College Coaching Bonuses: Dawn Staley By Martin J. Greenberg and Tim Koop

I. Who is Dawn Staley?

Dawn Staley ("Staley") is the head coach of the University of South Carolina ("South Carolina") women's basketball program.¹ Hired in 2008, Staley has led the Gamecocks to much success, including three National Championship wins.² Staley lives a basketball life, from her playing career as a point guard to her current coaching career.³

Staley played high school basketball at Dobbins Tech in Philadelphia, where she earned USA Today's National Player of the Year as a senior in 1988.⁴ She then went on to play at the University of Virginia ("Virginia") from 1988 to 1992.⁵ Staley enjoyed a decorated career as point guard of the team, and during her four years at the school she was a two-time National Player of the Year and went to three Final Fours.⁶ She also was a three-time Kodak All-American and became the first player in Atlantic Coast Conference history to amass more than 2,000 points, 700 rebounds, 700 assists, and 400 steals throughout her career.⁷

Upon graduating from Virginia, Staley played overseas for a short while before joining the Richmond Rage of the American Basketball League ("ABL") in 1996.⁸ Staley then joined the Charlotte Sting ("Sting") of the Women's National Basketball Association ("WNBA") when she was selected with ninth pick in the 1999 WNBA draft.⁹ She was a member of the Sting from 1999-

¹ Women's Basketball: Dawn Staley, South Carolina Sports,

- ⁴ Id. ⁵ Id.
- ⁶ Id.
- 7 Id.
- ⁸ Id.

https://gamecocksonline.com/sports/wbball/roster/coach/dawn-staley/.

² Id.

³ Id.

⁹ 1999 WNBA Draft, <u>https://www.wnba.com/draft/1999</u>.

2005. During her stint with the team she was a three-time WNBA All-Star, and was honored with awards such as the 1999 Entrepreneurial Spirit Award and the 1999 Kim Perrot Sportsmanship Award.¹⁰ From 2005 to 2006, Staley finished her professional career with the Houston Comets of the WNBA.¹¹ She finished her WNBA career as a five-time All-Star, and was named to the both the WNBA Tenth Anniversary Team and the WNBA Fifteenth Anniversary Team in 2006 and 2011, respectively.¹²

Staley was active as an international player as well.¹³ Staley competed internationally for fifteen years across various levels where she amassed a 196-10 overall record.¹⁴ She represented the United States in the Olympics three times and in the FIBA World Cup three times.¹⁵ Highlights of her international career include ten gold medals.¹⁶

Staley began her coaching career at Temple University ("Temple") in 2000, while she was still an active player.¹⁷ Staley initially was not receptive to coaching but was eventually swayed by the challenge of coaching and playing at the same time.¹⁸ In her first season, 2000-2001, Temple made the Women's National Invitational Tournament ("WNIT").¹⁹ In three of the next four seasons, the team made the National Collegiate Athletic Association ("NCAA") Tournament.²⁰ In the 2004-2005 season, Temple's record was 28-4 and had a perfect 19-0 record in the Atlantic 10

¹⁰ Women's Basketball: Dawn Staley, supra, note 1.

¹¹ Id.

¹² WNBA Announces All-Decade Team, https://www.wnba.com/news/wnba-announces-all-decade-team

¹³ Women's Basketball: Dawn Staley, supra, note 1.

¹⁴ Id.

¹⁵ Id.

¹⁶ Dawn Staley, USA Basketball, <u>https://www.usab.com/staff-members/dawn-staley</u>

¹⁷ Women's Basketball: Dawn Staley, supra, note 1.

¹⁸ Wolken, Dan, *South Carolina's Dawn Staley emerging as new face of women's basketball*, USA Today, March 14, 2016, <u>https://www.usatoday.com/story/sports/ncaaw/sec/2016/03/14/south-carolinas-dawn-staley-emerging-new-face-womens-basketball/81760334/</u>

¹⁹ Women's Basketball: Dawn Staley, Temple Sports, <u>https://owlsports.com/sports/womens-basketball/roster/coaches/dawn-staley/181</u>

Conference.²¹ Staley coached Temple through the 2007-2008 season, and she left as the winningest coach in program history.²²

On May 10, 2008, Staley agreed to become the Head Women's Basketball Coach at the University of South Carolina ("South Carolina") of the Southeastern Conference ("SEC").²³ Since then, she has become one of the premier coaches in the sport. Throughout her first three seasons, the team showed steady improvement, and by her fourth year at the helm of the program, Staley led the Gamecocks to the NCAA Tournament's Sweet Sixteen.²⁴ Since then, South Carolina has reached great heights and had tremendous success. Staley has now captured three National Championships, including a win in 2024.²⁵ She has led South Carolina to six Final Fours, eight SEC regular-season championships, and eight SEC Tournament titles.²⁶ Additionally, Staley has been named Conference Coach of the Year and National Coach of the Year several times.²⁷

Aside from her coaching career, Staley lives a life of leadership and generosity. The WNBA recognizes her leadership activity when the league began awarding the Dawn Staley Community Leadership Award, which honors the player who best exemplifies the characteristics of a leader in which she works or lives.²⁸ Further Staley is a co-founder of INNERSOLE, a group which provides sneakers to children who are homeless or in need.²⁹ Remembering the feeling of confidence when she wore a new pair of sneakers as a kid, Staley was motivated to launch the initiative and did so

²¹ Id.

