## [If individual will also be employed as head coach, separate employment agreements must be executed for Head Coach and Athletic Director.]

## ATHLETIC DIRECTOR EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this “Agreement”) is between The University of Texas \_\_\_\_\_\_\_\_\_\_ (the “University”) and \_\_\_\_\_\_\_\_\_\_ **[insert full name of person]** (“Athletic Director”) (collectively, the “Parties”). This Agreement terminates and replaces any prior agreement between the parties relating to the employment of Athletic Director by the University.

For and in consideration of the mutual promises and covenants set forth herein, the Parties agree as follows:

1. **PURPOSE**

The Parties have entered into this Agreement because the University desires to employ Athletic Director for the period provided and Athletic Director desires to serve the entire term of this Agreement, a long-term commitment by the Parties being critical to Athletic Director’s decision to enter into this Agreement and the University’s desire to run a stable intercollegiate athletics program (the “Program”). The Parties agree that, although this Agreement is athletics-related, the primary mission of the University is education, and accordingly, the primary purpose of all the University’s legal arrangements, including this Agreement, is the furtherance of the University’s educational mission. Athletic Director recognizes the importance of the maintenance and observance of the principles of institutional control over every aspect of the athletic program at the University. Athletic Director agrees to recognize and respect the organizational structure of the University in the execution of **his/her** duties under this Agreement.

**2. DEFINITIONS**

As used in this Agreement (including within these paragraphs) the following terms shall have these meanings:

“NCAA” shall mean the National Collegiate Athletic Association, and its successor. **[If institution belongs to the NAIA, exchange the term NCAA with NAIA throughout the document and replace National Collegiate Athletic Association with National Association of Intercollegiate Athletics in the definition above.]**

“\_\_\_\_\_\_\_\_\_\_” shall mean the \_\_\_\_\_\_\_\_\_\_ Conference, its successor or any other athletic conference of which the University may be a member.

“Governing Athletic Rules” shall mean any and all present or future legislation, rules, regulations, directives, written policies, bylaws and constitutions, and official or authoritative interpretations thereof, and any and all amendments, supplements, or modifications thereto, promulgated hereafter by the NCAA or the \_\_\_\_\_\_\_\_\_\_ Conference or any successor of such association or conference, or by the Athletic Director in the conduct and administration of the Athletics Department.

“University Rules” shall mean any and all present or future legislation, rules, regulations, directives, written policies, bylaws, and constitution, and official or authoritative interpretations thereof, and any and all amendments, supplements, or modifications thereto promulgated hereafter by the University or by the Board of Regents of The University of Texas System.

1. **TERM OF EMPLOYMENT**

The term of this Agreement shall begin on \_\_\_\_\_\_\_\_\_\_, and shall terminate on \_\_\_\_\_\_\_\_\_\_ (the “Term”), subject to the provisions below for termination. To extend or renew the Term of this Agreement, both Parties must sign a written agreement to do so. Athletic Director agrees that oral agreements to renew or extend this Agreement are invalid and non-binding. This Agreement in no way grants Athletic Director a claim to tenure in employment, nor shall Athletic Director’s service pursuant to this Agreement count in any way toward tenure at the University.

**4. ATHLETIC DIRECTOR’s DUTIES AND RESPONSIBILITIES**

 **A. Recognition of Duties.** Subject to the other provisions of this Agreement, the Athletic Director shall devote **his/her** best efforts full-time to leadership, supervision, and promotion of the University’s athletic programs. Athletic Director will report directly to and act and perform to the reasonable satisfaction of the \_\_\_\_\_\_\_\_\_\_ **[insert title of individual to whom Athletic Director reports]**, who will determine Athletic Director’s duties and responsibilities. The Parties agree to meet and formally discuss all aspects of the operation of the Program within 45 days following the conclusion of each season.

