



December 6, 2024

By Email Only

Re: Bronco Mendenhall Offer Letter

Dear Bronco:

I am pleased to offer you the position of Head Football Coach at Utah State University ("USU").

This offer is subject to the terms and conditions set forth in this binding offer letter. In coming days, USU will provide you with a long-form employment agreement that is consistent with the terms of this offer letter and generally with USU's standard coaching contracts. Once executed, the long-form employment agreement will supersede this offer letter.

The material terms of USU's offer of employment include the following:

1. **Term.** You will serve as Head Football Coach on a full-time basis for a period of approximately six (6) years, beginning December 6, 2024 ("Effective Date") and ending on the later of January 31, 2031, or the last game of the team's 2030 season ("Term"). Contract years shall run from February 1 to the following January 31 (except the first contract year which shall begin on December 6, 2024 and end on January 31, 2026 and possibly the last contract year which shall conclude on the later of January 31, 2031 or the last game of the team's 2030 season). Consistent with USU Policy 390, your employment by USU will be "at will", meaning that USU may terminate your employment at any time and for any lawful reason subject to the terms of this offer letter or, once executed, the long-form employment agreement.
2. **Duties and Responsibilities.** As Head Football Coach, you will report to the Vice President and Director of Athletics ("Athletic Director") and will be required to carry out all duties and responsibilities as determined by USU and as set forth in your long-form employment agreement and as otherwise reasonably assigned in the role of Head Football Coach by the Athletic Director. You will be subject to, and responsible for knowing and complying with, all applicable policies and procedures of USU, the USU Athletics Department, and the Utah System of Higher Education; all relevant state, local and federal laws and regulations; and the applicable athletic conference ("Conference") and NCAA Bylaws, rules, and regulations (together, the "Rules and Regulations"). You understand that USU will leave the Mountain West Conference and join the Pac-12 Conference effective July 1, 2026. USU's policies may be found online at www.usu.edu/policies. You will be responsible for supervising and ensuring that Football assistant coaches and staff also know and comply with the Rules and Regulations.
3. **Annual Compensation.** Your annualized compensation will be as follows:

Contract Year	Annual Compensation
Year 1	\$2,000,000
Year 2	\$2,060,000
Year 3	\$2,121,800
Year 4	\$2,185,454
Year 5	\$2,251,018
Year 6	\$2,318,548



Of this annual compensation, it is anticipated that five hundred thousand dollars (\$500,000.00) will be designated as "Media Compensation." Funding for your total compensation may come from a combination of USU Athletic Department funds, private funds donated to USU and the USU-affiliated parties, and funds generated by contracts with vendors for athletic apparel and shoes and multimedia rights agreements. On or around USU's entry into the Pac-12 Conference, the Athletics Director will engage with you in a good faith review and market assessment of your compensation.

4. **Incentive Payments.** In addition to the annual compensation set forth in numbered paragraph 3 of this letter, USU will pay you incentive bonuses for the following achievements:

Academic Achievements (\$20,000 Max)	Amount
The football team (" <u>Team</u> ") maintains a single-year Academic Progress Rate (" <u>APR</u> ") as indicated herein. Note: The APR report is published annually. This incentive compensation may be paid annually and will be triggered upon the publication of the single year APR of 950 or greater.	950-959: \$10,000 960-969: \$15,000 970 and above: \$20,000

Regular Season and Conference Achievements (\$100,000 Max)	Amount
Regular Season Conference Championship (either outright Champion or Co-Champion)	\$25,000
Conference Championship Game Appearance	\$25,000
Conference Championship Game Win	\$50,000

Postseason Achievements (\$500,000 Max)	Amount
Non-CFP Bowl Game Appearance	\$75,000
College Football Playoff (" <u>CFP</u> ") First Round Game Appearance	\$125,000
CFP Quarterfinal Game Appearance	\$200,000
CFP Semifinal Game Appearance	\$300,000
CFP National Championship Game Appearance	\$400,000
CFP National Championship Game Win	\$500,000

Final Poll Achievements (up to \$50,000)	Amount
Team is ranked at the final end-of-season Associated Press Poll, Coaches Poll, or College Football Playoff Poll as indicated herein. Note: If more than one of the above organizations ranks the Team in the top 25, then only the amount associated with the highest ranking will be awarded.	Ranked 1-10: \$50,000 Ranked 11-20: \$25,000 Ranked 21-25: \$15,000

