through vi. on a monthly basis on the first payroll cycle following a month-end.

- b) A country club membership may be provided for Coach at a course designated by the University for the purposes of supporting University Advancement. The cost of personal use by Coach of club services and facilities shall be at Coach's sole expense.
- c) An automobile stipend of \$800 per month OR one (1) courtesy vehicle.
- d) Use of Home Game stadium suite for business hospitality and/or fundraising use.
- e) Coach has the right to operate camps and clinics at USF at the reasonable discretion of the Vice President of Athletics with the understanding that Coach will ensure the operation of any such camp are private and independent of the University and Coach's operation of any such camp complies with all applicable laws and USF regulations and policies.

The compensation listed above may be treated as taxable income by the Coach. Coach agrees to pay any tax that might be due to any taxing authority that is not otherwise reported by the University.

5. <u>Performance and Incentive Bonuses</u>: Specific Performance and Incentive Bonuses are included in Exhibit A. Any Performance or Incentive pay will be unavailable in any season during which the Football Team is on probation or has been sanctioned by the NCAA, the Conference, or USF while under the care and management of Coach. Additionally, Performance and Incentive pay will not be payable for any season in which the Football program's annual Academic Progress Rate ("APR") reported in the University's Official Annual APR Report is below 930 (or other minimum as may be set by the NCAA) for each academic year resulting while under the care and management of Coach.





Athletics

- 6. <u>Assistant Coaches and Program Support</u>: The Assistant Coaches' and Program Support Staff compensation/salary pool shall be the following aggregate amounts, as applicable:
 - a) For the period of 01/01/2020 through 12/31/2020: \$3,500,000
 - b) For the period of 01/01/2021 through 12/31/2021: \$3,550,000
 - c) For the period of 01/01/2022 through 12/31/2022: \$3,600,000
 - d) For the period of 01/01/2023 through 12/31/2023: \$3,650,000
 - e) For the period of 01/01/2024 through 12/31/2024: \$3,700,000

Coach may, in agreement with the Vice President of Athletics, reallocate the compensation/salary pool, among the Assistant Coaches based on any combination of the following factors: performance; availability of funds; and the interests of the University and the Program.

- 7. <u>Termination by Coach</u>: In the event that Coach voluntarily terminates this Agreement or his employment with the University without cause, Coach shall pay the University within ninety (90) days of such termination the following amount as applicable:
 - a) For the period of 12/08/2019 through 12/31/2020: \$2,500,000
 - b) For the period of 01/01/2021 through 12/31/2021: \$2,250,000
 - c) For the period of 01/01/2022 through 12/31/2022: \$2,000,000
 - d) For the period of 01/01/2023 through 12/31/2023: \$1,500,000
 - e) For the period of 01/01/2024 through 12/31/2024: \$1,000,000

Upon notice of termination by Coach, the University shall be relieved from all future obligations under this Agreement, with the exception of any compensation earned but not yet paid. The parties agree that it would be very difficult to ascertain or estimate actual damages to the University, and the sum specified above is reasonable and appropriate compensation for the injury suffered by the University and is not a penalty.

8. <u>Termination by University</u>: In the event that the University terminates this Agreement or otherwise relieves Coach of his duties hereunder for reasons other than 'for cause' the sole obligation of the University under this Agreement shall be to continue to provide the Base Salary to Coach as set forth in Paragraph 3 above (exclusive of benefits) as if Coach were fully performing his duties for a period of 20 (twenty) weeks only. This payment may be accelerated at the discretion of the University. Notwithstanding the foregoing, if Coach subsequently obtains employment in another football coaching or management capacity prior to the expiration of the twenty week period, then the following shall apply: (i) if Coach's new base salary is greater than the Base Salary, then the University's obligations to make payment(s) under this Section shall cease as of the first date of new employment; or (ii) if Coach's new base salary is less than the Base Salary, then the University shall only be obligated to pay for the difference between the two amounts, less any salary increases or bonuses paid by the new employer, through the twenty week period. Any amounts of Base Salary paid as a lump sum in advance shall also be





Athletics

calculated as set forth in the preceding sentence and a pro rata portion of any advance payments shall be returned to the University if necessary. Upon termination, Coach shall be relieved of all further obligations under the Agreement. USF is not responsible for any additional compensation under this Agreement, and payment made by USF as provided above in this Agreement will be in full satisfaction of all claims. Coach has a continual obligation to notify the University of new employment and provide a copy of his contract or terms of employment including subsequent adjustments.