**B. General Duties and Responsibilities.** In **his/her** position as Athletic Director, **he/she** is responsible for the duties normally associated with an athletic director at a Division \_\_\_ university including: maintaining a high level of leadership, having a strong commitment to the University’s expectations for an athletics program run with integrity, student-athlete academic success and progress to graduation, high athletic achievement, financial solvency, student-athlete conduct and welfare, compliance with the Governing Athletic Rules and University Rules, personnel supervision and evaluation, scheduling assistance, promotions, public relations, development activities and the overall effective performance of the Program’s student-athletes and coaching staff.

**C. Specific Duties and Responsibilities.** The duties and responsibilities assigned to the Athletic Director in connection with the Program are set forth below. The list of specific duties and responsibilities supplements, and is not exclusive of, other general duties and responsibilities provided for elsewhere in this Agreement. The specific responsibilities of the position include, but are not limited to, the following:

(1) Be responsible for creating, enforcing, interpreting, and reviewing University’s intercollegiate athletic policies, procedures and strategic plan.

(2) Assure that the University has plans, policies, procedures and programs that are in compliance with the Governing Athletic Rules and University Rules, and that promote the mission of the University, the University’s high standard of academic excellence, and the general welfare of student-athletes;

(3) Understand, observe and uphold all academic standards and requirements of the University, including the University Rules, Governing Athletic Rules, and all state and federal laws, and ensure compliance by coaches and other athletic department personnel;

(4) Use **his/her** best efforts to ensure that all academic standards, requirements, University Rules and Governing Athletic Rules are observed, including those in connection with the recruiting and eligibility of prospective and current student-athletes who are academically qualified;

(5) Develop procedures and programs that assure the welfare of student-athletes; ensure that coaching and administrative staff actively support the Department of Athletics and the University’s joint commitment to academic achievement for each student-athlete, to include promoting academic advising and counseling services; maintain and environment in which the pursuit of higher education is a priority as reflected by class attendance, grade point averages, the NCAA academic progress rates (APR), and the NCAA and federal graduation rates;

(6) Promote athletic excellence and a competitive program on local, conference and national levels for the men’s and women’s intercollegiate varsity sports programs;

(7) Be responsible for the recruitment, the hiring and the terms and conditions of employment of all head coaches, with consultation and approval by the \_\_\_\_\_\_\_\_\_\_ **[insert title of individual to whom Athletic Director will report]**, as appropriate;

(8) Maintain responsibility for the supervision and conduct of the head coaches and their activities; this responsibility shall include, without limitation, providing annual evaluations of such head coaches;

(9) Maintain responsibility for hiring and supervising all administrative and other personnel as deemed appropriate for the proper and effective functioning of a major intercollegiate athletic program in the framework of the values and traditions of the University, consistent with the University Rules and Governing Athletic Rules, and with the supervision and approval of the \_\_\_\_\_\_\_\_\_\_ **[insert title of individual to whom Athletic Director will report]**, as appropriate;

(10) Maintain effective relations with governing boards, associations, conferences, committees, alumni, students, faculty, and staff;

(11) Ensure the fiscal integrity of the athletics program; develop strategic plans and budgets; raise private funds; monitor the expenditure of all funds consistent with all state and federal laws, University Rules, and Governing Athletic Rules;

(12) Participate in existing fundraising programs and develop new fundraising initiatives for the Department of Athletics;

(13) Identify needs for renovation and repairs consistent with principles of equal access and athletics; negotiate and recommend sports marketing, apparel, and shoe sponsorship arrangements;

(14) Consult regularly with the Compliance Coordinator regarding the interpretation of applicable rules, and bring any differences of opinion to the \_\_\_\_\_\_\_\_\_\_ **[insert title of individual to whom Athletic Director will report]** for resolution; assist the Compliance Coordinator or other designated individuals in investigating all cases where an alleged violation of a University Rule or Governing Athletic Rule has or may have occurred;

(15) Promote the University’s commitment to equal opportunity and affirmative action and compliance with Title IX;

(16) Maintain responsibility for overseeing and assisting with scheduling athletic events and games, and identify and recommend adding or removing varsity sports teams;

(17) Perform such other duties as assigned from time to time by the \_\_\_\_\_\_\_\_\_\_ **[insert title of individual to whom Athletic Director will report]**.