²² Id.

²³ Women's Basketball: Dawn Staley, supra, note 1.

²⁴ College Basketball Coaches: Dawn Staley, Sports Reference, <u>https://www.sports-</u>

reference.com/cbb/coaches/dawn-staley-1.html

²⁵ *Id*.

²⁶ Id. ²⁷ Id.

²' Id.

 ²⁸ Women's Basketball: Dawn Staley, supra, note 1.
²⁹ Id.

initially through social media.³⁰ Staley's off-the-court impact has been recognized in a variety of ways, including other awards and even streets renamed after her.³¹

II. Staley's contract provisions regarding bonuses for the 2023-2024 season

During the 2023-2024 season, Staley was awarded \$680,000 in total bonuses, the maximum for which her contract allowed.³² Her \$680,000 in bonuses was the most of any women's college basketball coach in the country.³³ Her contract allowed for \$15,000 for winning 11 or more SEC regular season games.³⁴ The second bonus provision of her contract states that Staley may earn the greater of:

- (1) \$75,000 for winning the SEC Regular Season Championship; or
- (2) \$50,000 for winning the SEC Tournament Championship; or
- (3) \$100,000 for winning both the SEC Regular Season Championship and the SEC Tournament Championship.³⁵

The third bonus provision in the contract allows for Staley to earn the greater of:

- (1) \$25,000 for an appearance in the NCAA Post-Season Tournament; or
- (2) \$50,000 for an appearance in the NCAA Post-Season Tournament's final 16 teams (Sweet 16); or
- (3) \$100,000 for an appearance in the NCAA Post-Season Tournament's final 8 teams (Elite 8); or
- (4) \$250,000 for an appearance in the NCAA Post-Season Tournament's final 4 teams (Final Four); or
- (5) \$500,000 for winning the NCAA Post-Season Tournament National Championship.³⁶

³⁰ Id.

³¹ Id.

³² Berkowitz, Steve, *Dawn Staley earns \$680,000 in bonuses after South Carolina captures championship*, USA Today, April 11, 2024, <u>https://www.greenvilleonline.com/story/sports/college/usc/2024/04/10/dawn-staley-south-carolina-womens-basketball-coaches-bonus-contract/73273645007/</u>

 $^{^{33}}$ *Id.*

³⁴ Id. ³⁵ Id.

³⁶ *Id*.

The fourth bonus provision allows for Staley to earn \$25,000 for being named the SEC Coach of the Year and an additional \$25,000 for being named National Coach of the Year.³⁷ The fourth and final bonus provision in Staley's contract awards her \$15,000 for finishing in the Top 25 in the final poll of the AP or Coaches Poll, or both.³⁸

Staley's contract also provides in Section 5.02 that

Any Performance Compensation due under this Section 5 shall be paid by the University to Coach within forty-five (45) days after the conclusion of the Team's final game in such basketball season. In no event shall any Performance Compensation paid to Coach pursuant to this Section 5 be considered part of Coach's Base Salary.³⁹

III. What were Staley's necessary achievements to earn contract bonuses?

Staley hit her maximum bonus for the 2023-2024 season, a total of \$680,000.⁴⁰ During South Carolina's historic season, Staley and the team hit five major accomplishments to reach her maximum bonus.⁴¹ First, Staley was awarded \$15,000 when South Carolina surpassed 11 SEC wins, finishing with a perfect record of 16-0.⁴² Next, Staley received \$100,000 when Staley and the Gamecocks won both the SEC regular season and the SEC tournament.⁴³ Staley also earned a whopping \$500,000 as her team capped the season with a National Championship victory.⁴⁴ Finally, Staley completed her maximum bonus when South Carolina finished the season ranked (1st) in both the final AP Poll and the final Coaches Poll.⁴⁵

⁴⁵ Id.

³⁷ Id.

³⁸ Id.

³⁹ Employment Agreement, Dawn Staley and University of South Carolina, October 1, 2021, on file with author. ⁴⁰ Berkowitz, *supra*, note 32.

⁴¹ Id.

⁴² Id.

⁴³ Id.

⁴⁴ Id.

Though Staley earned more in total bonuses than any other NCAA women's basketball coach, other women coaches cashed in big on bonuses themselves.⁴⁶ The second-highest total bonus earned belongs to University of Iowa coach Lisa Bluder.⁴⁷ Bluder's Hawkeyes finished as NCAA runners-up to South Carolina, and she hit many achievements to receive a total bonus of \$310,000.⁴⁸ Bluder was also due a pair of one-year contract extensions and a \$150,000 salary increase; however, she retired in in May 2024.⁴⁹ University of Connecticut's Geno Auriemma (\$262,500 total bonus) and North Carolina State University's Wes Moore (\$200,000 total bonus) came in third and fourth, respectively, in terms of total bonuses received.⁵⁰ Ten other public-school coaches whose teams advanced to the NCAA Tournament's Sweet Sixteen received bonuses ranging from \$50,000 to \$105,000.⁵¹ In summary, a strong performance in the NCAA Tournament correlates with a larger total bonus payment.