The University may also terminate Coach's employment 'for cause' for reasons including, but not limited to, (i) a material breach by Coach of his duties or his employment agreement; (ii) a material violation of any law or rule applicable to intercollegiate athletics involving the USF football team including any Level I or Level II infraction, or repeated level III violations leading to a major infraction, of NCAA bylaws or any substantial evidence supporting the likelihood that a Level I or Level II infraction occurred; or (iii) other misconduct, including all felonious conduct, fraud, dishonesty, excessive use of alcohol, use or possession of drugs, gambling, acts of violence, stalking, domestic abuse, child abuse, sexual harassment, sexual abuse, sexual misconduct, discrimination, prostitution, acts of moral turpitude, or other conduct that is materially adverse to the University's mission as a public educational institution or would have otherwise disqualified Coach from employment as the University's Head Football Coach had they occurred prior to his employment with the University. In the event of termination for cause, the University shall be relieved of all payment obligations under this Agreement as of the effective date of the termination for cause.

- 9. <u>Compliance with Rules and Regulations</u>: In the performance of his duties, Coach shall comply with all applicable laws and all University, NCAA and Conference rules, regulations and policies. Coach shall utilize his best efforts to ensure that assistant coaches and other individuals under his supervision comply with such laws, rules and policies. Coach's knowing violation of any such laws rules will be considered ground for termination for cause.
- 10. <u>Coach's Representations</u>: Coach warrants and represents to the University that:
 - a. He is familiar with the applicable NCAA legislation and the University's rules, regulations and policies and he will continue to abide by such throughout the term of his employment.
 - b. There are no undisclosed conflicting obligations or agreements with another college, university, or other individual or entity that prevents him from accepting this employment and fully executing the duties required by your employment with the University.
 - c. He has not been convicted of, and is not subject to prosecution for the commission of, a disqualifying offense pursuant to Chapter 435, Florida Statutes.
 - d. He has not been found to have violated any NCAA legislation after investigation by the NCAA or other applicable agency, and that he has fully disclosed to the University any and all past investigations of alleged violations of NCAA legislation in which he has been involved.
 - e. His reported academic and employment credentials are accurate as stated in any application materials submitted to the University or reported by or on behalf of him.





11. <u>Preemployment Screening</u>: Coach's employment is conditioned upon his successful and satisfactory completion of all University preemployment screening requirements.

UNIVERSITY OF SOUTH FLORIDA Athletics

12. <u>Disputes:</u> The University and Coach agree that if any dispute arises concerning this Agreement that they will first attempt in good faith to resolve the dispute to their mutual satisfaction. If they are unable to do so, the parties agree that any controversy or claim that either party may have against the other arising out of or relating to the construction, application or enforcement of this Agreement, as well as any controversy or claim based upon the alleged breach of any legal right relating to or arising from Coach's employment and/or termination of employment shall be submitted to non-binding mediation. Within fifteen (15) days after delivery of a written notice of request for mediation from one party to the other, the dispute shall be submitted to a single mediator chosen by the parties in Tampa, Florida. The costs and fees associated with mediator shall be borne by the University; however, the parties agree to pay their own attorney's fees and costs. The University and Coach will use their best efforts to keep any disputes and any efforts to resolve disputes confidential, informing only their respective legal counsel and other persons who have a good faith need to know basis to receive the disclosed information and will use their best efforts to ensure that such persons do not further disclose any such information.