 **D. NCAA and Other Governing Athletic Rules and University Rules.**

(1) Athletic Director agrees to know, recognize, and comply in all respects with NCAA and other Governing Athletic Rules and University Rules. In the performance of all **his/her** duties and obligations under this Agreement, Athletic Director will abide by and comply with all Governing Athletic Rules and University Rules and all decisions issued by the University. Violations of any Governing Athletic Rules or University Rules by Athletic Director will be sufficient cause for disciplinary action.

(2) It shall be the responsibility of Athletic Director to promote an atmosphere of compliance within the Program and to monitor the activities regarding compliance of all coaches and other administrators involved with the Program who report directly or indirectly to Athletic Director. If, at any time during the Term of this Agreement, Athletic Director knows, or has reasonable cause to believe that any coach, student-athlete, student, faculty member, or agent or employee of the University, or any outside individual has violated, or allowed or caused to be violated, any Governing Athletic Rules or University Rules, or if Athletic Director receives notice or information that the NCAA or the \_\_\_\_\_\_\_\_\_\_ Conference intends to investigate or to review any alleged violations of Governing Athletic Rules or University Rules, or if Athletic Director receives notice or information that any law is alleged to have been violated by any student-athlete or coach of any University athletic program, including **him/her**self, **he/she** must immediately report such information, knowledge or belief to the Compliance Coordinator.

(3) If Athletic Director is found to be in violation of Governing Athletic Rules, whether while employed by the University or during prior employment at another NCAA member institution, Athletic Director shall be subject to disciplinary or corrective action as set forth in the provisions of the NCAA enforcement procedures, including suspension without pay, or the employment of Athletic Director may be terminated as provided in Section 7.A of this Agreement.

**E. Reassignment of Duties.** Throughout the Term of this Agreement, Athletic Director shall use **his/her** best full-time energies, efforts, and abilities for the exclusive benefit of the University. It is understood by the Parties, however, that during the Term of this Agreement, the University retains the right to reassign Athletic Director to other positions with different duties and responsibilities within the Athletic Department that University deems to be reasonably consistent with Athletic Director’s education and experience. In the event of such reassignment, beginning on the date of such reassignment, Athletic Director’s total compensation for the performance of such reassigned duties and responsibilities shall be the Base Salary in effect at the date of reassignment, which salary is listed in Section 6.A.(1) of this Agreement. The University’s obligations under Section 6.B shall terminate upon reassignment at the University’s sole discretion. Upon cessation of Athletic Director’s duties and responsibilities, Athletic Director shall voluntarily relinquish all appointments on NCAA or athletic conference committees, subcommittees and/or councils of any nature. If the University exercises its right to reassign Athletic Director and Athletic Director refuses to accept such reassignment, the University may terminate this Agreement pursuant to Section 7.A.

**5. OTHER EMPLOYMENT**

During the Term of this Agreement, Athletic Director shall either: (a) not engage in any other employment, act in a consulting or independent contractor capacity to any person, partnership, association, or corporation, or receive any athletically related income or benefit from sources outside the University; or (b) be permitted to engage in outside employment only after receiving the prior written approval of the President of the University. Approval shall be required annually. Each request for approval must be in writing and shall specify the source and amount of the income or benefit to be received. Athletic Director shall make a written annual report to the President of the University specifying the amount of all income and benefits from approved sources outside the University. Except when Athletic Director is required by the University to endorse, promote, appear in advertisements of, or consult with regard to athletic equipment or accessories for the purpose of complying with contractual obligations of the University, the name, marks, or logos of the University may not be used and Athletic Director may not be identified as the Athletic Director of the University (1) for purposes related to any employment, consulting, or athletically related activities of Athletic Director, other than for the University, or (2) in connection with Athletic Director’s endorsement, support, promotion, or advertisement of any person, partnership, corporation, association, product, or service.

