



April 7, 2023

By Email Only

Danny Sprinkle

Redacted

Dear Danny:

With the recommendation and strong support of Jerry Bovee, USU's Interim Vice President and Director of Athletics, I am pleased to offer you the position of Head Men's Basketball 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 an Employment Agreement that is consistent with the terms of this offer letter and with USU's standard coaching contracts (though the Employment Agreement will provide additional detail and information regarding the material terms in this letter). Once executed, the 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 Men's Basketball Coach on a full-time basis for a period of approximately five (5) years, beginning April 8, 2023 and ending on the later of March 31, 2028 or the last game of the team's 2027-2028 season. Contract years shall run from April 1 to the following March 31 (except the first contract year which shall begin on April 8, 2023 and possibly the last contract year which shall conclude on the later of March 31, 2028 or the last game of the team's 2027-2028 season). Consistent with USU Policy 390, your employment by USU will be "at will" and, subject to the terms and conditions of an Employment Agreement, USU may terminate your employment at any time and for any lawful reason subject to the terms of this offer letter or the Employment Agreement.
2. **Duties and Responsibilities.** As Head Men's Basketball 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 Employment Agreement and as otherwise reasonably assigned by the Athletic Director. You will be subject to, and responsible for adhering to, all applicable policies of USU and the Utah System of Higher Education, all relevant state, local and federal laws, and all NCAA Bylaws, rules, and regulations. USU's policies may be found online at www.usu.edu/policies. You will also be subject to specific policies and procedures of the USU Athletics Department. Subject to USU and departmental hiring and employment practices, you will have the responsibility and sole authority to recommend to the Athletic Director the hiring of assistant coaches for the Men's Basketball Team 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.

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3. **Total Compensation.** Your initial annual compensation as Head Coach will be \$900,000 with an annual increase of \$25,000, beginning on April 1st of each year. Funding for your total compensation will come from a combination of USU Athletic Department funds, private funds donated to USU and the USU Foundation, and funds generated by contracts with vendors for athletic apparel and shoes and multimedia rights agreements. USU, working with the USU Foundation and other private funding sources, as well as you and your financial advisors, will develop a mutually acceptable payment structure for payment of your total compensation that may involve base salary payments from USU and other payments for services provided to the USU Foundation, and/or other private funding sources. All payments of this total compensation will be dependent upon and subject to the availability of funds to USU for the purposes set forth in this letter.

4. **Incentive Payments.** In addition to the total compensation set forth in numbered paragraph 3 of this letter, USU will pay you incentive bonuses for certain achievements. The details of these incentive payments will be set forth in your Employment Agreement and reasonably consistent with the terms of incentive payments for USU's most recent head men's basketball coach.

5. **Payment of Buyout to Former Employer.** USU will be responsible for any payment to your current employer that is required in connection with the termination of your employment contract with your current employer in an amount up to but not to exceed Two Hundred and Fifty Thousand Dollars (\$250,000). Should the Expense be taxed as your income, the University will neutralize the actual tax impact to you resulting from the University's payment of the Expense.

6. **Staff Salary Pool.** The USU Athletic Department will annually allocate a salary pool of Five Hundred Thirty Thousand Dollars (\$530,000) for the three assistant men's basketball coaches, plus One Hundred Fifty Thousand Dollars (\$150,000) for the men's basketball operations and administrative positions and one full time Graduate Assistant position. You and the Athletic Director will work together to reach agreement on the allocation of the funds provided for the staff salary pool. Such sums shall be reviewed as part of the annual review between the parties as prescribed by Section 13 herein.

7. **Benefits.** During the term of the Employment Agreement 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. **Courtesy Car.** You will be provided one loaned vehicle for your use for USU business purposes (referred to as a "courtesy car"). This vehicle 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 this 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 courtesy cars, including periodic reports of vehicle information. In the event the courtesy car program ends,

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USU will no longer be required to provide you with use of a vehicle and the parties will mutually agree on a reasonable stipend to cover automobile usage for business purposes.

9. **Moving Expenses.** USU will pay to you a moving allowance of Ten Thousand Dollars (\$10,000). If your expenses exceed this allowance, USU will pay reasonable documented expenses in excess of this allowance and in accordance with USU policy and state law. 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 Country Club. Your membership will be subject to any terms and conditions imposed by the Logan Country Club, including but not limited to the right of the Logan Country Club to revoke membership. USU will not be responsible for any food minimum requirements or purchases of goods and services at the Logan 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 ten (10) home men's basketball season tickets in the lower bowl to regular season home games, eight (8) away men's basketball regular season games, and six (6) tickets for all home football games. You will also be provided with up to twelve (12) priority-level tickets to any post-season men's basketball game that the team competes in (including, if applicable, the conference championship game).

12. **Family Travel Privileges.** Your immediate family will be permitted to accompany you to any away game contests, including access to team-chartered transportation on a space available basis, at no cost to you. This is a taxable benefit and any amounts paid will be included in your taxable wages.

13. **Annual Review.** Following the conclusion of each men's basketball season, the Athletic Director will conduct an annual review of your performance as Head Men's Basketball Coach. The schedule for this review will be established by the Athletic Director.

14. **Termination for Cause and Convenience (without cause).** Subject to the terms of the 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 it's 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 seventy-five percent (75%) of the "Cumulative Remaining Salary", which is the pro-rated amount of total compensation (as described in paragraph 3 of this letter) due under this offer letter or the Employment Agreement that USU and other third parties would have been obligated to pay you had your employment not been terminated. If you terminate your employment for convenience prior to or on March 31, 2025, you will be responsible to pay to USU seventy-five percent (75%) of the Cumulative Remaining Salary as liquidated damages. If you terminate your employment for convenience on or after April 1, 2025, you will be responsible to pay to USU fifty percent (50%) of the Cumulative Remaining Salary.

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In the event any liquidated damages are owed by you or USU, you or USU will pay the required liquidated damages over the remaining term of this offer letter or the Employment Agreement. If you are 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 your damages by actively seeking immediate athletic-related re-employment in keeping with fair market compensation rates. USU will be entitled to off-set its liquidated damage obligation by any employment compensation received by you after termination of your Employment Agreement, whether from athletic-related or non-athletic related sources, and you will have an affirmative duty to disclose such sources. 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.

15. **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 Employment Agreement or amendment thereto, may be subject to public disclosure.

16. **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. Finally, this offer of employment is contingent upon execution of an Employment Agreement by May 1, 2023. 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 Employment Agreement between USU and you by May 1, 2023.

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

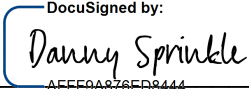
Please indicate your acceptance of the position as Head Men's Basketball Coach by signing in the space provided below.

Sincerely,



Noelle E. Cockett
President

Accepted: DocuSigned by:



William Daniel Sprinkle

4/7/2023

Date

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