If mediation, as described above, is unsuccessful, any controversy between the University and Coach involving the construction, application or enforcement of this Agreement, as well as any controversy or claim based upon the alleged breach of any legal right relating to or arising from Coach's employment and/or termination of Coach's employment shall, on the written request of either party served on the other, be submitted to binding arbitration before a single arbitrator from JAMS Panel of Neutrals. JAMS shall provide a list of three arbitrators who are qualified to hear the dispute as determined by the JAMS National Arbitration Committee. Within ten (10) days of receipt thereof, each party shall strike one name from the list, the Coach shall strike first and notify the University of such choice and the University shall strike last. Notwithstanding the foregoing the parties may mutually agree upon a gualified arbitrator or upon a mutually agreed upon neutral to select the arbitrator for them. Coach and the University stipulate and agree that any arbitration will be held in Tampa, Florida, pursuant to the Comprehensive Arbitration Rules and Procedures (or any comparable rules then in existence) (the "Rules"). Pursuant to the Rules, discovery may include depositions, interrogatories and document production. In any controversy between the University and Coach involving the construction, application or enforcement of this Agreement, the arbitrator must base his/her decision upon the written Agreement and he/she shall not have power to modify, add to or ignore terms of the Agreement. The written decision of the arbitrator shall be final and binding upon both Parties and may be entered in any court having jurisdiction thereof. Arbitrator compensation and administrative fees shall be borne equally by the parties. The Parties agree to pay their own attorney's fees and costs.

13. <u>Waiver of University Non-reappointment Policy</u>: Coach agrees to waive otherwise applicable provisions of Florida Board of Governors or University rule, regulation or policy regarding length of notice of non-reappointment. Coach and the University have alternatively agreed to the





termination provisions of this Agreement and that coach may be non-reappointed or terminated under those terms.

14. Acknowledgement of Terms: By signing below, Coach is agreeing to the material terms outlined in this Letter of Offer.

We look forward to a long and successful partnership!

Michael Kelly, Vice President of Athletics

Accepted by:

Jeff Scott, Head Football Coach

<u>12/9/19</u> Date

2/09/19

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

Joel Londrigan ATTORNEY - USF





Exhibit A to December 9, 2019 Letter of Offer

<u>Performance and Incentive Bonuses</u>. All Incentives are cumulative, meaning Coach can earn each Incentive identified above with the exception of Incentives that are mutually exclusive by definition: (1) Bowl Game & NY6 or CFP Bowl; (2) Play or Win Bowl/NY6/CFP Game; (3) Top 1-10, Top 11-15, Top 16-25 Final Ranking; and (3) APR 970-979 & APR 980+.

Performance Achievement	Achieve	Appearance	OR	Win
Regular Season Win vs UCF	\$ 15,000			
8th Regular Season Win	\$ 10,000			
9th Regular Season Win	\$ 10,000			
10th Regular Season Win	\$ 15,000			
11th Regular Season Win	\$ 15,000			
12th Regular Season Win	\$ 15,000			
Defeat Top 10 Team (per occurrence) (CFP, AP, or Coaches Poll, on date of game)	\$ 10,000			
Conference Coach of the Year	\$ 25,000			
National Coach of the Year (AP or AFCA)	\$ 50,000			
Top 16-25 Final CFP Ranking	\$ 20,000			
Top 11-15 Final CFP Ranking	\$ 25,000			
Top 1-10 Final CFP Ranking	\$ 30,000			
Academic Year Team GPA is 3.00 or greater	\$ 10,000			
Multi-Year Team APR Rate is 970 - 979	\$ 10,000			
Multi-Year Team APR Rate is 980 or greater	\$ 15,000			
Conference Championship Game		\$ 25,000	OR	\$ 50,000
Bowl Game (vs Group of Five opponent)		\$ 25,000	OR	\$ 40,000
Bowl Game (vs Power Five opponent)		\$ 25,000	OR	\$ 50,000
New Year's Six or CFP Bowl		\$ 100,000	OR	\$ 150,000

Any Performance or Incentive pay will be unavailable in any season during which the Football Team is on probation or have been sanctioned by the NCAA, the Conference, or USF resulting while under the care and management of Coach. Additionally, Performance and Incentive pay will not be payable for any season in which the Football program's annual Academic Progress Rate ("APR") reported in the University's Official Annual APR Report is below 930 (or other minimum as may be set by the NCAA) for each academic year resulting while under the care and management of Coach.