**6. COMPENSATION AND BENEFITS**

**A. Base Salary.**

(1) Effective \_\_\_\_\_\_\_\_\_\_ **[insert begin date from Section 3]**, the annual **[“annual”, should be used only if the duration of the contract is for a period greater than one year]** Base Salary for duties performed by Athletic Director under this Agreement shall be $\_\_\_\_\_\_\_\_\_\_, payable in 12 monthly installments. **[**The Base Salary will be reviewed at least annually and may be adjusted as required by the legislature or as deemed appropriate by the University.**][Include this sentence only if the duration of the contract is for a period greater than one year.]**

(2) Athletic Director will also receive all other regular employment benefits provided by the University to similarly-situated administrative and professional non-tenured, at-will employees of the University, and such benefits may be modified or terminated. Athletic Director acknowledges and agrees that such regular employment benefits may be modified from time to time, including, without limitation, terminated, as provided for by legislative action of the State of Texas or by action of the Board of Regents of The University of Texas System or the University.

**B. Fringe Benefits.** For the period that Athletic Director serves as the University’s Athletic Director, **he/she** will also be entitled to the compensation and benefits found in this Section 6.B. Each of these benefits is subject to the University Rules and Governing Athletic Rules. In the event any of these benefits does not comply with the University Rules and Governing Athletic Rules, the non-compliant benefit(s) shall be null and void.

(1) **[Optional – delete if not applicable]** Automobile. For the period that Athletic Director is the Athletic Director at the University, the University will either (1) obtain a courtesy automobile from a local dealership for Athletic Director’s use or (2) pay Athletic Director a $\_\_\_\_\_\_\_ monthly car allowance. Athletic Director will comply with all University Rules and Governing Athletic Rules relating to the use of the car or the car allowance. At a minimum, if a courtesy car is provided to Athletic Director, **he/she** will report the business and personal use of the automobile monthly to the Office of the Vice President for Business Affairs in a format determined by that office. The personal use of such automobile will be valued according to the guidelines of the Internal Revenue Service and reported as income to Athletic Director.

(2) **[Optional – delete if not applicable]** Country Club Membership. For the period that Athletic Director is the Athletic Director at the University, **he/she** will receive one (1) full membership in the \_\_\_\_\_\_\_\_\_\_ Country Club.

(3) **[Optional – delete if not applicable]** **Spousal Travel.** It is understood by the parties that while Athletic Director is serving as the Athletic Director at the University, **his/her** spouse may be called upon from time to time to travel and/or attend various functions on behalf of the University. When engaged in such activities and subject to any limitations or conditions placed by state and federal laws or University Rules, Athletic Director’s spouse will be entitled to reimbursement for travel and other reasonable and necessary expenses incurred while engaging in such official activities, provided that such activities are at the direction of and have the prior approval of the Vice President for Business Affairs.

**[Performance Incentives are Optional – delete the next paragraph if not applicable.**

**Please note that 34 CFR 668.14(b)(22) prohibits institutions from paying a commission, bonus, or other incentive payment to any employee (including athletic staff) based on securing enrollments or financial aid to institutional personnel involved in recruitment or making decisions about awarding Title IV aid. However, the regulations do not consider “bonus” payments made to coaching staff or other athletic department personnel to be prohibited if they are rewarding performance other than securing enrollment or awarding financial aid, such as a successful athletic season, team academic performance, or other measures of a successful team.]**

**C. Performance Incentives.** Provided that sufficient funds are available from athletics revenue or gifts for the unrestricted use of the Department of Athletics, Athletic Director shall be entitled to receive additional non-salary compensation from the University in the form of the following stated bonuses for increased responsibilities, provided that all varsity sports are in compliance with all Governing Athletic Rules and University Rules, and there are no pending or active NCAA or \_\_\_\_\_\_\_\_\_\_ Conference investigations or major violations of which Athletic Director knew or should have known.

**[Insert Incentives – See examples below**

(1) Football. Athletic Director is eligible for one of the following bonuses (ties would be decided by the \_\_\_\_\_\_\_\_\_\_ Conference tie breakers):

(a) $15,000 in any contract year in which the Football team wins the \_\_\_\_\_\_\_\_\_\_ Conference championship; or

(b) $10,000 in any contract year in which the Football team finishes the \_\_\_\_\_\_\_\_\_\_ Conference regular season in second, third or fourth place; or

(c) $5,000 in any contract year in which the Football team finishes the \_\_\_\_\_\_\_\_\_\_ Conference regular season in fifth or sixth place; or

(d) $20,000 in any contract year in which the Football team wins the NCAA national championship.