IV. What are cumulative vs. non-cumulative bonuses?

Bonuses in coaching contracts can be split into two categories: cumulative and noncumulative. Cumulative bonuses are bonuses which can accumulate to create a larger total bonus payment. Cumulative describes something when it is all added together. On the other hand, noncumulative bonuses do not accumulate, and in most cases, the highest bonus achieved will be the bonus payment made.

Many coaches' contracts will have a provision that describes bonuses as being cumulative verses noncumulative. Texas A&M University ("Texas A&M") Head Football Coach Mike Elko's

- ⁴⁷ Id.
- ⁴⁸ *Id*.

⁵¹ Id.

⁴⁶ Id.

⁴⁹ Id. ⁵⁰ Id.

("Elko") Coach's Employment Agreement effective November 27, 2023 is a good example.

Section 4.3, <u>Incentives</u>, indicates as follows:

Incentives. Coach shall receive incentives based on athletic and academic performance of the Team, or post-season recognition, as follows:

(a) Regular/Season/Coach Incentives	5
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(1) Team Appears in SEC Championship Game:	\$100,000
(2) SEC Coach of the Year (solo or shared):	\$50,000
(3) Associated Press Coach of the Year Award:	\$100,000
(4) Team Achieves Multi-year APR of 960 or above:	\$50,000

- (b) Post-Season Incentives
- (1) Level 1: \$1,000,000 Team Makes the College Football Playoff (CFP)
- (2) Level 2: \$1,500,000 Team Advances to CFP Quarter Finals and/or Wins the SEC Conference Title
- (3) Level 3: \$2,000,000 Team Advances to the CFP Semi-Finals
- (4) Level 4: \$2,500,000 Team Advances to the CFP Championship Game
- (5) Level 5: \$3,500,000 Team Wins the National Championship

The Incentives set forth above in Section 4.3(a) are <u>cumulative</u> and those in Section 4.3(b) are <u>not cumulative</u>. If Coach accomplishes Levels 1-5 of the post-season incentives in Section 4.3(b), one additional year will be added to the Term of this Agreement. Payment from the University to Coach will be made within thirty (30) days of the completion of the Team season in which the Incentive is earned with the exception of the Academic Progress Rate ("APR") Incentive which will be paid within thirty (30) days of the official NCAA release of the Team APR in each Contract Year during the Term.⁵²

Section 4.3(b) Incentives are non-cumulative and therefore Elko would receive the amounts of

those bonuses that corresponds with the highest bonus level achieved. If, for instance, Elko and

Texas A&M were to win a National Championship, the other bonuses would have already been

achieved. Instead of receiving the sum of all the bonuses in Section 4.3(b), Elko would receive

only the \$3.5 million for winning the National Championship by virtue of these incentives not

being cumulative in nature.

⁵² Coach's Employment Agreement, Michael Elko and Texas A&M University, November 27, 2023, on file with author.

Elko could be paid, pursuant to the Incentives in Section 4.3(a), on a cumulative basis for achieving each of the items listed (1-4) as a bonus provisions by virtue of the fact they are cumulative.

V. Conclusion

"Bonus clauses in contracts are supplemental compensation as an incentive based upon coach's performance. These incentives may come in the form of pre-determined set amounts or in the form of either a percentage of the coach's base salary or of the net revenue received by the university as a result of post season play."⁵³ To name a few, what follows is a listing of bonus types:

- 1. Signing
- 2. Participation, Post Season Tournament or Bowl Games
- 3. Regular Season Win-Loss Record
- 4. Regular Season or Conference Championship
- 5. End of Year Conference Championship Tournament
- 6. Home Game Attendance
- 7. Graduation Rates or Grade Attainment Levels
- 8. Length of Service based upon years of employment ("Longevity")
- 9. Administrator Performance
- 10. Total Wins
- 11. Post-Season Wins
- 12. Poll Rankings
- 13. Recruiting Rankings

⁵³ College Coaching Contracts Revisited: A practical perspective, Vol. 12, No. 1, 12 Marq. Sports Law Review 127, (year)

14. Coach of the Year Awards

15. Attendance

16. Increases

While I am a great proponent of a guaranteed base salary, i.e. - knowing that money is in the bank, bonuses serve a useful purpose in sports contracts. Essentially, they give the coach the incentive to achieve his performance goals during the contract period.

A practitioner must make certain that the bonuses are achievable and real rather than just simply window dressing. Bonuses should also result in something other than money. The Elko extension provision for one year if bonuses are achieved is an excellent way of further recognizing a coach's achievements or, in the alternative, a base salary increase.

Tim Koop is a second-year law student at Marquette University Law School and a 2026 Sports Law Certificate Candidate. Before attending Marquette, Tim attended Iowa State University where he earned a bachelor's degree in business analytics. Tim will graduate from Marquette Law School with a J.D. in the spring of 2026.

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