

EXECUTIVE SUMMARY

Item Name: Multiple-year Employment Agreement for Vice President and Director of Athletics (UArizona)

Action Item

Requested Action: The University of Arizona (UArizona) asks that the board to review and approve the multiple-year employment agreement for Vice President and Director of Athletics Desireé Reed-Francois on the terms set forth in this executive summary.

Background

- UArizona is pleased to announce, for the board's consideration and approval, the appointment of veteran intercollegiate athletics administrator Desireé Reed-Francois as UArizona's Vice President and Director of Athletics ("AD"). Reed-Francois currently serves as the Director of Athletics at the University of Missouri and will begin her tenure in Tucson on March 3, 2024.
- Reed-Francois not only has a commitment to student-athlete success, both academically and athletically, but she also brings proven business expertise and financial acumen to the Director of Athletics position. She is an accomplished fundraiser and relationship builder who has transformed two collegiate athletic departments into high-performing, cost-effective operations. Reed-Francois also has deep ties to UArizona, where she earned her law degree in 1997.
- Reed-Francois has served as the Director of Athletics at the University of Missouri since 2021, raising the athletics program's profile over the past several years to include a top-10 football program, postseason berths across multiple sports, and enhancements to student-athlete welfare and support. In addition to hiring six head coaches during her tenure, under her leadership Missouri's athletic department had a budget surplus for the first time in six years; enjoyed record-breaking successes in fundraising, including securing the largest gift in Missouri Athletics history of \$62 million; recorded five straight semesters of record student-athlete GPAs; increased attendance at football and basketball games; opened the Stephens Indoor Football Practice Center; initiated significant upgrades to the game-day experience for fans; expanded the Missouri brand across the state and country; and implemented innovative Name Image Likeness ("NIL") initiatives, which is imperative in collegiate athletics.

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- Prior to her tenure in Columbia, Reed-Francois served as the Director of Athletics at the University of Nevada, Las Vegas (2017-2021), revitalizing the department. During her time with the Rebels, she completed or implemented more than \$70 million in facility upgrades; hired seven head coaches, including three who earned Conference Coach of the Year honors early in their tenures; oversaw the completion and opening of a \$35 million on-campus football training complex; and successfully negotiated a joint-use agreement with the NFL's Las Vegas Raiders with the opening of the new \$2 billion Allegiant Stadium.
- Before holding the role of AD, Reed-Francois served at several institutions in various leadership roles, including as the Deputy Athletics Director at Virginia Tech, as a Senior Associate Athletics Director at the University of Cincinnati and as the Senior Associate Athletics Director at the University of Tennessee. Additionally, she has worked at Fresno State University, Santa Clara University, San Jose State University, the University of California Berkeley, and the University of San Francisco. She also has experience at the professional level, working with the then-Oakland Raiders and the National Football League Management Council.
- Reed-Francois currently is the Vice Chair of the Lead1 Association Board of Directors and serves on the organization's executive committee, as well as on the boards of Women Leaders in Sports, the National Association of Collegiate Directors of Athletics ("NACDA") and the National Coalition of Minority Football Coaches. Reed-Francois recently served as Vice Chair of the NCAA Baseball Selection Committee and formerly was a member of the College Football Playoff Committee's operations committee. In addition, she is a member of the National Association of Collegiate Marketing Administrators ("NACMA") and has been a presenter at NACDA, NACMA, Women Leaders in Sports, and *Sports Business Journal's* annual conventions.
- Reed-Francois was a rower at UCLA, where she graduated with a degree in Political Science before earning her law degree from the University of Arizona School of Law. She is a member of the State Bar of California and has taught law classes at the University of Tennessee and at Santa Clara University.
- Based on due diligence, UArizona is not aware of any issues negatively affecting Reed-Francois' employability.

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Discussion

A. Agreement Terms, Salary, Performance Incentives, Buyouts, and Related Information

- The duties of the athletic director include planning, directing, and coordinating a comprehensive program of intercollegiate athletics for UArizona, including fundraising for, and financial oversight of, the University's intercollegiate athletics program.
- The proposed Agreement term will be five years, from March 3, 2024, through March 2, 2029 (the "Term"). Each "Contract Year" will run from March 3 to March 2 of the following year.
- Reed-Francois' compensation will include base salary funded by UArizona. Base salary funded by UArizona will start at \$1,000,000 in the first Contract Year and increase as set forth below:
 - Contract Year 1 - \$1,000,000
 - Contract Year 2 - \$1,050,000
 - Contract Year 3 - \$1,100,000
 - Contract Year 4 - \$1,150,000
 - Contract Year 5 - \$1,200,000
- In addition to the base salary funded by UArizona, Reed-Francois will also earn \$250,000 per year funded by the University of Arizona Foundation.
- Reed-Francois will be eligible for two retention incentive payments during the Term. If Reed-Francois is still employed and performing her duties as AD on February 1, 2028, (near the end of Contract Year 4), she will receive a retention incentive payment of \$800,000. If Reed-Francois is still employed and performing her duties as AD on February 1, 2029, (near the end of Contract Year 5), she will receive a retention incentive payment of \$200,000. Any retention payments made to Reed-Francois will be sourced from donor-based funds.
- Incentive compensation for academic performance achievements for Student-Athlete Cumulative Grade Point Average ("SACGPA") can be earned – \$40,000 for male athletes and \$40,000 for female athletes who outperform their University counterparts in an Academic Year. The Academic Year is the twelve consecutive-month period beginning each August on the first day of classes at UArizona.