These bonuses are not cumulative. Any amount earned will be paid within 60 days following the date of the bowl game.

(2) Other Varsity Sports Team. Athletic Director is eligible for one of the following bonuses:

(a) $5,000 in any contract year for each varsity sports team that wins the \_\_\_\_\_\_\_\_\_\_ Conference regular championship; or

(b) $2,500 in any contract year for each varsity sports team that participates in post-season NCAA competition; or

(c) $5,000 in any contract year for each varsity sports team that wins an NCAA championship.

These bonuses are not cumulative per team. Any amount earned will be paid within 60 days following the last game/match/meet played by the team in the NCAA post-season competition.**]**

**D. Deductions from Compensation.** Payments to Athletic Director by the University pursuant to the terms of this Agreement shall be subject to all deductions required by state and federal law or regulation. The University will make such other deductions permitted by law and authorized by Athletic Director in writing.

**7. SUSPENSION AND TERMINATION**

**A. Suspension or Termination by the University for Cause.** The University shall have the right and option to either suspend Athletic Director for a period of time with or without pay or to terminate Athletic Director’s employment and this Agreement for cause prior to the termination date stated in Section 3 above. In the event this Agreement is terminated for cause, all obligations of the University to make further payment or provide any other consideration hereunder shall cease as of the date of termination. In no case shall the University be liable to Athletic Director for the loss of any collateral business opportunities, or any benefits, perquisites, income or consequential damages suffered by Athletic Director as a result of the University’s termination of **his/her** employment. In addition to its normally understood meaning in employment contracts, the term “cause” shall include, without limitation, any of the following:

(1) Failure or refusal by Athletic Director to perform any of the obligations, duties or responsibilities outlined in Section 4 or any refusal or unwillingness to perform any of such obligations, duties or responsibilities in good faith and to the best of Athletic Director’s abilities; or

(2) A serious or major violation or a pattern of violations, whether intentional or negligent, by Athletic Director of any Governing Athletic Rules or University Rules, which violation may, in the sole judgment and discretion of the President, reflect adversely upon the University, its athletics program, or The University of Texas System, including, but not limited to, any violation which may result in the University being investigated or placed on probation by the NCAA or any Conference; or

(3) A serious or major violation or a pattern of violations of any Governing Athletic Rules or University Rules, whether intentional or negligent, or the allowing or condoning, whether directly or by negligent supervision, of any such violation or pattern of violations, by Athletic Director or any coaching staff or other person under Athletic Director’s supervision and direction, including student-athletes in the Program, which violation was known (or reasonably should have been known) by Athletic Director in the course of **his/her** normal duties, and which may, in the sole judgment and discretion of the President, reflect adversely upon the University, its athletics program or The University of Texas System, including, without limitation, any violation which may result in the University being investigated or placed on probation by the NCAA or the Conference; or

(4) Failure by Athletic Director to report immediately to the Compliance Coordinator any alleged violations of the Governing Athletic Rules or University Rules by Athletic Director or by members of Athletic Director’s coaching staffs, student-athletes, or other persons under Athletic Director’s direct control or authority that become known to Athletic Director; or

(5) Failing or refusing to provide information or documents in response to any reasonable requests or inquiries by the NCAA, the \_\_\_\_\_\_\_\_\_\_ Conference, or any other governing body concerning or related to the supervision of the Program; or directing or otherwise instructing any coach, student-athlete or any other individual to fail or to refuse to provide such information or documents; or

(6) Any fraud or dishonesty by Athletic Director while performing the duties required by this Agreement, including, but not limited to, falsifying, altering or otherwise fraudulently preparing any document(s) or record(s) of, or required by, The University of Texas System, the University, the NCAA, or the Conference pertaining to the Program, recruits or student-athletes, transcripts, eligibility forms, compliance reports, expense reports, or any other document pertaining or related to any sanction of the Program; or