Coaching Achievements (up to \$75,000)	Amount
You are selected as the "Conference Coach of the Year" by the Conference as voted by the Conference coaches	\$25,000
You are selected as national "Coach of the Year" by one of the following organizations: the Associated Press, the American Football Coaches Association, Sporting News, Home Depot, Bear Bryant, Eddie Robinson, CBS Sports, Maxwell (George Munger), Bobby Dodd, or the Walter Camp Football Foundation. Note: If more than one of the above organizations selects you as "Coach of the Year," then only one payment of \$50,000 will be paid.	\$50,000

Other Achievements	Amount
Team wins a rival game against BYU or University of Utah	\$5,000 each

Unless otherwise stated in the Achievement Chart provided above, each amount of the incentive compensation as set forth above will be "earned" upon the occurrence of the related Achievement and will be payable within thirty (30) days thereafter. If the football team becomes bowl eligible in Year 1, but unable to compete due to failing to meet the minimum APR standards for the previous year as set by the NCAA, then Coach will be deemed to have earned the "Non-CFP Bowl Game Appearance" achievement.

5. **Payment of Buyout to Former Employer.** USU will be responsible for a payment to University of New Mexico that is required in connection with the termination of your current employment contract in an amount up to but not to exceed two million dollars (\$2,000,000.00). This payment will be made in thirty-six (36) substantially equal monthly installment payments, the first to be paid in January 2025. USU shall make you whole in the event you incur any costs or expenses associated with such payment, including any income tax liability incurred by you. Moreover, in the event you subsequently incur any additional costs or expenses associated with the aforementioned payment, including but not limited to any additional income tax liability, USU agrees that they shall provide you with a "gross-up" payment to make you whole, with such payment amount to be determined in good faith by USU, you, and your financial advisor and/or CPA, if applicable. This provision shall survive the termination of this agreement.

6. **Assistant Coaches and Staff.** Subject to USU and Athletics departmental hiring and employment practices, you will have the responsibility and sole authority to recommend to the Athletic Director the hiring of assistant Football coaches and staff members who report directly to you, with the final hiring decision made mutually by you and the Athletic Director. Also subject to the final approval of the Athletic Director, you will have the authority to manage, discipline, and terminate the employment of assistant coaches and staff members who report directly to you. The USU Athletic Department will annually allocate an initial salary pool of three million five hundred thousand dollars (\$3,500,000) for assistant football coaches and operations and administrative positions for the first contract year, four million dollars (\$4,000,000) for contract year two, four million five hundred thousand dollars (\$4,500,000) for contract year three, five million dollars (\$5,000,000) for contract year four, five million five hundred thousand dollars (\$5,500,000) for contract year five, and six million dollars (\$6,000,000) for contract year six. The salary pool listed herein shall not include strength staff and the Director of Football Operations. You and the Athletic Director will work together to reach agreement on the allocation of the funds provided for the football assistant coach/staff salary pool.

7. **Benefits.** During the term of your employment and consistent with USU policy and the benefits then currently provided to other similarly situated exempt, non-academic employees, USU will provide you with the following benefits: medical and dental insurance, USU contributions to an approved retirement program consistent with USU's executive compensation plan (as limited by the dollar limitation set forth in Section 401(a)(17) of the Internal Revenue Code for the applicable plan year), employer-funded life insurance and disability insurance (based on salary paid by USU), sick leave, annual leave, tuition reduction for you and eligible family members, and all other benefits currently provided to exempt, non-academic employees. Information about the employment benefits offered by USU may be found online at <http://hr.usu.edu/benefits>.

8. **Vehicle.** You will be provided one loaned vehicle ("*Courtesy Car*") for your use for USU business purposes. The Courtesy Car will be provided to USU by supporters of the USU athletics program. USU will withhold all applicable federal and state taxes related to your use of the Courtesy Car, as required by the IRS and applicable law. You will be required to follow all USU and USU Athletic Department policies and procedures related to use of the Courtesy Car, including periodic reports of vehicle information.

9. **Moving Expenses.** USU will pay to you a moving allowance of twenty-five thousand dollars (\$25,000). USU will also provide you with up to two thousand five hundred dollars (\$2,500) per month for two months of temporary housing. Any such payments qualify as a taxable benefit and any amounts paid will be included in your taxable wages.

10. **Country Club Membership.** You will be entitled to membership at the Logan Golf and Country Club ("Country Club"). Your membership will be subject to any terms and conditions imposed by the Country Club, including but not limited to the right of the Country Club to revoke membership. USU will not be responsible for any food minimum requirements or purchases of goods and services at the Country Club. USU will withhold all applicable federal and state taxes related to providing the Country Club membership, as required by the IRS and applicable law.

11. **Tickets.** At your request you will be provided with up to twelve (12) premium level home football season tickets to regular season home games, eight (8) premium level away football regular season games, and four (4) premium level tickets for all home basketball games. You will also be provided with up to ten (10) premium level tickets to any postseason football game that the football team competes in (including, if applicable, the conference championship game). In addition, USU will, subject to availability, provide you with access for up to six (6) people to a shared private box or suite at home football games.