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- Incentive compensation for athletic performance includes the following amounts and categories (non-cumulative unless otherwise indicated):
 - Final Director's Cup Ranking
 - 1st - \$100,000
 - 2nd-10th - \$75,000
 - 11th-20th - \$50,000
 - 21st-25th - \$25,000
 - Football Bowl Appearance
 - College Football Playoff Participation - \$125,000
 - New Year's Day Bowl Game - \$75,000
 - Any other Bowl Game - \$50,000
 - Big-12 Championship Game - \$50,000 (cumulative to any additional bowl participation)
 - Men's/Women's Basketball NCAA Tournament Appearance
 - National Championship Game - \$125,000
 - Final Four participation - \$75,000
 - Round of 16 participation - \$50,000
 - Round of 64 participation - \$25,000
 - Baseball/Softball Post-season Appearance
 - National Championship Game - \$125,000
 - College World Series participation - \$75,000
 - Super Regionals participation - \$25,000
 - NCAA Tournament First Round - \$25,000
 - Any Other NCAA Sport Post-season Appearance
 - National Championship - \$50,000
 - Top 8 NCAA Finish - \$25,000
- Reed-Francois also will receive additional benefits, including tickets to UArizona sporting events, a country club membership, use of automobiles, use of a non-commercial airplane for in-season road trips, and a bowl/post-season game(s) package.
- The Agreement may be terminated by UArizona for cause. If Reed-Francois is terminated for cause, UArizona will be liable only for Reed-Francois' UArizona-funded base salary, and any incentive payments earned, as of the date of termination. Bases for termination for cause will be set forth and mutually agreed upon in the Agreement. Cause includes but is not limited to:

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- inability to perform job duties; neglect of program duties (including supervision of staff); personal conduct that impairs ability to perform program duties; unethical or immoral conduct; fraud or dishonesty; being charged, being convicted of, or pleading to a criminal act that adversely reflects on AD's fitness to serve as AD; violations of NCAA, Conference, ABOR, and/or UArizona policies, rules, and/or regulations or any other compliance obligation; failure to cooperate with NCAA, Conference, or UArizona investigations; failure to maintain high levels of integrity, honesty, moral character, professionalism, and dedication to UArizona and its student athletes.
- Additionally, if Reed-Francois is terminated for cause by UArizona for violating NCAA or Conference regulations, Reed-Francois will be responsible for a liquidated damages payment to UArizona of \$250,000.
 - Termination without cause by UArizona: If UArizona terminates Reed-Francois without cause at any time during the Term, UArizona will pay Reed-Francois a severance benefit in an amount equal to the UArizona-funded base salary owed through the end of the Agreement (as well as any incentive compensation earned as of the date of termination).
 - The severance benefit amount will be offset by any and all amounts Reed-Francois receives if she is employed or working at any other university as an athletic director or assistant athletic director during the Term. Reed-Francois will have a duty to mitigate by seeking employment following termination during the Term.
 - Termination by Reed-Francois: If Reed-Francois terminates the Agreement during the Term, Reed-Francois will pay to UArizona liquidated damages based on the Contract Year during which the Agreement is terminated as follows:
 - Termination during Contract Year 1: \$1,000,000
 - Termination during Contract Year 2: \$750,000
 - Termination during Contract Year 3: \$500,000
 - Termination during Contract Year 4: \$250,000
 - Termination during Contract Year 5: \$0
 - Reed-Francois will undertake best efforts to reduce or eliminate any financial buyout Reed-Francois may owe to the University of Missouri. If any financial buyout is still owed following Reed-Francois' best efforts, UArizona agrees it will contribute up to \$1.5 million toward any remaining buyout obligation of Reed-Francois to the University of Missouri. UArizona's contribution, if any,

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will be sourced only from donor-based funding. The remaining payout for the University's former Athletic Director will also be sourced from donor-based funding.

- The Agreement will contain standard provisions, including claw back of athletic incentives earned and reporting of outside income.

Statutory/Policy Requirements

ABOR Policy 6-910 requires board approval of multiple-year employment contracts for athletic directors.

ABOR Policy 6-1001 provides the requirements for multiple-year appointments of intercollegiate athletic directors.