(7) Any conduct, including acts or omissions, that misleads the University about any matters related to the University’s athletic programs, including matters related to any coaches or other staff members or any student-athletes; or

(8) Any prolonged absence from the performance of Athletic Director’s obligations, duties and responsibilities under this Agreement without prior consent of the \_\_\_\_\_\_\_\_\_\_ **[insert title of individual to whom Athletic Director will report]**; or

(9) Engaging in, assisting, encouraging, or soliciting others to engage in bookmaking, illegal gambling, or betting of any type involving any intercollegiate or professional athletic contest; or

(10) Possession, use, sale, or manufacture of any narcotics, drugs, or other controlled substances or steroids or other chemicals in a manner which is prohibited by the University Rules or Governing Athletic Rules, or allowing, encouraging, or condoning the possession, use, sale, or manufacture of any narcotics, drugs, alcohol, controlled substances, steroids or other chemicals by any student-athlete in a manner which is prohibited by the University Rules or Governing Athletic Rules, or failure or refusal to fully participate and cooperate in the University’s implementation and enforcement of any narcotic, drug, alcohol, controlled substance, steroid, or other chemical testing program(s); or

(11) Any conduct (a) that the University administration reasonably determines is unbecoming to the Athletic Director, or which reasonably brings into question the integrity of the Athletic Director, or that would render Athletic Director unfit to serve in the position of Director of Athletics and reflects poorly on the University, the Program, or The University of Texas System; or (b) resulting in a criminal charge being brought against Athletic Director involving a felony, or any crime involving theft, dishonesty, or moral turpitude; or

(12) Misconduct by assistant athletic directors or by a coach or by **his/her** staff of which the Athletic Director knew, had reason to know, or should have known through the exercise of reasonable diligence or which Athletic Director condoned, of such a nature, as reasonably determined in the discretion of the University administration, that would tend to bring disrespect, contempt or ridicule upon the University, the Program, or The University of Texas System, or which brings discredit to or which harms the reputation of the University, the Program, or The University of Texas System; or

(13) Any cause adequate to sustain the termination of any regular staff employee of the University.

**The University shall have no obligation to use progressive discipline regarding Athletic Director’s misconduct. Any University decision to utilize progressive discipline shall not create any future obligation for the University to use progressive discipline.**

**[Insert one of the options for Section 7.B.**

**If you include the second Section 7.B, you must also include Section 7.C.]**

**B. Termination by the University without Cause.** The University shall have the right to terminate Athletic Director’s employment and this Agreement without any reason and without cause prior to the termination date stated in Section 3 above. In the event this Agreement is terminated without cause, (1) all obligations of the University to Athletic Director pursuant to this Agreement shall cease as of the date of any such termination, and (2) Athletic Director shall be eligible for any post-termination benefits applicable to regular employees of the University (i.e. COBRA insurance eligibility, et al).

**OR**

**B. Termination by the University without Cause.** The University shall have the right to terminate Athletic Director’s employment and this Agreement without any reason and without cause prior to the termination date stated in Section 3 above. In the event this Agreement is terminated without cause, (1) all obligations of the University to Athletic Director pursuant to this Agreement shall cease as of the date of any such termination, (2) Athletic Director shall be eligible for any post-termination benefits applicable to regular employees of the University (i.e. COBRA insurance eligibility, et al), and (3) the University will pay to Athletic Director, in lieu of any and all other legal remedies or equitable relief available to Athletic Director, liquidated damages equal to \_\_\_ **[insert number]** year**(s)** Base Salary that Athletic Director is receiving at the date of such termination for the duration of the Payout Period, which begins on the date of such termination and ends on \_\_\_\_\_\_\_\_\_\_ **[date Payout Period ends]**. Such liquidated damages shall be paid on a monthly basis through the Payout Period.