12. **Family Travel Privileges.** Your spouse will be permitted to accompany you to any away football games, including access to team-chartered transportation. Additional immediate family members will also be permitted to accompany you, subject to Athletic Director approval and availability. These travel privileges will be provided at no cost to you. This is a taxable benefit and any amounts paid will be included in your taxable wages.

13. **Termination for Cause and Convenience (without cause).** Subject to the terms of the long-form employment agreement, USU will have the right to terminate your employment for cause (to be defined pursuant to generally accepted industry standards, with USU acknowledging that its intent shall not be to include minor, technical, or immaterial violations, unless repetitive or reoccurring, for purposes of "cause").

Further, both USU and you will have the right to terminate your employment with USU for convenience (also commonly referred to as a without-cause basis).

In the event USU terminates your employment for convenience at any time, USU will be responsible to pay liquidated damages to you in the amount of one hundred percent (100%) of the "Cumulative Remaining Salary", which is the pro-rated amount of total compensation (as described in paragraph 3 of this letter and including scheduled increases) due under this offer letter or the long-form employment agreement that USU and other third parties would have been obligated to pay you had your employment not been terminated. In the event USU terminates your employment for convenience, the liquidated damages due to you shall be paid in equal monthly installments over the remaining term of this offer letter or the long-form employment agreement (had it not been terminated). If your employment is terminated by USU for convenience, other than earned incentives, USU will not be obligated to pay any other amounts, benefits, or damages to you. Further if you are terminated by USU for convenience, you will have an affirmative duty to mitigate the damages by actively seeking immediate coaching-related re-employment in keeping with fair market compensation rates. USU will be entitled to off-set its liquidated damages obligation on a dollar-for-dollar basis by any employment compensation received by you after termination during the otherwise unexpired Term, whether from athletic-related or non-athletic related sources, and you will have an affirmative duty to disclose such sources. USU shall address and accommodate the applicability of IRC Sections 409A and 457(f) to its liquidated damages' obligation to you.

You will have an obligation to provide the Athletic Director with written notification prior to engaging in substantive discussions or negotiations for prospective employment with any other entity during your employment with USU.

If you terminate your employment for convenience to accept another coaching position, you will be responsible to pay liquidated damages to USU according to the following schedule:

Date of Termination:	Liquidated Damages Due:
Contract Year 1	\$3,000,000; or
Contract Year 2	\$2,500,000; or
Contract Year 3	\$2,000,000; or
Contract Year 4	\$1,500,000; or
Contract Year 5	\$1,000,000; or
Contract Year 6	\$500,000

In the event you terminate your employment for convenience, fifty percent (50%) of the liquidated damages due to USU shall be paid within ninety (90) days of termination, with the second fifty percent (50%) due within six (6) months of termination.

14. **GRAMA.** USU is a governmental entity subject to Government Records and Management Act ("**GRAMA**") (found at Utah Code section 63G-2-101 et seq.). This means that certain records within USU's possession or control, including without limitation this offer letter and the future long-form employment agreement or amendment thereto, will be subject to public disclosure.

15. **Offer Contingent Upon Certain Verifications, a Background Check, and Execution of an Employment Agreement.** The obligations of both parties as set forth in this offer letter are contingent upon verification of your employment eligibility through procedures required by state and/or federal law. This offer of employment is also contingent upon a satisfactory response to a background check, reference checks, and other due diligence, if needed. This letter provides only a summary of the material terms of USU's offer of employment to you. Both parties will use their best efforts and will act in good faith to negotiate and execute an long-form employment agreement between USU and you by March 1, 2025.

I am very happy to present this offer for you to serve as USU's Head Football Coach. The Aggie Family is incredibly excited to welcome you to Logan. Aggies All the Way!

Please indicate your acceptance of the position as Head Football Coach by signing in the space provided below.

Both parties agree that an electronic signature of a party, whether digital or encrypted, included in this Offer Letter is intended to authenticate this writing and to have the same force and effect as a manual signature. Delivery of a copy of this Offer Letter bearing an original or electronic signature by electronic mail in "portable document format" (".pdf") form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing an original or electronic signature.

Sincerely,



Diana LH Sabau (Dec 6, 2024 00:38 MST)

Diana L. Sabau
Vice President and Director of Athletics

Accepted:



Bronco Mendenhall (Dec 6, 2024 00:41 MST)

Bronco Mendenhall

Dec 6, 2024

Date

cc: Department of Athletics
Office of General Counsel
Department of Business and Finance
Department of Human Resources