Athletic Director acknowledges **his/her** obligation to minimize the payments due to **him/her** under Section 7.B and agrees to make every reasonable effort to obtain other employment as long as the University has the obligation to make payments under Section 7.B. If the Athletic Director obtains new employment, the University’s financial obligations under Section 7.B shall be reduced by the total compensation received by Athletic Director in **his/her** new position, including employee benefits, whether in cash, deferred payments, or in kind. If Athletic Director’s salary in **his/her** new position exceeds that which Athletic Director would have been paid at the University, the University’s financial obligations would immediately cease. Athletic Director shall immediately, upon acceptance of other employment, notify the President in writing of such employment and the total compensation to be paid to Athletic Director for the employment. In addition, Athletic Director agrees to provide the University with a copy of **his/her** W-2 form for each calendar year as long as the University has the obligation to make payments under Section 7.B.

If the University ends this Agreement without cause prior to the termination date stated in Section 3, in accordance with the provisions of Section 7.B hereof, the University in no case shall be liable for Athletic Director’s loss of any collateral business opportunities or any other benefits, perquisites or income resulting from activities such as, but not limited to, media appearance, personal appearance, radio, television, internet, marketing and promotional services, apparel or shoe agreements, equipment agreements, consulting relationships or from any other sources that may result from the University’s termination of this Agreement without cause.

**[If you included the second (longer) Section 7.B, you must also include Section 7.C below.]**

C**. Termination of Employment by Athletic Director.** The Parties agree that Athletic Director has special, exceptional, and unique knowledge, skill, and ability which, in addition to the continuing acquisition of experience at the University, as well as the University’s special need for continuity in its athletic program, render Athletic Director’s services unique. Athletic Director further recognizes that **his/her** promise to work for the University for the entire term of this Agreement is an essential consideration in the University’s decision to employ **him/her** as Athletic Director. Athletic Director also recognizes that the University is making a highly valuable investment in **his/her** continued employment by entering into this Agreement and its investment would be lost or diminished were **he/she** to resign or otherwise terminate **his/her** employment as Athletic Director with the University prior to the expiration of this Agreement and obtain the same or similar position at another university. Accordingly, Athletic Director agrees that in the event **he/she** resigns or otherwise terminates **his/her** employment under this Agreement prior to the expiration of the initial term of this Agreement and accepts the same or similar position at another intercollegiate athletic program, **he/she** shall pay to the University as liquidated damages, and not as a penalty, the following amounts:

**[The number of years bracketed below depends on the length of the contract.]**

(1) If Athletic Director leaves during the first **[**three**]** years of this Agreement, **he/she** will pay the University $\_\_\_\_\_\_\_\_\_\_;

(2) If Athletic Director leaves during the **[**fourth**]** year of this Agreement, **he/she** will pay the University $\_\_\_\_\_\_\_\_\_\_ **[should be less than previous amount]**;

(3) If Athletic Director leaves during the **[**fifth**]** year of this Agreement, **he/she** will pay the University $\_\_\_\_\_\_\_\_\_\_ **[should be less than previous amount]**.

Payment of said liquidated damages will be in a single lump sum amount with payment to be made within 30 days of Athletic Director ceasing to be the Athletic Director. If Athletic Director terminates **his/her** employment under this Agreement prior to its expiration in accordance with Section 7.C, **his/her** compensation and benefits, to the extent not already vested, shall cease upon the termination date.

**D. Waiver of Claims.** The financial consequences of termination of this Agreement or suspension hereunder are exclusively set forth herein. Therefore, with the sole exception of payments required by this Agreement, in any instance of termination for cause or without cause, or suspension effected in accordance with the procedures established in this Agreement, neither Athletic Director nor the University shall be entitled to receive, and each hereby waives any claim against the other, and their respective officers, directors, agents, employees, successors, and personal representatives for consequential damages by reason of any alleged economic loss, including, without limitation loss of collateral income, deferred income, loss of earning capacity, loss of business opportunity, loss of perquisites, loss of fees from speech, or other outside activity, or exception income, or damages allegedly sustained by reason of alleged humiliation or defamation resulting from the fact of termination, the public announcement thereof, or the release by the University or Athletic Director of information or documents required by law. Athletic Director acknowledges that, in the event of termination of this Agreement for cause, without cause or otherwise, Athletic Director shall have no right to occupy the position of athletic director and that **his/her** sole remedies are provided herein and shall not extend to injunctive relief.

**E. Termination for Disability/Death.** If Athletic Director dies or becomes permanently disabled to the extent that, in the judgment of the President, Athletic Director cannot satisfactorily perform the duties of Athletic Director (“Inability to Perform”), this Agreement shall terminate and all obligations of the University to compensate Athletic Director pursuant to this Agreement shall cease as of the date of such death or disability. The University shall be obligated to compensate Athletic Director or Athletic Director’s estate in accordance with this Agreement for services performed prior to the termination date and, Athletic Director or Athletic Director’s estate shall be entitled to those benefits, if any, that are payable under any University sponsored group employee insurance or benefit plan in which Athletic Director is or was enrolled.

**8. MISCELLANEOUS**

**A. Merger and Amendment.** The provisions of this Agreement constitute the entire agreement between the Parties with respect to the subject matter hereof and no prior or contemporaneous agreement, either written or oral, shall have the effect of varying the terms hereof. No amendment to this Agreement shall be effective unless reduced to writing and signed by the Parties.

**B. Unenforceability of Provisions.** The provisions of this Agreement are severable. If any provision of this Agreement is determined by a proper court or authority to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect or impair the remainder of this Agreement, and this Agreement shall remain in full force and effect without such invalid, illegal, or unenforceable provision.

**C. Governing Law.** This Agreement shall be construed, enforced, and governed by and in accordance with the laws of the State of Texas. The University and Athletic Director agree that venue for any dispute arising from or related to employment shall be in \_\_\_\_\_\_\_\_\_\_\_ County, Texas. This provision does not prevent the University from removing to federal court any action brought in state court, and Athletic Director hereby consents to, and waives any objections to such removal.

**D. Exemptions, Privileges, and Immunities.** It is expressly agreed and understood between the Parties that nothing contained herein shall be construed to constitute a waiver by the University of its right to claim such exemptions, privileges, and immunities as may be provided by law.

**E. Mutual Understanding.** Each party has read this Agreement, fully understands the contents of it, has had the opportunity to obtain independent legal advice regarding the Agreement’s legal effect, and is under no duress regarding its execution.

**F. Confidentiality; University Records.** All materials or articles of information, including, without limitation, financial records, personnel records, recruiting records, team information, films, statistics and any other material or data furnished to Athletic Director by the University or developed by Athletic Director on behalf of the University or at the University’s or Athletic Director’s direction or supervision, are and shall remain the sole and confidential property of the University. Within 10 days of the expiration of this Agreement or its earlier termination with or without cause by either party, Athletic Director shall immediately cause any such materials in **his/her** possession or control to be returned and delivered to the University and **he/she** shall not be entitled to retain any copies thereof. At the same time, Athletic Director shall return all credit cards and keys issued to **him/her** by the University.

**G. Counterparts.** This Employment Agreement may be executed and delivered in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, but all such counterparts shall together constitute one and the same Employment Agreement.

**H. Disclosure.** The parties acknowledge and agree that the University is required to comply with the Texas Public Information Act.

**I. Review.** This Agreement is subject to review and approval by the President or the President’s delegate and the Executive Vice Chancellor for Academic Affairs. **[**and the Board of Regents of The University of Texas System**]**. **[If total annual compensation is over $250,000, add the bracketed portion to this sentence.]**

IN WITNESS WHEREOF, the Parties hereto, having represented and warranted their authority to enter into and execute this Agreement, has executed this Agreement effective as of the last date written below.

|  |  |
| --- | --- |
| **UNIVERSITY:** | **ATHLETIC DIRECTOR:** |
| **THE UNIVERSITY OF TEXAS \_\_\_\_\_\_\_\_\_\_\_**By:  **[**Name of Executing Officer**]** President **[**Vice President for Business Affairs**]**Date:  |  **[**Full Name of Athletic Director**]**Date:  |
|  |  |
| **APPROVED:** Pedro ReyesExecutive Vice Chancellor, *ad interim,* for Academic AffairsThe University of Texas System | Date:  |